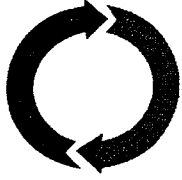


CRRA
BOARD MEETING
May 19, 2011



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
Fax (860)757-7745**

MEMORANDUM

TO: CRRA Board of Directors
FROM: Moira Benacquista, Secretary to the Board/Paralegal
DATE: May 13, 2011
RE: Notice of Regular Meeting

There will be a Regular Meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, May 19, 2011 at 9:30 p.m. The meeting will be held in the Board Room of 100 Constitution Plaza, Hartford, Connecticut.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Connecticut Resources Recovery Authority
Regular Board of Directors Meeting

Agenda
May 19, 2011
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Minutes

1. Board Action will be sought for the Approval of the April 21, 2011 Regular Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the Approval of the Amended Jan. 27, 2011, Special Telephonic Meeting Minutes (Attachment 2).

1.a Action Items

IV. Board Committee Reports

A. Finance Committee Reports

1. Board Action will be sought Regarding Approval of the Stratford Garbage Museum Budget (Attachment 3).
2. Board Action will be sought Regarding Approval of Recycling Division Budget (Attachment 4).
3. Board Action will be sought Regarding Approval of the Property Division Budget (Attachment 5).
4. Board Action will be sought Regarding Approval of the Wallingford Landfill Post Closure Trust (Attachment 6).

B. Policies & Procurement Committee

1. Board Action will be sought Regarding Approval of a Legal Services Agreement with Cohn Birnbaum & Shea (Attachment 7).
2. Board Action will be sought Regarding Approval of a Resolution for the City of Waterbury Reloading Area Waste Transportation and Disposal Services (Attachment 8).
3. Board Action will be sought Regarding Approval of a Resolution Regarding Transfer Station Operation, Transport Services and Disposal of Recyclable Materials between CRRA and SWEROC (Attachment 9).

4. Board Action will be sought Regarding Approval of an Agreement between CRRA and SWEROC for operation of the Stratford Intermediate Processing Center (Attachment 10).

C. Organizational Synergy & Human Resources Committee Report

V. Chairman and President's Reports

VI. Executive Session

An Executive Session will be held to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations.

1. Board Action will be sought Regarding Approval of a Resolution Regarding Additional Projected Legal Expenditures (Attachment 11).
2. Board Action will be sought Regarding Approval of FY'12 Projected Legal Expenditures (Attachment 12).

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND EIGHTY-SIXTH APRIL 21, 2011

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, April 21, 2011, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Directors: Chairman Pace
 Vice-Chairman Jarjura (present beginning 10:00 a.m.)
 Louis Auletta
 Dave Damer
 Timothy Griswold
 John Harkins
 Dot Kelly
 Theodore Martland
 Nicholas H. Mullane
 Steve Edwards, Bridgeport Project Ad-Hoc
 Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRA:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Tom Gaffey, Director of Recycling
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Steve Yates, Air Compliance Manager
Moirra Benacquista, Board Secretary/Paralegal

Also present were: Rich Goldstein, Esq., of McElroy, Deutsch, Mulvaney & Carpenter (present for Executive Session); John Pizzimenti of USA Hauling & Recycling; Jim Sandler, Esq., Sandler & Mara; Cheryl Thibeault of Covanta Energy; and Jerry Tyminski of SCRRRA.

Chairman Pace called the meeting to order at 9:32 a.m. and said that a quorum was present.

PLEDGE OF ALLEGIANCE

Chairman Pace requested that everyone stand for the Pledge of Allegiance, whereupon the Pledge of Allegiance was recited.

PUBLIC PORTION

Chairman Pace said that the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes. As there were no members of the public which cared to comment Chairman Pace proceeded with the agenda.

APPROVAL OF THE MINUTES OF THE MARCH 24, 2011, REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the March 24, 2011, Regular Board Meeting. Director Martland made a motion to approve the minutes, which was seconded by Director Auletta.

The motion to approve the minutes as amended was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Painter voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Bob Painter, Mid-Connecticut	X		

RESOLUTION REGARDING APPROVAL OF THE LANDFILL DIVISION BUDGET

Chairman Pace requested a motion regarding the above-captioned item. Director Martland made the following motion:

RESOLVED: That the fiscal year 2012 Landfill Division Operating budget totaling \$1,863,000.00 be adopted as presented at this meeting.

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the following Landfill Division Reserves, as appropriate, to pay for costs and fees incurred during fiscal year 2012 in accordance with the operating budget adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policy:

- Shelton Landfill Post-Closure Reserve
- Waterbury Landfill Post-Closure Reserve
- Wallingford Landfill Post-Closure Reserve

The motion was seconded by Director Griswold.

Mr. Bolduc said in the past these budget authorizations were contained in the Bridgeport Project budget or the Wallingford Project budget, however, as these projects have come to an end the continued obligation rests with CRRRA. Mr. Bolduc said the Landfill Division was created to continue the process

necessary to obtain Board approval for an annual budget for the purpose of the specific costs associated with post-closure reserves. He said there are currently three: the Shelton, Waterbury, and Wallingford landfills. Mr. Bolduc said that once the Mid-Connecticut Project comes to conclusion the Ellington and Hartford landfills will also become part of the Landfill Division budget. He said the budget does not affect tip fees as the funds have already been put aside, and this is to authorize management to spend these funds.

Chairman Pace asked whether the fees, licensing and permits are local costs or from the Connecticut Department of Environmental Protection (hereinafter referred to as "the CT DEP"). Mr. Egan replied that those costs are from the CT DEP.

Director Edwards said as the other two landfills close out this will become a sizable division as it is currently nearly \$2.5 million. He asked how management envisions managing these accounts long-term. Chairman Pace said that much of the work has been front-loaded. Director Edwards asked whether the internal staff of CRRA is expected to grow to deal with this matter.

Mr. Egan replied that CRRA will not need to grow its staff to handle this matter. He said there are several line items for salary and overhead which were built into the 30-year post-closure cost estimates in order for CRRA to continue managing this in-house. Mr. Egan said he expects CRRA to be able to manage this with less manpower over the years as it will become more routine monitoring activities.

Director Kelly asked whether this item should be considered a real estate type item. Mr. Bolduc said management took the initiative three years ago and placed the items for FY '11 into the Property Division in order to capture the costs from an accounting perspective. He said it is now evolving from that and all post-closure landfill-type items are being placed in the Landfill Division. Mr. Bolduc said the other items are still contained in the Property Division.

Mr. Bolduc said there is around \$100,000 allocated in overhead within the Landfill Division reserves. He said those are portions of the CRRA engineering group. Mr. Bolduc said these are responsibilities of CRRA and not individual projects and represent portions of CRRA employees' time.

Director Auletta asked whether he was correct in stating these divisions were set up mainly for accounting purposes and are not operating entities. Mr. Bolduc said that was correct. He said these divisions were also set up to satisfy management's need to be able to present this to the Board for approval to spend the needed maintenance funds.

Director Painter asked if the Hartford Landfill is not contained in the Landfill Division Reserve because it is still in a transitional phase. Mr. Bolduc said he was correct. He said until the project MSAs end the Ellington and Hartford landfills are still in the Mid-Connecticut Project. Mr. Bolduc said the funds for each of the landfills are contained in separate STIF account and are not co-mingled.

Director Edwards asked whether the funds which are not spent in FY '11 roll forward into the next year within the same account. Mr. Bolduc said that was correct.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, and Director Mullane, voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Connecticut			

RESOLUTION REGARDING APPROVAL OF THE BRIDGEPORT FINANCIAL DISTRIBUTION

Chairman Pace requested a motion regarding the above-captioned item. Director Edwards made the following motion:

WHEREAS, the Bridgeport Project officially ended on December 31, 2008; and

WHEREAS, on July 23, 2009, the Connecticut Resources Recovery Authority’s (the “Authority”) Board of Directors (the “Board”) reviewed and approved the consolidation of various activities and assets and accounts relating to the Bridgeport Project in order to set funds aside for final project expenses prior to a distribution of Bridgeport Project-related funds to the towns that were members of the former Bridgeport Project (the “Towns”); and

WHEREAS, on September 24, 2009, the Board reviewed and approved the transfer of remaining assets and accounts that are necessary for the continuation of other activities of the former Bridgeport Project in order to avoid comingling with other Bridgeport Project funds and arrived at a dollar amount to be distributed; and

WHEREAS, the former President of the Bridgeport Solid Waste Advisory Board approved the methodology of distribution of funds to the Towns, which is the pro rata of each town’s weighted average delivery and minimum commitment to the Bridgeport Project during the five and one-half year period July 1, 2003, to December 31, 2008; and

WHEREAS, on October 29, 2009, the Board approved the first distribution of \$1,639,185 to the Towns; and

WHEREAS, on December 16, 2010, the Board approved a second distribution of \$967,529 to the Towns and also authorized the transfer of \$5,000 from the Bridgeport Post-Project Reserve to the Waterbury Landfill Post-Closure Reserve to facilitate the installation of the groundwater well; and

WHEREAS, the amount of \$354,253 is identified surplus and can be distributed to the Towns.

NOW, THEREFORE, it is

RESOLVED: that \$1,575.00 be transferred from the STIF Operating account to the Bridgeport Post-Project Reserve for distribution to the Towns; and

FURTHER RESOLVED: that \$200,142.00 plus any residual interest be transferred from the STIF Waterbury Landfill Closure to the Bridgeport Post-Project Reserve for distribution to the Towns and that account be closed; and

FURTHER RESOLVED: that the amount of \$354,253 be distributed to the Towns in the percentage values and dollar amounts as follows:

<u>Municipality:</u>	<u>Percentage:</u>	<u>Distribution:</u>
Bethany	0.37%	\$ 1,310.74
Bridgeport	17.21%	\$ 60,966.94
Darien	2.59%	\$ 9,175.15
East Haven	3.48%	\$ 12,328.00
Easton	0.73%	\$ 2,586.05
Fairfield	11.32%	\$ 40,101.44
Greenwich	13.15%	\$ 46,584.27
Milford	10.08%	\$ 35,708.70
Monroe	2.84%	\$ 10,060.78
Norwalk	11.77%	\$ 41,695.58
Orange	1.51%	\$ 5,349.22
Shelton	4.69%	\$ 16,614.47
Stratford	6.42%	\$ 22,743.04
Trumbull	4.84%	\$ 17,145.85
Weston	1.28%	\$ 4,534.43
Westport	4.66%	\$ 16,508.19
Wilton	2.22%	\$ 7,864.42
Woodbridge	0.84%	\$ 2,975.73
Total	100.00%	\$354,253.00

The motion was seconded by Director Martland.

Mr. Bolduc said this resolution is similar to actions taken with the culmination of the Wallingford Project. He said the third page of the write-up shows that after the original Project termination in 2008 management listed the various closure activities and put reserves aside to accomplish those activities. Mr. Bolduc said as these activities are completed management updates the description of the item, action taken, amount which was set aside in the reserve for the item, and the current status in the write-up. He said over time these items have decreased and as of February 2001 there was about \$680,000 in the reserve account. Mr. Bolduc said as management has only projected needing an additional \$325,000, the excess \$354,000 is being distributed using the distribution method

contained in the write-up. He said the five-year average distribution was approved historically by the SWAB towns and the CRRA Board.

Mr. Bolduc said the footnote on the last page details a Stratford Recycling Capital Reserve of a little over \$700,000 which is not part of the SWAB project. He said while there is not a balance sheet for SWEROC that footnote is recorded here and requires legal action by SWEROC and CRRA to utilize.

Director Edwards thanked management for the open and transparent process and Mr. Bolduc for keeping everyone in the loop. He said there had been some concern from the SWEROC Board that these monies would never be seen again.

Director Kelly asked what FCR is. Director Edwards replied that Fairfield County Recycling (hereinafter referred to as "FCR") is the recycling company which is under contract to operate the Mid-Connecticut recycling facility and was under contract at the Stratford facility. He said it is important to note that the numbers are kept separate as SWEROC and SWAB are separate and SWEROC does not necessarily have the same participants as were in the earlier SWAB projects.

Director Kelly asked whether this reserve is for transferring recycling to the Mid-Connecticut facility from Stratford. Director Edwards replied yes. He said those monies are being held in the SWEROC account for use as a back-stop for capital improvements or shortfalls for SWEROC initiatives. Director Edwards said it may be used as a rebate for incentive to bring in more recyclable tonnage. Director Kelly said she would encourage Director Edwards to get more tons of recycling. She said she feels the State may be losing incentive on recycling.

Director Edwards said the southwest part of the State is going through a new campaign relative to single-stream recycling in June. He said unfortunately Norwalk and Darien have pulled out of SWEROC and will not be part of the initiative. He suggested she turn to the local level for information concerning those towns.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Harkins, Director Kelly, Director Martland, and Director Mullane, voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Bob Painter, Mid-Connecticut			

RESOLUTION REGARDING APPROVAL OF UPGRADES TO THE MID-CONNECTICUT SYSTEM SCALE AND THE SOUTHWEST RECYCLING SCALE

Chairman Pace requested a motion regarding the above-captioned item. Director Damer made the following motion:

WHEREAS: CRRA's Number 1 Corporate goal is: **Customer Service/Accountability** – Anticipate and be responsive to customer needs in a timely fashion and a professional manner and;

WHEREAS: CRRA customers have consistently valued CRRA's efforts to receive waste and recycling deliveries at Mid-Connecticut facilities in an expeditious manner and;

WHEREAS: CRRA staff engaged in a nine-month, company-wide initiative to study methods of improving the receipt of customer deliveries and monitoring waste flows to achieve maximum operational efficiencies for our customers and CRRA, and;

WHEREAS: The recommendations from said initiative to automate certain scales will further expedite customer deliveries and upgrading technology to monitor MSW inventories on a real-time basis will enhance CRRA's capabilities to manage waste flows which reduces diversion costs, therefore;

RESOLVED: That the Board of Directors hereby approves the expenditure of funds to automate certain scales at the Mid-Connecticut transfer stations, Waste Processing Facility and Regional Recycling Facility and Southwest Regional Recycling facility and upgrade of technology enabling CRRA to monitor waste inventories on a real-time basis and the President is hereby authorized to enter into the sales contract with Mettler Toledo substantially as presented at this meeting.

The motion was seconded by Director Kelly.

Director Damer said this resolution details a process management has been looking into for improving efficiencies and customer focus for the last nine months. Director Damer said the Committee wishes to offer its appreciation for the substantial time and effort CRRA has spent on this project. Mr. Egan said this was a total quality management review of the company in which CRRA tried to reduce many of the steps needed for business and streamline the process for savings on both time and money.

Mr. Yates said this process was called the "STUFF" process, which stands for servicing tons using future facilities. He said the STUFF process is a bottom-up process that began in June 2010 with the formation of two teams. Mr. Yates said each team held a brainstorming session which was purposely very open-ended and free-wheeling as the idea was to collect a list of ideas which would improve CRRA's operations. He said 133 ideas were generated and the groups began to discuss which of these ideas held the most potential bang for the buck and which seemed less promising.

Mr. Yates said some of the ideas were abandoned, others were merged into single larger ideas and some were tabled. He said 10 ideas were assigned to the two teams (five each) with Mr. Yates and Ms. Mary Anne Bergenty as team leaders, with Mr. Gaffey taking over for Ms. Bergenty in her absence. He said the teams were assigned to map the current state, of how these activities are currently accomplished. Mr. Yates said it requires quite some effort to try to list every step of a particular process

and eventually the current-state maps showed all of the steps, how many people were involved, how much time was spent on each step in total, and a clear picture emerged of what management was currently doing for each idea as well as time which was wasted during certain steps.

Mr. Yates said when looking at a properly created current-state map, the wasted effort and non-value-added activities become obvious. He explained each team had to look into why CRRA was doing things the way it was. Mr. Yates said sometimes CRRA's policies or the law dictated how an activity had to be done, but often it was found that procedures had evolved under one set of circumstances and were unchanged even though the circumstances had changed. He said once the non-productive steps of the current-state- were identified, it was time to eliminate them and design the future state.

Mr. Yates said the future state of a process removes the waste and streamlines it and also often involves a new element, such as a tool that must be purchased, to replace the inefficient steps that were removed. He said it should be mentioned that the individuals who were assigned an idea to work on were not necessarily experts on that area which allowed fresh eyes to look at each process. Mr. Yates said area experts were eventually consulted to assure that proposed solutions would actually work once the future state was developed and prepared for implementation.

Mr. Yates said once the future state was approved, it was time to refine the ideas and price quotes from vendors which were obtained. He explained the process of quantifying the benefits and costs of adopting the future state began and risks were considered. Mr. Yates said at this point it became important to consult with CRRA employees which would be affected by the proposed changes to insure that unintended negative consequences could be avoided.

Mr. Yates said finally, detailed proposals for eight ideas were presented to CRRA's leadership team. He said automation of the load-out scales at the transfer stations was one of those ideas. Mr. Yates said the implementation phase will follow CRRA's Procurement Policy and Procedures.

Mr. Gaffey introduced himself to the Board. He said when management went through the vetting process and narrowed down the projects to those before the Board scale operators and enforcement officers were brought in to offer input to make receiving waste and recyclables better for CRRA customers. Mr. Gaffey said he took over for field manger Ms. Bergenty when she went out on medical lead.

Mr. Gaffey said this resolution details CRRA's approach to two issues. He said receiving customers at the transfer stations in Ellington, Essex, Watertown and Torrington is done by using a scale which is already at the load-out area. He explained by using the existing scale it obviates the need for the 100-yard trailer used to pull waste and recyclables to the main scale and allows customer traffic flow to come in without delays as the tractor trailer was weighed going outbound to Hartford.

Mr. Gaffey said management is recommending automating the load-out scale to identify the correct vendor and the weight of the out-bound load. He said the information would be printed out on a ticket which the driver could take with him and skip going on to the main scale.

Mr. Gaffey said management is also recommending automating a scale at the Mid-Connecticut plant, allowing CRRA the flexibility to bring in tons during off hours early in the morning or late at night during the heavy time periods. He said CRRA is the best in the State at getting its customers in and out and would like to continue to improve customer service and this will allow for those improvements.

Mr. Gaffey said management is also looking to automate the recycling scale in order to be able to take in recycling loads during off hours with the Stratford initiative. He said CRRA will work to build the inventory in order to make capital improvements to Stratford for single stream recycling.

Mr. Gaffey said the other component of this initiative allows CRRA management to be able to look at real-time data for the inventory of the transfer stations or the WPF. He said having this information at management's fingertips is critical during the heavy seasons when there are a lot of tons coming in. Mr. Gaffey said there have been times in the past when the lack of real time data has caused CRRA money. He said decisions to bring in extra waste or divert waste were not made in a timely manner as the real-time data was not available.

Director Damer said the real-time data allows management to monitor the fuel inventory and flow of that inventory through the various facilities.

Mr. Gaffey said in addition there are safety issues at the transfer stations which will be addressed by the changes. He said that Watertown's traffic flow conflicts with incoming traffic and the 100-yard trailers have to maneuver a tight corner to get onto the main scale. Mr. Gaffey said this also mitigates those safety issues in addition to allowing traffic to flow more freely.

Chairman Pace asked whether the trucks are weighed or visually inspected as they come into the facilities. Mr. Gaffey replied that the trucks are weighed. Chairman Pace asked whether this will be continued. Mr. Gaffey replied yes. He said management weighs the trucks empty from time to time to keep a check on that weight.

Director Painter asked what CRRA does to make the towns aware of the improvements which CRRA is making. Mr. Gaffey said management meets with the CRRA haulers on a quarterly basis and has also started a hauler advisory board which meets every other month. He said at the most recent quarterly hauler meeting management reviewed these changes with the haulers, changes which were well received.

Chairman Pace suggested some kind of notice be sent out to local officials detailing the improvements and changes. Director Painter said it seems that CRRA is still dealing with old-fashioned perceptions from several member towns. He suggested a brief bulletin be sent out detailing what management has done and how it will have an impact on overall costs. Director Painter said these impressive managerial steps should be shared with the towns. Director Damer suggested sharing this information with the Mid-Connecticut Project Municipal Advisory Committee (MAC). Mr. Kirk said management has several vehicles for communication including the MAC Committee,

Director Martland said the towns will be directly saving money via these improvements as well. Director Painter said he was not entirely familiar with CRRA's public relations efforts. He said there should be a bulletin and an administrative sit-down to choose how this bulletin will be drawn up and that management should do more than just report to the MAC Committee meeting, which is not always well attended. Chairman Pace suggested that Director Painter meet with Mr. Kirk and Mr. Nonnenmacher, to discuss this idea.

Director Auletta asked whether some of these efficiencies can be translated into savings so that management can think about this in terms of payback on the investment. Mr. Gaffey replied yes. He said on the real-time initiative management did do an analysis on the staff time which was taken up by not

having that real time function. He said that MPV did show a significant savings and the steps were also mapped out. Mr. Kirk said in addition CRRA's intelligence on the decision-making process on excess inventory and the huge costs of export will improve. He said the discounting decision making intelligence for when CRRA is short on fuel will also save ample time and money. He said in management's evaluation this resolution pays for itself just by the process steps and the real savings is in the ability to make smarter decision with the real-time data.

Director Griswold said the towns which use the transfer stations could meet for an open house-type session and management could provide field trips for CEOs to actually see the transfer stations. Mr. Kirk agreed. He said the intent from the beginning was to take advantage of the end of the Mid-Connecticut Project to look at ways to better serve the customers.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Painter voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Connecticut	X		

RESOLUTION REGARDING APPROVAL OF THREE-YEAR LEGAL SERVICES AGREEMENTS

Chairman Pace requested a motion regarding the above-captioned item. Director Damer made the following motion:

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority Legal Services Agreements as were substantially set forth in the Request for Qualifications dated January 31, 2011, for a period of three years commencing on July 1, 2011, and terminating on June 30, 2014, with the law firms listed below. Except for the General Counsel position, all other counsel positions will be "on call".

GENERAL COUNSEL
Halloran & Sage

CONSTRUCTION

Halloran & Sage
McCarter & English
McElroy, Deutsch

EMPLOYMENT

Halloran & Sage
Kainen, Escalera (Primary)

ENERGY/DPUC

Halloran & Sage
Brown Rudnick

ENVIRONMENTAL

Halloran & Sage
Brown Rudnick
McCarter & English
Day Pitney

LITIGATION

Halloran & Sage
Brown Rudnick
Day Pitney
Hinckley Allen
Kainen, Escalera
McCarter & English
McElroy, Deutsch
Willinger, Willinger & Bucci

REAL ESTATE

Halloran & Sage
Brown Rudnick
Day Pitney
McCarter & English
Willinger, Willinger & Bucci

SOLID WASTE

Halloran & Sage
Brown Rudnick
Hinckley Allen

CONTRACT COUNSEL

Halloran & Sage
Hinckley Allen
Willinger, Willinger & Bucci

The motion was seconded by Director Griswold.

Director Damer said this resolution involved the three-year process CRRA goes through for solicitation of legal services. He said the notice was advertised properly and 11 packages, including responses for bond counsel and general counsel, were received. Director Damer said the Policies & Procurement Committee elected to interview the potential general counsel candidates including the incumbent firms CRRA has worked closely with over the years. He said the eight firms interviewed were brought in for interviews with the Committee during a full-day meeting.

Director Damer said the interview process was very interesting and informative. He said he, Director Kelly and Director Mullane were assisted by Ms. Hunt and other members of management during the interviews. Director Damer said the interviews provided an optimum time to review several issues with CRRA's current counsel as well as speaking with two new firms on their proposed suggestions. He said the current resolution details the recommendations by the Committee and management for which firms will serve in each category for three year commitments. Director Damer reminded the Board there is no monetary value attached to this recommendation.

Ms. Hunt said at the request of the Finance Committee she approaches the Board every May with permission to spend specific allotments for each firm for the full year.

Director Kelly said she was pleased with the process and many useful ongoing discussions and suggestions came out of the process.

Director Martland said this process has been undertaken by the Committees in the past. He said unfortunately there are instances when firms which are placed in specific categories for possible work and are not used by CRRA, which then results in a lack of future submittals by those firms in the RFP process. Director Mullane said the Committee had discussed the issue of utilization of the different firms, making sure the firms are interested in servicing CRRA, as well as the diversification of firms. Director Mullane said the Committee questioned the firms on the work they do for CRRA and their future plans to continue the work. He said every firm had value and function and unique capabilities to bring to CRRA.

Mr. Kirk noted there are two new additions to the legal stables this year. He said the first is Day Pitney for environmental and litigation, and the second is Willinger, Willinger & Bucci, a Bridgeport-based firm whose perspective will be helpful to CRRA. He said there have been instances in the past when CRRA has not used certain firms. Mr. Kirk said management feels well serviced having a stable of professionals at its disposal.

The motion was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, and Director Mullane voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Connecticut			

RESOLUTION REGARDING APPROVAL OF THREE-YEAR BOND COUNSEL LEGAL SERVICE AGREEMENTS

Chairman Pace requested a motion regarding the above-captioned item. Director Damer made the following motion:

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority Bond Counsel Legal Services Agreements as were substantially set forth in the Request for Qualifications dated January 31, 2011, for a period of three years commencing on July 1, 2011, and terminating on June 30, 2014, with the law firms listed below.

Bond Counsel

Sidley Austin
Pullman & Comley

The motion was seconded by Director Mullane.

Director Damer said the two firms which are being recommended for bond counsel are firms which CRRA has held long term relationships with. He said the Policies & Procurement Committee chose not to interview the incumbent firms for bond counsel as its present relationships with the recommended firms have served CRRA well and the end of project issues which are anticipated will be served by the current firms' institutional knowledge.

The motion was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, and Director Mullane, voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Connecticut			

RESOLUTION REGARDING APPROVAL OF REQUEST FOR SERVICES FOR SINGLE-STREAM RECYCLING MARKET AND PUBLIC RELATIONS CAMPAIGN

Chairman Pace requested a motion regarding the above-captioned item. Director Damer made the following motion:

RESOLVED: That the President is hereby authorized to approve a Request for Services with Pita Group LLC for services associated with CRRA’s single-stream recycling marketing and public relations campaign substantially as presented and discussed at this meeting.

The motion was seconded by Director Kelly.

Mr. Nonnenmacher said CRRA’s work with Pita Communications has been ongoing for several years. He said the results speak for themselves, as recycling continues to increase and CRRA is up 9% year over year. Mr. Nonnenmacher said this resolution details a public relations campaign by radio which management is taking in a new direction. He said CRRA is going to shift some radio advertising to more urban areas and is rolling out its first Spanish-language radio ad. Mr. Nonnenmacher said the radio ads direct listeners to the CRRA website for more information where there will also be a Spanish-language web page.

Mr. Nonnenmacher said in addition, other smaller approaches will be used to complement the radio approach, such as the sponsoring of “Where We Live” on WPNR, a local news and issue-oriented program produced in Hartford.

Chairman Pace said recycling in Hartford is increasing. He asked Director Painter whether there are other ways to target Hartford. Director Painter suggested having “Where We Live” broadcast from the Trash Museum. Mr. Nonnenmacher said management is working on that idea. He said there is a special initiative being undertaken with the Trash Museum and Hartford schools with 5,000-6,000 kids from the Hartford schools every year under this program.

Mr. Nonnenmacher said that Marilynn Cruz-Aponte, the point person on solid waste and recycling for the City of Hartford, has been very happy with that program. He said in addition, CRRA

has received a grant for the past two years for targeted recycling education programs in several communities including Waterbury and East Hartford. He said as the data is still being compiled, thus far the feedback has been that the programs are effective. Mr. Nonnenmacher said single-stream recycling and the rebates and public-awareness efforts are all contributing factors to the increase in recycling each year.

Mr. Nonnenmacher said a story on the City of Torrington's success with single-stream on NBC Connecticut included a shot of CRRA's transfer station and featured the rebate check CRRA provided for Torrington.

Director Mullane said convenience stores and gas stations do not contain recycling containers for bottles and cans. He suggested management look into capitalizing on that volume. A discussion concerning recycling was undertaken.

The motion was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Painter voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Connecticut	X		

PRESIDENT'S REPORT

Mr. Kirk said the CRRA facilities continue to operate in a safe and efficient manner without environmental incidents. He said tonnage continues to be down due to the economy. Mr. Kirk said processed tonnage is down from the year prior due to the outage. He said CRRA's budget is down 2.1% year to date and although management expects to make that up it will not likely be by the end of the fiscal year.

Mr. Kirk said capacity factors and other metrics are trending up because of the investments in the unit at Mid-Conn and are trending up slightly at the other projects. He said generation is still below budget due to the extension of the outage at Mid-Conn and CRRA is about on budget in the Southeast project. Mr. Kirk said pressure part outages have been reduced and all indications are that investments made in the last year are paying off.

Mr. Kirk said Southeast metrics are below budget due to the economy and several unscheduled outages.

Mr. Kirk said CRRA is up 9% year to date concerning recyclables which is remarkable given the roughly 10% decrease in solid waste.

Mr. Kirk said SWEROC is preparing for the single-stream transfer to the Mid-Conn facility July 1, 2011, and the RFP is complete. He said management will be completing its evaluation of the bidders and awarding the contract for July 1, 2010 start.

Mr. Kirk said management has made several presentations to towns interested in new MSAs. He said most towns are focusing on making a decision on July 1, 2011, which is critical. He said management and NAES have begun the administrative and back-office transition process.

Mr. Kirk said management has received essentially unanimous support from the member towns regarding opposition to Senate Bill 1167 and outreach to legislative members continues.

Mr. Kirk noted the May Board meeting may be held at 211 Murphy Road as there is possible construction on the 5th floor of Constitution Plaza planned in Hartford for that date.

CHAIRMAN'S REPORT

Chairman Pace said Senate Bill 1167's intent, purpose and motivation have become clear to the public. He said it is a good study as to how legislatures and individuals work from within.

BREAK

Chairman Pace said that the Board would take a five-minute break before entering into Executive Session.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition, pending RFP's, and personnel matters with appropriate staff. The motion made by Director Damer and seconded by Director Martland was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

Tom Kirk
Jim Bolduc
Peter Egan
Laurie Hunt
Eric Womack
Rich Goldstein, Esq.

The Executive Session began at 10:50 a.m. and concluded at 12:28 p.m. Chairman Pace noted that no votes were taken in Executive Session.

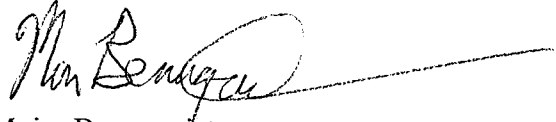
The meeting was reconvened at 12:28 p.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn was made by Director Damer and seconded by Director Kelly and was approved unanimously.

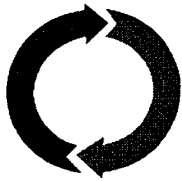
There being no other business to discuss, the meeting was adjourned at 12:28 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Moira Benacquista", with a long horizontal line extending to the right.

Moira Benacquista
Secretary to the Board/Paralegal

TAB 2



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
Fax (860)757-7745**

MEMORANDUM

TO: CRRA Board of Directors

FROM: Moira Benacquista
Paralegal/Secretary to the Board

DATE: May 13, 2011

RE: Jan. 27, 2011 Special Telephonic Board Meeting Minutes

Directors,

It has come to my attention that the incorrect title and resolution recommended by the Organizational Synergy & Human Resources Committee for the "Health and Welfare Broker of Record Agreement" was inadvertently placed in the Jan. 27, 2011, Special Telephonic Board meeting minutes.

The discussion and subsequent vote reflected in the minutes are correct but the incorrect title of the agenda item and actual resolution were included by mistake. Corrected pages are attached for your approval of the minutes as amended.

Thank you,

Moira Benacquista
Paralegal/Secretary to the Board

Mr. Egan said the funds reside in the facility modification reserve and were allocated for this purpose. Chairman Pace asked if this resolution is for a change order for which the work has been completed, but which has not yet been executed. Mr. Egan said that was correct.

Mr. Kirk said the Policies & Procurement Committee thoroughly reviewed this matter. He said management is satisfied with the eventual results.

Director Griswold asked how much work is left to be done on this contract with respect to the change order. Mr. Egan explained this is the last of it and the work has already been done. He said the documents, warranties, and operation manuals for the facility have already been received; this is just to finalize payment to the vendor.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Painter, Director Wawruck, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Mark Lauretti	X		
Theodore Martland	X		
Ron Van Winkle	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut	X		
Steve Wawruck, Mid-Connecticut	X		

ORIGINAL

RESOLUTION REGARDING ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE PROGRAMS

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Griswold:

RESOLVED: That the Board of Directors authorizes the renewal of the employee health insurance benefit plans with the Connecticare, Ameritas (vision), Met Life (dental) and Lincoln Financial (life and disability), for the period of January 1, 2011 through December 31, 2011 for an estimated net combined premium of \$737,243.

Director Damer seconded the motion.

Director Griswold said the Committee discussed this resolution at length. He said the proposals of the two finalists, Marsh and R.C. Knox were spread apart with a 25-30% difference. He said the Committee feels that although Marsh is a big company it is new to this market and there is some concern that they may exit the market if they do not like it. Director Griswold said CRRA has been with R.C. Knox for some time and has a good working relationship with the company.

Director Griswold said the range of bids was from \$20,000-\$40,000. He said at management's request R.C. Knox worked to reduce their bid. Director Griswold said management and the Committee agreed although it may be more costly, in the long run it is worth having R.C. Knox continue.

Chairman Pace said the write-up details that Marsh is just breaking into this market and there was some concern over who would be handling CRRA's business. He said management works directly with a specific contact from R.C. Knox and has worked with this representative for some time. Director Griswold said that was correct.

Director Griswold said this contract is to provide CRRA support when securing insurance valued at about \$750,000 in the aggregate.

Director Martland asked if Marsh is CRRA's consultant on all of its insurance. Mr. Bolduc said Marsh was once CRRA's broker for corporate insurance and exited the market suddenly at which point CRRA had to go out to bid. He said the question is whether CRRA's business is large enough to sustain Marsh's interest. Mr. Bolduc added that Marsh has only been in the market since 2009.

Mr. Kirk said the Committee reviewed this issue at length over the course of several meetings. He said management's recommendation was to preserve the relationship with its existing broker. Mr. Kirk said this is an employee centered service and having this level of confidence with the consultant is important.

Mr. Bolduc said what is being purchased here is a service and not a product. He said the product which is ultimately purchased is \$750,000 worth of insurance and the correct support to obtain those numbers is important. Mr. Bolduc said this service is part of the overall compensation package which benefits in attracting and retaining employees.

Director Laretti asked how long R.C. Knox has represented CRRA. Mr. Bolduc replied approximately six years. Director Laretti asked what the conflicts of interest with the other companies were. Mr. Bolduc replied one of the companies is MDC's actuary and another is the current benefits broker for MDC and its union contracts. He said that does not disqualify the bidder based on ability, however legal issues may complicate their role.

Director Painter asked if the newly selected contractor for the Mid-Connecticut Project, NEAS, will have its own set of benefits packages for their employees. Mr. Bolduc said that was correct. Director Painter asked if the services in this resolution concern benefits those employees may have. Mr. Bolduc replied this is solely for CRRA employees.

Director Painter said that MDC has claimed that although NAES will offer jobs to the current plant workers, the benefits package will not be adequate. Chairman Pace said MDC through their union

contractor offers benefits. Mr. Kirk said management does not know what NAES's specific plans are. He said as the owner and operator CRRA will have influence on this matter. Mr. Kirk said management's intent is to use a market based cost structure, which historically MDC has not been able to provide. He said the benefit package will be different; however whether it is better or worse than MDC's will be a matter of personal preference. Mr. Kirk said NAES has a bonus program and a defined contribution pension plan which differs from MDC's plan.

Director Damer said he calculated this resolution is around \$18-19 thousand more over the three years. He said Marsh's rate escalated much more quickly between year one and three so that the differential in the third year is not as great as it is in the first year leading one to believe that Marsh may be trying to get back to a market rate.

Director Van Winkle said some of the Board has been questioned concerning the NEAS benefit package. He said it would be helpful to have information as to what is included in the NAES benefits package. Mr. Kirk said management will provide that information. Director Martland agreed. He noted that benefits can be construed in many ways.

Mr. Kirk said management has heard positive feedback from the Covanta side of the plant concerning NAES. He said many of those employees indicated through past experience that NAES is a great employer with an excellent bonus program, and many plan on staying at the plant.

Director Kelly asked how the R.C. Knox bid compares with past years. She asked if the scope of service has changed and is it expected to change. Mr. Bolduc said that in the past the brokers were on a commission basis. He said when CRRA moved to Aon as its corporate insurance broker that basis converted to a fee basis. Mr. Bolduc said the same arrangement was now contained in this bid. He said the scope is comparable to the past and management hopes to draw on R.C. Knox's expertise for the NEAS agreement. Mr. Bolduc said the NEAS arrangement will allow for more input in ensuring good packages for the employees, including those of the sub-contractors.

Director Kelly said she is in favor of staying with R.C. Knox given their history with CRRA.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Mark Lauretti	X		
Theodore Martland	X		
Ron Van Winkle	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			

PRESIDENT'S REPORT

Mr. Kirk said tonnage is still down due to economic conditions and the weather. He said there is a reduction in the amount of garbage generated during cold weather. Mr. Kirk said there has been a 5% reduction in recycling rates in the SouthWest region and a 4% increase in the Mid-Connecticut region, most likely due to the economy and weather. Mr. Kirk said Mid-Connecticut withstood those factors better with its single stream customers.

Mr. Kirk said there are a number of placeholder bills which have been introduced by a number of different legislators. He said the bills address governance issues of the CRRA Board and other requests from AFSCME.

Mr. Kirk said the turbines at the Mid-Connecticut facility are opened on a five to eight year basis for inspection. He said turbine six had some problems which management had anticipated and prepared for, including diaphragm replacements. He explained these replacements are the sections of the turbine which drop the pressure and increase the speed of the motivating fluid, steam which passes through the turbine where the steam gives up its energy to the rotor which spins and turns the generator. Mr. Kirk said those diaphragm replacements were anticipated and pre-manufactured. He said when the turbines were opened management discovered erosion in the late stages of the HP section of the turbine which caused concern.

Mr. Kirk said although it caused management great concern to close the turbines with the erosion CRRA was not in a position schedule wise to repair the section. He said some quick work and investigation were done and management located a contractor which has worked with Covanta and General Electric in the past and based on that evaluation, K Machining was engaged to do an inline boring machining operation on the eroding portions of the late stages which will essentially replace the eroded portions with new clean metal surfaces and manufacturer an insert to replace those sections. Mr. Kirk said this is a repair which is done on older machines which cannot be disassembled with the ease which new machines are. He said the 60 year old machine causes complications to its ability to be repaired.

Mr. Egan said the funds reside in the facility modification reserve and were allocated for this purpose. Chairman Pace asked if this resolution is for a change order for which the work has been completed, but which has not yet been executed. Mr. Egan said that was correct.

Mr. Kirk said the Policies & Procurement Committee thoroughly reviewed this matter. He said management is satisfied with the eventual results.

Director Griswold asked how much work is left to be done on this contract with respect to the change order. Mr. Egan explained this is the last of it and the work has already been done. He said the documents, warranties, and operation manuals for the facility have already been received; this is just to finalize payment to the vendor.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Painter, Director Wawruck, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Mark Lauretti	X		
Theodore Martland	X		
Ron Van Winkle	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut	X		
Steve Wawruck, Mid-Connecticut	X		

CORRECTED

RESOLUTION REGARDING ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING HEALTH AND WELFARE BROKER-OF-RECORD

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Griswold:

RESOLVED: That the President of CRRA is hereby authorized to execute the Health and Welfare Broker-of-Record Agreement with RC Knox & Company for the period February 1, 2011 through January 31, 2014 for a total fixed fee of \$84,750 as presented and discussed at this meeting.

Director Damer seconded the motion.

Director Griswold said the Committee discussed this resolution at length. He said the proposals of the two finalists, Marsh and R.C. Knox were spread apart with a 25-30% difference. He said the Committee feels that although Marsh is a big company it is new to this market and there is some concern that they may exit the market if they do not like it. Director Griswold said CRRA has been with R.C. Knox for some time and has a good working relationship with the company.

Director Griswold said the range of bids was from \$20,000-\$40,000. He said at management's request R.C. Knox worked to reduce their bid. Director Griswold said management and the Committee agreed although it may be more costly, in the long run it is worth having R.C. Knox continue.

Chairman Pace said the write-up details that Marsh is just breaking into this market and there was some concern over who would be handling CRRA's business. He said management works directly with a specific contact from R.C. Knox and has worked with this representative for some time. Director Griswold said that was correct.

Director Griswold said this contract is to provide CRRA support when securing insurance valued at about \$750,000 in the aggregate.

Director Martland asked if Marsh is CRRA's consultant on all of its insurance. Mr. Bolduc said Marsh was once CRRA's broker for corporate insurance and exited the market suddenly at which point CRRA had to go out to bid. He said the question is whether CRRA's business is large enough to sustain Marsh's interest. Mr. Bolduc added that Marsh has only been in the market since 2009.

Mr. Kirk said the Committee reviewed this issue at length over the course of several meetings. He said management's recommendation was to preserve the relationship with its existing broker. Mr. Kirk said this is an employee centered service and having this level of confidence with the consultant is important.

Mr. Bolduc said what is being purchased here is a service and not a product. He said the product which is ultimately purchased is \$750,000 worth of insurance and the correct support to obtain those numbers is important. Mr. Bolduc said this service is part of the overall compensation package which benefits in attracting and retaining employees.

Director Lauretti asked how long R.C. Knox has represented CRRA. Mr. Bolduc replied approximately six years. Director Lauretti asked what the conflicts of interest with the other companies were. Mr. Bolduc replied one of the companies is MDC's actuary and another is the current benefits broker for MDC and its union contracts. He said that does not disqualify the bidder based on ability, however legal issues may complicate their role.

Director Painter asked if the newly selected contractor for the Mid-Connecticut Project, NEAS, will have its own set of benefits packages for their employees. Mr. Bolduc said that was correct. Director Painter asked if the services in this resolution concern benefits those employees may have. Mr. Bolduc replied this is solely for CRRA employees.

Director Painter said that MDC has claimed that although NAES will offer jobs to the current plant workers, the benefits package will not be adequate. Chairman Pace said MDC through their union

contractor offers benefits. Mr. Kirk said management does not know what NAES's specific plans are. He said as the owner and operator CRRA will have influence on this matter. Mr. Kirk said management's intent is to use a market based cost structure, which historically MDC has not been able to provide. He said the benefit package will be different; however whether it is better or worse than MDC's will be a matter of personal preference. Mr. Kirk said NAES has a bonus program and a defined contribution pension plan which differs from MDC's plan.

Director Damer said he calculated this resolution is around \$18-19 thousand more over the three years. He said Marsh's rate escalated much more quickly between year one and three so that the differential in the third year is not as great as it is in the first year leading one to believe that Marsh may be trying to get back to a market rate.

Director Van Winkle said some of the Board has been questioned concerning the NEAS benefit package. He said it would be helpful to have information as to what is included in the NAES benefits package. Mr. Kirk said management will provide that information. Director Martland agreed. He noted that benefits can be construed in many ways.

Mr. Kirk said management has heard positive feedback from the Covanta side of the plant concerning NAES. He said many of those employees indicated through past experience that NAES is a great employer with an excellent bonus program, and many plan on staying at the plant.

Director Kelly asked how the R.C. Knox bid compares with past years. She asked if the scope of service has changed and is it expected to change. Mr. Bolduc said that in the past the brokers were on a commission basis. He said when CRRA moved to Aon as its corporate insurance broker that basis converted to a fee basis. Mr. Bolduc said the same arrangement was now contained in this bid. He said the scope is comparable to the past and management hopes to draw on R.C. Knox's expertise for the NEAS agreement. Mr. Bolduc said the NEAS arrangement will allow for more input in ensuring good packages for the employees, including those of the sub-contractors.

Director Kelly said she is in favor of staying with R.C. Knox given their history with CRRA.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Mark Lauretti	X		
Theodore Martland	X		
Ron Van Winkle	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			

PRESIDENT'S REPORT

Mr. Kirk said tonnage is still down due to economic conditions and the weather. He said there is a reduction in the amount of garbage generated during cold weather. Mr. Kirk said there has been a 5% reduction in recycling rates in the SouthWest region and a 4% increase in the Mid-Connecticut region, most likely due to the economy and weather. Mr. Kirk said Mid-Connecticut withstood those factors better with its single stream customers.

Mr. Kirk said there are a number of placeholder bills which have been introduced by a number of different legislators. He said the bills address governance issues of the CRRA Board and other requests from AFSCME.

Mr. Kirk said the turbines at the Mid-Connecticut facility are opened on a five to eight year basis for inspection. He said turbine six had some problems which management had anticipated and prepared for, including diaphragm replacements. He explained these replacements are the sections of the turbine which drop the pressure and increase the speed of the motivating fluid, steam which passes through the turbine where the steam gives up its energy to the rotor which spins and turns the generator. Mr. Kirk said those diaphragm replacements were anticipated and pre-manufactured. He said when the turbines were opened management discovered erosion in the late stages of the HP section of the turbine which caused concern.

Mr. Kirk said although it caused management great concern to close the turbines with the erosion CRRA was not in a position schedule wise to repair the section. He said some quick work and investigation were done and management located a contractor which has worked with Covanta and General Electric in the past and based on that evaluation, K Machining was engaged to do an inline boring machining operation on the eroding portions of the late stages which will essentially replace the eroded portions with new clean metal surfaces and manufacturer an insert to replace those sections. Mr. Kirk said this is a repair which is done on older machines which cannot be disassembled with the ease which new machines are. He said the 60 year old machine causes complications to its ability to be repaired.

TAB 3

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**FISCAL YEAR 2012
GARBAGE MUSEUM
PROPOSED OPERATING BUDGET**

May 19, 2011

**RESOLUTION REGARDING THE REVIEW AND
RECOMMENDATION OF THE GARBAGE MUSEUM
OPERATION**

WHEREAS, the Bridgeport Project officially ended on December 31, 2008; and

WHEREAS, the recycling component of the former Bridgeport Project located in Stratford, Connecticut survived the Bridgeport Project under the auspices of the Connecticut Resources Recovery Authority (the "Authority") and the Southwest Connecticut Regional Recycling Operating Committee, ("SWEROC"); and

WHEREAS, SWEROC has agreed to administer the regional education and promotional programs related to recycling for the southwest area towns; and

WHEREAS, SWEROC administered the regional education and promotional programs through the Garbage Museum located at 1410 Honeyspot Road Extension, Stratford, Connecticut; and

WHEREAS, the Garbage Museum's operating account is estimated to have a cash balance of approximately \$67,000 on July 1, 2011; and

WHEREAS, in Fiscal Year 2012 the Garbage Museum would need to receive an estimated \$224,000 new unappropriated cash; and

WHEREAS, SWEROC discontinued funding the Garbage Museum's activities with the exception of a onetime \$100,000 contribution in June 2009; and

WHEREAS, due to its cash position, Management recommends that the Stratford Garbage Museum be closed in Fiscal Year 2012 and the educational activities be consolidated with the Authority's overall educational and promotional efforts.

NOW, THEREFORE, it is

RESOLVED: that absent a timely change in financial support from the SWEROC towns, the President is hereby authorized to promptly discontinue operation of the Garbage Museum in Fiscal Year 2012 and to take all actions necessary to properly close this facility; and

FURTHER RESOLVED: that Management develops a facility plan for the property located at 1410 Honeyspot Road Extension, Stratford, Connecticut.

GARBAGE MUSEUM

REVENUES

ACCOUNT	DESCRIPTION	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
35-001-000-45150	Gift Shop Sales	\$ 5,284	\$ 10,000	\$ 5,000
35-001-000-45201	Admission Fees/Museum Tours	\$ 43,867	\$ 45,000	\$ 45,000
35-001-000-45202	Fundraising	\$ 2,158	\$ 96,000	\$ 3,000
35-001-000-45203	Donations & Grants, net	\$ 60,429	\$ 43,000	\$ -
35-001-000-48201	Use of Cash Balances	\$ 111,123	\$ 70,000	\$ 65,000
35-001-000-xxxxx	SWEROC Fund Transfer	\$ 100,000	\$ -	\$ -
Total Revenues		\$ 322,861	\$ 264,000	\$ 118,000

EXPENDITURE DETAILS

ADMINISTRATIVE EXPENSES

35-001-501-57871	Indirect Labor, Overhead, & Benefits	(a)	\$ 21,000	\$ 10,000
35-001-501-xxxxx	Direct Administrative Labor & Overhead	(a)	(b)	\$ 27,000
Subtotal Administrative Expenses		\$ -	\$ 21,000	\$ 37,000

OPERATIONAL EXPENSES

35-001-508-52101	Postage & Delivery Fees	\$ 218	\$ 500	\$ 500
35-001-508-52104	Telecommunications	\$ -	\$ -	\$ 4,000
35-001-508-xxxxx	PILOT (c)	\$ -	\$ -	\$ 3,000
35-001-508-52502	Fees/Licenses/Permits	\$ -	\$ -	\$ 1,000
35-001-508-52118	Communications Services	\$ 5,941	\$ 25,000	\$ 25,000
35-001-508-52202	Office Supplies	\$ 343	\$ 500	\$ 500
35-001-508-52203	Educational Supplies	\$ 3,555	\$ 5,000	\$ 5,000
35-001-508-52305	Business Meeting & Travel	\$ 205	\$ -	\$ -
35-001-508-52306	Training	\$ 67	\$ -	\$ -
35-001-508-52355	Mileage Reimbursement	\$ 3,589	\$ 3,000	\$ 3,000
35-001-508-52404	Building Maintenance	\$ 11,160	\$ 20,000	\$ 30,000
35-001-508-56605	Building Construction	\$ -	\$ -	\$ 10,000
35-001-508-52418	Education Exhibits Maintenance	\$ -	\$ 10,000	\$ 10,000
35-001-508-52640	Insurance Premium	\$ -	\$ 5,000	\$ 13,000
35-001-508-52856	Legal Fees	\$ 2,513	\$ -	\$ -
35-001-508-53304	Electricity	\$ -	\$ 18,000	\$ 40,000
35-001-508-53309	Other Utilities	\$ -	\$ 5,000	\$ 15,000
35-001-508-55585	Bank/Trustee Fees	\$ 33	\$ -	\$ 1,000
35-001-508-57872	Direct Operational Labor & Overhead	\$ 122,343	\$ 151,000	\$ 144,000
Subtotal Operational Expenses		\$149,967	\$243,000	\$ 305,000
Total Expenditures		\$ 149,967	\$ 264,000	\$ 342,000
Balance		\$ 172,894	\$ -	\$ (224,000)

(a) No funds allocated in FY10.

(b) Included in the Operational Expenses.

(c) PILOT has not been negotiated with the host city. Currently approximately \$120,000 is paid in taxes to the city by FCR for the entire site. CRRA's normal transfer station PILOT is \$0.50 per ton.

**GARBAGE MUSEUM
SOURCE AND USE OF CASH FUN**

FY 12

ESTIMATED

FY12

	July	August	September	October	November	December	January	February	March	April	May	June
BEGINNING CASH BALANCE:	\$67,598	\$43,598	\$19,598	(\$4,402)	(\$28,402)	(\$52,402)	(\$76,402)	(\$100,402)	(\$124,402)	(\$148,402)	(\$172,402)	(\$196,402)
SOURCES OF FUNDS:												
Group Fees	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Admission Fees	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Gift Shop Sales	417	417	417	417	417	417	417	417	417	417	417	417
Donations	-	-	-	-	-	-	-	-	-	-	-	-
Fundraisers (Tide, other)	250	250	250	250	250	250	250	250	250	250	250	250
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Other Sources (reimbursement, true-up)	-	-	-	-	-	-	-	-	-	-	-	-
Grant: IMLS	-	-	-	-	-	-	-	-	-	-	-	-
Grant: EEF Programs	-	-	-	-	-	-	-	-	-	-	-	-
Grant: EEF Exhibit Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
Grant: EEF Recyclometer	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417	\$ 4,417
USES OF FUNDS:												
Postage & Delivery Fees	42	42	42	42	42	42	42	42	42	42	42	42
Telecommunication	333	333	333	333	333	333	333	333	333	333	333	333
PILOT	167	167	167	167	167	167	167	167	167	167	167	167
Fees/Licenses/Permits	83	83	83	83	83	83	83	83	83	83	83	83
Marketing & Public Relations	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083
Office Supplies	42	42	42	42	42	42	42	42	42	42	42	42
Educational Supplies	417	417	417	417	417	417	417	417	417	417	417	417
Mileage Reimbursement	250	250	250	250	250	250	250	250	250	250	250	250
Building Operations	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Building Construction	833	833	833	833	833	833	833	833	833	833	833	833
Reimbursements (School Refunds)	-	-	-	-	-	-	-	-	-	-	-	-
Debit Card Fees	83	83	83	83	83	83	83	83	83	83	83	83
Allocation - Direct Operations!	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Allocation - Indirect Overhead	833	833	833	833	833	833	833	833	833	833	833	833
Exhibit Maintenance	833	833	833	833	833	833	833	833	833	833	833	833
Insurance Premium	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083
Electricity	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333
Other Utilities	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Allocation - Salaries & Benefits	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
EEF Exhibit Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
EEF Recyclometer	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417	\$ 28,417
Excess/(Deficit) in current month:	(24,000.00)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)
ENDING CASH BALANCE	\$43,598	\$19,598	(\$4,402)	(\$28,402)	(\$52,402)	(\$76,402)	(\$100,402)	(\$124,402)	(\$148,402)	(\$172,402)	(\$196,402)	(\$220,402)

TAB 4

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**FISCAL YEAR 2012
RECYCLING DIVISION
PROPOSED OPERATING BUDGET**

May 19, 2011

**RESOLUTION REGARDING THE ADOPTION OF THE
RECYCLING DIVISION BUDGET AND RECLASSIFICATION OF
STRATFORD RECYCLING CAPITAL RESERVE FROM
PROPERTY DIVISION TO RECYCLING DIVISION**

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") created the Property Division in fiscal year 2009 for the purposes of consolidating the residual assets and accounts necessary following the expiration of the projects for continued activities that are the responsibility of the Authority including, but not limited to, landfill closure and recycling in order to avoid comingling with other on-going project funds; and

WHEREAS, the Bridgeport Project officially ended on December 31, 2008; and

WHEREAS, the recycling component of the former Bridgeport Project located in Stratford, Connecticut survived the Bridgeport Project under the auspices of the Authority, the Southwest Connecticut Regional Recycling Operating Committee, ("SWEROC"), and by the operation of FCR; and

WHEREAS, included in the Property Division is a fund called the Stratford Recycling Capital Reserve and an operating account with approximately \$130,000 in unused prior year recycling operating surpluses; and

WHEREAS, the contract with FCR will terminate on June 30, 2011; and

WHEREAS, the facility in Stratford will cease to function as an Intermediate Processing Center ("IPC") recycling facility on June 30, 2011 and instead operate as a recycling transfer station; and

WHEREAS, Management has created a new division called the Recycling Division, which is segmented into a South Unit for the Stratford recycling activity and a North Unit for the future Mid-Conn recycling activity to better classify the overall recycling operations.

NOW, THEREFORE, it is

RESOLVED: that the Board adopt the Recycling Division Budget substantially as presented at this meeting; and

FURTHER RESOLVED: that the full amount of the Stratford Capital Recycling Reserve currently classified within the Property Division be reclassified to the Recycling Division, South Unit; and

FURTHER RESOLVED: that any unused surplus funds resulting from the operation of the Stratford IPC that are currently classified within the Property Division be reclassified to the Recycling Division, South Unit; and

FURTHER RESOLVED: that amounts in the Stratford Capital Recycling Reserve and the amounts of unused surpluses be available for any cash deficiencies within the Recycling Division's South Unit.

Fiscal Year 2012
Recycling Division
Proposed Operating Budget

May 19, 2011

EXECUTIVE SUMMARY

Attached is the proposed fiscal year 2012 operating budget for the Recycling Division. The fiscal year 2012 proposed operating budget totals \$881k, reflecting a decrease of \$1,315k (60%) from fiscal year 2012 adopted budget.

REVENUE ASSUMPTIONS

The fiscal year 2012 proposed budget revenue is lower than fiscal year 2011 adopted budget due to a decrease in recycling sales and the elimination of rental income.

Revenues	Adopted	Proposed	Increase / Decrease	
	FY11	FY12	\$	%
Recycling Sales	\$ 1,668	\$ 698	\$ (970)	-58%
Rental Income	\$ 528	\$ -	\$ (528)	-100%
Use of Prior Year's Surplus	\$ -	\$ 127	\$ 127	100%
Use of Board Designated Reserve	\$ -	\$ 56	\$ 56	100%
TOTAL	\$ 2,196	\$ 881	\$ (1,315)	-60%

- Recycling Sales (Decrease of \$970k or 58%)
The proposed Recycling Sales revenue is lower than fiscal year 2011 adopted budget due to decreases in tonnage and revenue share.

EXPENDITURE ASSUMPTIONS

The fiscal year 2012 proposed budget expenditure is lower than fiscal year 2011 adopted budget primarily due to decrease in contract operating costs associated with a decrease in tonnage.

Expenditures	Adopted		Increase / Decrease	
	FY10	FY11	\$	%
Telecommunications	\$ 5	\$ 3	\$ (2)	-40%
Building Operations	\$ 35	\$ 30	\$ (5)	-14%
Other Repairs and Maintenance	\$ -	\$ 20	\$ 20	100%
Grounds Maintenance	\$ 3	\$ 2	\$ (1)	-33%
Fees/Licenses/Permits	\$ 3	\$ 5	\$ 3	100%
Claims / Losses	\$ 3	\$ -	\$ (3)	-100%
Insurance Premium	\$ 12	\$ 13	\$ 1	8%
PILOT (b)	\$ -	\$ 10	\$ 10	100%
Contract Operating Charges	\$ 1,712	\$ 270	\$ (1,442)	-84%
Contract Hauling-Other	\$ -	\$ 270	\$ 270	100%
Disposal Fees-Solid Waste	\$ 76	\$ -	\$ (76)	-100%
Electricity	\$ 27	\$ 20	\$ (7)	-26%
Other Utilities	\$ 14	\$ 4	\$ (10)	-71%
Local Administration	\$ 38	\$ 10	\$ (28)	-74%
Direct Operational Labor & Overhead	\$ 269	\$ 130	\$ (139)	-52%
Indirect Labor, Overhead, & Benefits	\$ -	\$ 59	\$ 59	100%
Direct Administration Labor	\$ -	\$ 35	\$ 35	100%
TOTAL	\$ 2,196	\$ 881	\$ (1,315)	-60%

- Contract Operating Charges (Decrease of \$1,442k or 84%)**
 The proposed Contract Operating Charges is lower than fiscal year 2011 due to anticipated decrease in contract per ton service fee.

RECYCLING DIVISION

MEMBER TIP FEE

		ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
Tip Fees	Member Recyclables	\$ -	\$ -	\$ -
			\$ -	
		ACTUAL FY10	ADOPTED FY11	PROPOSED FY12

BUDGET ASSUMPTIONS

Delivery/Processing	CRRA Member Recyclables	36,336	42,000	22,700
Recycling Sales	Per Ton Revenue Sharing	\$ 38.00	\$ 42.00	\$ 30.75
Operating Charges	Operator Payment (per ton)	\$ 42.19	\$ 43.90	\$ -
	Hauling (per ton)	\$ -	\$ -	\$ 11.88

REVENUE & EXPENDITURE SUMMARY

ACCOUNT	DESCRIPTION	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
REVENUES				
xx-001-000-42101	Recycling Sales	\$ 1,526,788	\$ 1,668,000	\$ 698,000
xx-001-000-45101	Rental Income	\$ 544,356	\$ 528,000	\$ -
xx-001-000-xxxxx	Use of Prior Year's Surplus	\$ -	\$ -	\$ 127,000
xx-001-000-xxxxx	Interest Income	\$ 3,316	\$ -	\$ -
xx-001-000-48401	Use of Board Designated Reserve	\$ 50,000	\$ -	\$ 56,000 (c)
	Total Revenues	\$ 2,124,460	\$ 2,196,000	\$ 881,000

ADMINISTRATIVE EXPENSES

xx-001-506-57871	Indirect Labor, Overhead, & Benefits	(a)	(a)	\$ 59,000
xx-001-506-xxxxx	Direct Administrative Labor & Benefits	(a)	(a)	\$ 35,000
	Subtotal Administrative Expenses	\$ -	\$ -	\$ 94,000

5/19/2011

OPERATIONAL EXPENSES

xx-001-506-52104	Telecommunications	\$ 5,000	\$ 5,000	\$ 3,000
xx-001-506-52115	Advertising	\$ -	\$ -	\$ -
xx-001-506-52404	Building Operations	\$ 16,361	\$ 35,000	\$ 30,000
xx-001-506-52409	Other Repairs and Maintenance	\$ -	\$ -	\$ 20,000
xx-001-506-52415	Grounds Maintenance	\$ -	\$ 3,000	\$ 2,000
xx-001-506-52502	Fees/Licenses/Permits	\$ 3,000	\$ 2,500	\$ 5,000
xx-001-506-52505	Claims / Losses	\$ -	\$ 2,500	\$ -
xx-001-506-52640	Insurance Premium	\$ 29,978	\$ 12,000	\$ 13,000
xx-001-506-xxxxx	PILOT (b)	\$ -	\$ -	\$ 10,000
xx-001-506-52701	Contract Operating Charges	\$ 1,556,082	\$ 1,712,000	\$ 270,000
xx-001-506-52707	Contract Hauling-Other	\$ -	\$ -	\$ 270,000
xx-001-506-52710	Disposal Fees-Solid Waste	\$ 76,000	\$ 76,000	\$ -
xx-001-506-52858	Engineering	\$ 565	\$ -	\$ -
xx-001-506-53304	Electricity	\$ 31,073	\$ 27,000	\$ 20,000
xx-001-506-53309	Other Utilities	\$ 18,337	\$ 14,000	\$ 4,000
xx-001-506-56605	Construction	\$ 2,283	\$ -	\$ -
xx-001-506-57820	Local Administration	\$ 8,244	\$ 38,000	\$ 10,000
xx-001-506-57872	Direct Operational Labor & Overhead	\$ 250,169	\$ 269,000	\$ 130,000
	Subtotal Operational Expenses	\$ 1,997,092	\$ 2,196,000	\$ 787,000
	Total Expenditures	\$ 1,997,092	\$ 2,196,000	\$ 881,000

SURPLUS/(DEFICIT)

\$ 127,368	\$ -	\$ - (c)
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(a) Included in the Operational Expenses.

(b) PILOT has not been negotiated with the host city. Currently approximately \$120,000 is paid in taxes to the city by FCR for the entire site. CRRA's normal transfer station PILOT is \$0.50 per ton.

(c) Any cash deficit to be funded from the Stratford Recycling Capital Reserve.

TAB 5

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**FISCAL YEAR 2012
PROPERTY DIVISION
PROPOSED OPERATING BUDGET**

May 19, 2011

**RESOLUTION REGARDING THE ADOPTION OF
THE FISCAL YEAR 2012 PROPERTY DIVISION
OPERATING BUDGET**

RESOLVED: That the fiscal year 2012 Property Division Operating budget totaling \$1,813,000.00 be adopted as presented at this meeting.

PROPERTY DIVISION

REVENUES

ACCOUNT	DESCRIPTION	ADOPTED FY11	PROPOSED FY12
35-001-000-40101	South Central Facility Capacity Revenue	\$ 1,375,000	\$ 1,400,000
35-001-000-45101	Lease Income	\$ 405,000	\$ 413,000
	Total Revenues	\$ 1,780,000	\$ 1,813,000

EXPENDITURE DETAILS

ACCOUNT	DESCRIPTION	ADOPTED FY11	PROPOSED FY12
ADMINISTRATIVE EXPENSES			
35-001-501-57871	Indirect Labor, Overhead, & Benefits	\$ 187,000	\$ 235,000
35-001-501-xxxxx	Direct Administrative Labor & Benefits	(a)	\$ 27,000
	Subtotal Administrative Expenses	\$ 187,000	\$ 262,000
OPERATIONAL EXPENSES			
35-001-501-52856	Legal	\$ 50,000	\$ 45,000 (b)
35-001-501-52875	Insurance Consulting/Brokerage Service	\$ 5,000	\$ 9,000
35-001-501-52899	Other Consulting Services	\$ 80,000	\$ 80,000 (b)
35-001-501-57872	Direct Operational Labor & Benefits	\$ 83,000	\$ 17,000
35-001-623-52701	South Central Facility Operating Charges	\$ 1,375,000	\$ 1,400,000
	Subtotal Operational Expenses	\$ 1,593,000	\$ 1,551,000
	Total Expenditures	\$ 1,780,000	\$ 1,813,000

(a) Included in the Operational Expenses.

(b) Funds would be required from these accounts for maintaining the facility at 1410 Honeyspot Road Extension, Stratford when the Garbage Museum becomes non-operational.

TAB 6

**RESOLUTION REGARDING THE TRANSFER OF A PORTION OF
THE FUNDS FROM THE WALLINGFORD LANDFILL POST
CLOSURE RESERVE TO A WALLINGFORD LANDFILL POST
CLOSURE TRUST**

WHEREAS, on February 17, 1994 the Connecticut Resources Recovery Authority's (the "Authority") Board of Directors (the "Board") approved a resolution adopting the fiscal year 1995 Wallingford budget, which included the funding of \$50,000 to the Wallingford Landfill Postclosure Reserve; and

WHEREAS, each succeeding fiscal year's adopted budget included contributions to the Wallingford Landfill Postclosure Reserve in order to provide sufficient funds for monitoring and maintenance of the landfill for thirty years such that as of April 30, 2011 the balance reported by STIF in the Wallingford Landfill Postclosure Reserve was \$7,430,248.11 (broken down as \$1,680,400 for fiscal year 2013-2020 GASB 18 expenditures, \$2,964,514 for fiscal year 2021-2035 GASB 18 expenditures and \$2,785,334 for fiscal year 2011-2035 non-GASB 18 expenditures); and

WHEREAS, due to a change in the Permit for the Wallingford Landfill, anew financial assurance mechanism must be in place by June 30, 2011; and

WHEREAS, the Authority reviewed all options available and has determined that a Post-Closure Trust Fund, as the mechanism to demonstrate financial assurance, is the least cost alternative; and

WHEREAS, The Connecticut Department of Environmental Protections ("CTDEP") requires that funding equal to the post-closure cost estimate through the end of fiscal year 2020 be placed in a Post-Closure Trust Fund; and

WHEREAS, Management approached the CTDEP and received written approval to transfer a portion of the funds currently in the Wallingford Landfill Postclosure STIF Reserve funds into a new trust to satisfy the financial assurance mechanism.

NOW, THEREFORE, it is

RESOLVED: That \$1,680,400 of funds in the Wallingford Landfill Postclosure STIF Reserve, as approved by the CTDEP, be transferred to U.S. Bank for deposit in a trust fund used to demonstrate financial assurance; and

FURTHER RESOLVED: That the President is authorized to execute a Trust Agreement and associated letter agreement with U.S. Bank, which agreements are associated with the trust fund; and

FURTHER RESOLVED: That the remaining funds in the Wallingford Landfill Postclosure Reserve continue to be maintained in this reserve account to be used only for activities associated with post-closure care and maintenance obligations at the Wallingford Landfill for the remaining years of post-closure activity scheduled through fiscal year 2035.

EXECUTIVE SUMMARY

Heretofore, the Wallingford Landfill has qualified under the Code of Federal Regulations (“CFR”), Title 40, Chapter 1 (Environmental Protection Agency), Subchapter 1, Part 258.74 to meet the criteria for financial assurance through the use of the Local Government Finance Test. (“LGFT”). The LGFT is used by municipalities to show compliance to the Environmental Protection Agency that it satisfies the requirements in the CFR for financial assurance of landfill postclosure costs.¹

In September 2009 the Connecticut Department of Environmental Protection issued a Stewardship Permit for the Wallingford Landfill, which changed the regulatory status of the Wallingford Landfill due to a section of the landfill containing hazardous waste. Unfortunately, this change in regulatory status also disqualified the Wallingford Landfill from being able to use the LGFT. A new financial assurance mechanism must be in place by June 30, 2011.

The other options available for the Authority to use under the CFR that govern the Wallingford Landfill are: 1) a trust fund; 2) a surety bond; 3) a letter of credit; or 4) an insurance policy. Management investigated and received pricing information on these options and determined that the trust fund option was the least cost alternative. In addition, Management sought and received confirmation from CT DEP that the full amount of the Wallingford Landfill Postclosure Reserve did not need to be funded in the new trust agreement and has approved a lower amount of \$1,680,400 (see attached letter). It is DEP’s understanding that the remaining funds will be maintained in the Wallingford Landfill Post Closure Reserve to be used exclusively for post-closure monitoring and maintenance activities.

As of April 30, 2010, the balance in the Wallingford Landfill Postclosure STIF Reserve was \$7,430,248.11.

¹ Among the requirements of the LGFT are investment grade bond ratings, meeting certain financial ratios and preparing financial statements that meet GAAP and are audited by an outside auditor.

WALLINGFORD LANDFILL POSTCLOSURE RESERVE

DRAFT UPDATED

8/12/2010

Fiscal Year	Post Year	Reserve Opening Balance	Reserve Contributions	Year 17 thru	Year 15 thru	Inflation Adjusted Costs	Reserve Closing Balance
				Year 30 (FY13 - FY29)	Year 16 (FY11 - FY12)		
				3.92%	2.95%		
				2.81%	2.72%		
				1.11%	0.23%		
11	0	\$ 7,529,533	\$ -	\$ 221,895	\$ 637,370	\$ 637,370	\$ 7,114,058
12	1	\$ 7,114,058	\$ -	\$ 209,651	\$ 775,370	\$ 796,460	\$ 6,527,250
13	2	\$ 6,527,250	\$ -	\$ 255,868	\$ 336,070	\$ 355,222	\$ 6,427,895
14	3	\$ 6,427,895	\$ -	\$ 251,973	\$ 292,370	\$ 317,716	\$ 6,362,153
15	4	\$ 6,362,153	\$ -	\$ 249,396	\$ 292,950	\$ 327,292	\$ 6,284,258
16	5	\$ 6,284,258	\$ -	\$ 246,343	\$ 292,370	\$ 335,822	\$ 6,194,778
17	6	\$ 6,194,778	\$ -	\$ 242,835	\$ 276,730	\$ 326,790	\$ 6,110,824
18	7	\$ 6,110,824	\$ -	\$ 239,544	\$ 276,730	\$ 335,973	\$ 6,014,396
19	8	\$ 6,014,396	\$ -	\$ 235,764	\$ 276,730	\$ 345,413	\$ 5,904,746
20	9	\$ 5,904,746	\$ -	\$ 231,466	\$ 277,310	\$ 355,864	\$ 5,780,349
21	10	\$ 5,780,349	\$ -	\$ 226,590	\$ 276,730	\$ 365,098	\$ 5,641,840
22	11	\$ 5,641,840	\$ -	\$ 221,160	\$ 276,730	\$ 375,358	\$ 5,487,643
23	12	\$ 5,487,643	\$ -	\$ 215,116	\$ 276,730	\$ 385,905	\$ 5,316,853
24	13	\$ 5,316,853	\$ -	\$ 208,421	\$ 276,730	\$ 396,749	\$ 5,128,525
25	14	\$ 5,128,525	\$ -	\$ 201,038	\$ 277,310	\$ 408,753	\$ 4,920,810
26	15	\$ 4,920,810	\$ -	\$ 192,896	\$ 276,730	\$ 419,360	\$ 4,694,346
27	16	\$ 4,694,346	\$ -	\$ 184,018	\$ 276,730	\$ 431,144	\$ 4,447,221
28	17	\$ 4,447,221	\$ -	\$ 174,331	\$ 276,730	\$ 443,259	\$ 4,178,293
29	18	\$ 4,178,293	\$ -	\$ 163,789	\$ 276,730	\$ 455,714	\$ 3,886,368
30	19	\$ 3,886,368	\$ -	\$ 152,346	\$ 277,310	\$ 469,502	\$ 3,569,212
31	20	\$ 3,569,212	\$ -	\$ 139,913	\$ 276,730	\$ 481,685	\$ 3,227,440
32	21	\$ 3,227,440	\$ -	\$ 126,516	\$ 276,730	\$ 495,221	\$ 2,858,735
33	22	\$ 2,858,735	\$ -	\$ 112,062	\$ 276,730	\$ 509,136	\$ 2,461,661
34	23	\$ 2,461,661	\$ -	\$ 96,497	\$ 276,730	\$ 523,443	\$ 2,034,715
35	24	\$ 2,034,715	\$ -	\$ 79,761	\$ 175,592	\$ 341,471	\$ 1,773,005
			\$ -	\$ 5,464,484	\$ 7,784,972	\$ 10,635,719	

(1) Costs in nominal dollars



STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION

May 10, 2011



Mr. Peter W. Egan
Director of Environmental Affairs & Development
Connecticut Resources Recovery Authority
100 Constitution Plaza
6th Floor
Hartford, CT 06103-1722

Re: **Financial Assurance for Corrective Action and Post-Closure Care
Wallingford Landfill Stewardship Permit # DEP/HWM/CS-148-004
Wallingford, 25 Pent Road, Connecticut
EPA ID # CTD991288960**

Dear Mr. Egan:

This letter is written in response to Connecticut Resources Recovery Authority's ("CRRA's") correspondence dated March 29, 2011 which proposes a combination of financial assurance mechanisms to comply with condition E.1 in section III of CRRA's Wallingford Landfill Stewardship Permit. CRRA's financial assurance mechanisms are intended to fully fund the costs for corrective action and post-closure maintenance and care as required by RCRA pursuant to §22a-449(c)-104 incorporating 40 CFR 264.101 and 264.145. The post-closure and corrective action cost estimate was approved by the Department on January 31, 2011.

Per your request, the Department's Waste Engineering and Enforcement Division ("WEED") concurs with CRRA's proposal to establish a RCRA trust fund in the minimum amount of \$1,680,400, equal to (8) years of corrective action and post-closure care costs, and maintain the fund for the life of above referenced permit. Additionally, WEED concurs with CRRA's plan to maintain the remaining funds [\$2,964,514] that have been reserved by CRRA in a restricted reserve account that is designated solely to pay for Wallingford landfill corrective action and post-closure care costs, and which can only be accessed with CRRA Board of Directors approval.

WEED's decision is made possible based on the flexibility built into section 3.1 of U.S. EPA's guidance titled "Interim Guidance on Financial Responsibility for Facilities Subject to RCRA Corrective Action" [<http://www.epa.gov/compliance/resources/policies/cleanup/rcra/interim-fin-assur-cor-act.pdf>] for timing and the amount of financial assurance secured for corrective action.

Please note that CRRA and the trustee will have an initial responsibility to send to WEED, within 15 days after the establishment of the trust fund and placement of remaining funds in CRRA's restricted reserve account, and then annually thereafter, bank statements (a.k.a. annual valuations) of the funds that remain in each account.

Lastly, please note that this letter does not relieve CRRA of any environmental obligation required by federal or state law, nor is it an endorsement or approval of the financial assurance or cost estimate used to derive the face amount of the instruments. It is the responsibility of the owner or operator to ensure compliance with the applicable financial assurance permitting requirements, including, but not limited to, maintaining adequate RCRA corrective action financial assurance during the post-closure care period as required.

Should you have any questions or concerns, please contact Mr. Mark Latham of my staff at (860) 418-5930 or by email to Mark.Latham@ct.gov.

Sincerely,



Robert C. Isner, Director
Waste Engineering and Enforcement Division

cc: Gene Shteynberg – DEP Remediation

RCI:ml

REMEMBER TO REDUCE, REUSE, AND RECYCLE

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To learn more about what you can do, go to www.ct.gov/dep/swmp, or call (860) 424-3365.

TAB 7

**RESOLUTION REGARDING A CONTRACT WITH COHN
BIRNBAUM & SHEA FOR LEGAL SERVICES**

RESOLVED: That the President is hereby authorized to enter into a contract with Cohn Birnbaum & Shea for legal services, substantially as discussed and presented at this meeting.

Connecticut Resources Recovery Authority
Contract Summary for Contract entitled

Contract with Cohn Birnbaum & Shea for Legal Services

Presented to the CRRA Board on:	May 19, 2011
Vendor/ Contractor(s):	Cohn Birnbaum & Shea
Effective date:	Upon execution
Contract Type/Subject matter:	Three year legal services agreement
Facility (ies) Affected:	South Meadows RRF; Wallingford RRF
Original Contract:	This is original contract
Term:	Through June 30, 2014
Contract Dollar Value:	This contract is for no value
Amendment(s):	Not applicable
Term Extensions:	Not applicable
Scope of Services:	This is for legal services regarding CT Transfer Act & remediation activities at the South Meadows facility; and for legal services for CT Transfer Act matters at the Wallingford RRF. No other legal support services will be provided under this agreement.
Other Pertinent Provisions:	Any work under this Agreement will be pursuant to a Request for Services ("RFS"). The Director of Legal Services will present a budget for these legal services to the Board of Directors prior to the beginning of each fiscal year for approval by the Board.

Connecticut Resources Recovery Authority

Legal Services Agreement with Cohn Birnbaum & Shea

May 19, 2011

Executive Summary

This is to engage the services of Cohn Birnbaum & Shea (“CBS”) for legal services for activities involving two matters: 1) legal support for activities associated with the remediation of the South Meadows site pursuant to the CT Transfer Act; and 2) legal support for CT Transfer Act matters involving the parcel of land which CRRA conveyed to Covanta Projects of Wallingford, LP on June 30, 2011. CBS has been supporting CRRA on the South Meadows remediation matter since 2004, and on the Wallingford RRF matter since February 2010.

Because of their knowledge of these two specific matters, CBS will be engaged as a contractor with special capability pursuant to section 3.1.2.5 of CRRA’s Procurement Policies & Procedures; accordingly, this contract is awarded as an exception to the competitive process.

Discussion

As required by law and its Procurement Policies and Procedures, CRRA issues a Request for Qualifications for legal support services every three years. Since at least 2003 CRRA has had a legal services agreement with CBS for services involving environmental, real estate and litigation matters.

As a result of an administrative oversight at CBS, CBS failed to submit a response to the Legal Services Request for Qualifications that CRRA issued January 31, 2011 for services to begin July 1, 2011 for a three year term.

CBS is currently providing legal services to CRRA on two ongoing matters: activities associated with the remediation of the South Meadows site pursuant to the CT Transfer Act, the Exit Strategy Contract between CRRA and TRC Environmental Corporation, and the Title Transfer Agreement between CRRA and CL&P; and CT Transfer Act matters associated with the conveyance of the Wallingford RRF from CRRA to Covanta.

Because CBS has been CRRA’s legal counsel on these two matters, and has invested significant time in these matters and has a very good understanding of them, CRRA

management recommends that CRRA enter into an agreement with CBS so that they may continue to provide legal services to CRRA on these two matters.

CBS will not provide legal services for any other legal matters during the term of this agreement.

Financial Summary

CRRA's Director of Legal Services will include funding for these two matters in the annual legal services funding request that is presented to the Board of Directors prior to the start of each fiscal year.

TAB 8

**RESOLUTION REGARDING CITY OF WATERBURY
RELOADING AREA WASTE TRANSPORTATION AND
DISPOSAL SERVICES**

RESOLVED: That the Board of Directors hereby authorizes the President to enter into an agreement with CWPM, LLC for City of Waterbury Reloading Area Waste Transportation and Disposal Services, substantially as presented and discussed at this meeting.

Agreement Summary

City of Waterbury Reloading Area Waste Transportation and Disposal Services

Presented to the CRRA Board	May 19, 2011
Facility	Mid-Connecticut Resource Recovery Facility
Previous Contract	July 1, 2008
Contractor	CWPM, LLC
Commencement Date	July 1, 2011
Term	July 1, 2011 – June 30, 2013 (Coterminous with CRRA's Municipal Service Agreement ("MSA") with the City of Waterbury ("City").
Term Extensions	None
CRRA Termination for Convenience	CRRA may terminate the agreement in the event CRRA and the City mutually agree to terminate the current MSA prior to its termination date of June 30, 2013.
Contract Type/Subject matter	Transportation and disposal of the City's Reloading Area Waste.
Scope of Services	Contractor shall furnish all labor, vehicles, equipment, parts, materials, maintenance, supervision and all other items and activities necessary to transport and dispose of the City's Reloading Area Waste.
Contractor Compensation	Contractor shall receive a flat transportation fee for each load of Reloading Waste transported from the Reloading Area to the Mid-Connecticut Waste Processing Facility for processing. Contractor shall be paid a flat transportation fee for each load of Reloading Area Waste transported and a per ton disposal fee for each ton of Reloading Area Waste disposed of at the Contractor selected and CRRA approved volume reduction and/or bulky waste disposal facility. All disposal fees, whether incurred at the Mid-Connecticut WPF or the Contractor volume reduction facility are billed to and paid by the City.

Compensation Adjustments	The transportation and disposal fees shall be adjusted annually to reflect 100% of the annual change in the Consumer Price Index (Northeast Region) as published by the U.S. Department of Labor, Bureau of Labor Statistics.
Contract Value	Contract Year 1 value is estimated to be approximately \$92,953 (reference Table 5 on page 7 of this memorandum).
Performance Security	\$25,000 Letter of Credit.
Budget Status	Monies needed to cover the transportation fees have been appropriated within CRRA's FY2012 budget.

Connecticut Resources Recovery Authority Mid-Connecticut Project

Agreement for City of Waterbury Reloading Area Waste Transportation and Disposal Services

May 19, 2011

Executive Summary

This is to request approval by the CRRA Board of Directors for the President to enter into a two year agreement with CWPM, LLC for the period of July 1, 2011 through June 30, 2013 for the transportation and disposal of Non-Processible and Bulky Waste received at the City of Waterbury Landfill Reloading Area.

Discussion

Pursuant to the Municipal Service Agreement (“MSA”) with the City of Waterbury, CRRA is obligated to provide transportation and disposal services for Waterbury Landfill Reloading Area Waste (the Reloading Area is a residential drop-off site). Reloading Area Waste is comprised of Non-Processible Waste which is oversized MSW that cannot be processed by the Mid-Connecticut Waste Processing Facility’s (“WPF) processing equipment without first being shredded and Bulky Waste which is comprised of construction, demolition and land clearing debris. Under the terms of the Agreement the Contractor will transport the Non-Processible Waste to the WPF where it will be shredded and then processed into RDF for combustion. Because the Mid-Connecticut Resource Recovery Facility is not permitted to accept Bulky Waste (construction, demolition and land clearing debris) the Contractor will transport Bulky Waste received at the Reloading Area to a Contractor-selected and CRRA-approved Volume Reduction Facility for disposal.

The current contract for services terminates June 30, 2011. On March 28, 2011 CRRA issued a Request for Bids (“RFB”) for the transportation and disposal services. The deadline for the submittal of Bids was April 25, 2011. The availability of the RFB package of documents was advertised in the Hartford Courant, Manchester Journal Inquirer, Waterbury Republican-American, LaVoz Hispania de Connecticut, Northeast Minority News, the State of Connecticut GAS web site and CRRA’s web site. While CRRA received seven (7) Notice of Interest Forms from various commercial haulers, CRRA received only one (1) bid by the April 25, 2011 deadline.

Financial Summary

Presented in Table 1 are the transportation and disposal pricing received from the sole bidder, CWPM, LLC.

Table 1 – Bid Prices Received

Bidder Name	Per Load Transportation to Contractor Volume Reduction Facility	Per Load Transportation to Mid-Conn WPF	Per Ton Disposal at Contractor Volume Reduction Facility
CWPM, LLC	\$189.00	\$245.00	\$84.00

Presented in Tables 2, 3 and 4 is historic data regarding the amount of Reloading Area Waste transported and disposed of.

Table 2 – Fiscal Year 2009 (July 1, 2008 - June 30, 2009)

To Mid-Conn WPF	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Tons	505.75	538.73	445.58	322.74	200.88	215.96	136	147	254.58	233.36	181.84	185.38	3,367.8
No. of Loads	60	68	57	42	33	31	20	21	37	39	34	32	474
Average Weight Per Load	8.43	7.92	7.82	7.68	6.09	6.97	6.80	7.00	6.88	5.73	5.35	5.79	6.87
To Contractor Volume Reduction Facility ¹	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Tons							25.98	81.31	32.70	61.81	76.54	55.58	333.92
No. of Loads							5	9	3	6	7	5	35
Average Weight Per Load							6.50	9.03	10.90	10.30	10.93	11.12	9.80

¹ During the period of July through December, 2008 all Reloading Area waste was transported by the Contractor to the Hartford Landfill for disposal. Effective December 31, 2008 CRRRA closed the landfill to the disposal of all waste materials. Therefore, effective January 1, 2009, the Contractor began transporting Reloading Area Bulky Waste to its designated and CRRRA approved Volume Reduction Facility.

Table 3 – Fiscal Year 2010 (July 1, 2009 - June 30, 2010)

To Mid-Conn WPF	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Tons	172.94	156.86	177.85	163.31	121.16	117.38	87.55	84.19	145.48	150.65	168.10	137.56	1683.03
No. of Loads	29	28	33	30	22	19	15	15	31	33	34	30	319
Average Weight Per Load	5.96	5.60	5.39	5.44	5.51	6.18	5.84	5.61	4.69	4.57	4.94	4.59	5.36
To Contractor Volume Reduction Facility	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Tons	57.76	71.54	52.40	85.56	54.10	46.86	39.96	26.75	52.70	81.29	57.00	100.20	726.12
No. of Loads	5	7	6	8	6	4	5	3	6	10	6	9	75
Average Weight Per Load	11.55	10.22	8.73	10.70	9.02	11.72	7.99	8.92	8.78	7.13	9.50	11.13	9.62

Table 4 – Fiscal Year 2011 YTD (July 1, 2010 – March 31, 2011)

To Hartford WPF	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Tons	118.00	140.16	154.14	105.36	98.98	85.21	44.60	66.91	103				916.36
No. of Loads	24	28	29	18	19	18	9	13	20				178.00
Average Weight Per Load	4.92	5.01	5.32	5.85	4.95	4.73	4.96	5.15	5.17				5.12
To Contractor Volume Reduction Facility	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Tons	55.93	61.11	51.53	93.23	52.65	41.81	39.49	44.21	91.29				531.25
No. of Loads	7	7	6	11	6	6	5	6	12				66
Average Weight Per Load	7.99	8.73	8.59	8.48	8.78	6.97	7.90	7.37	7.60				8.05

Cost to Mid-Connecticut Project for Transportation Costs Associated with the Waterbury Non-Processible and Bulky Waste

Based on the historic Reloading Area Waste transportation data, CRRRA estimates the Contract Year 1 transportation costs to be approximately \$92,953 as illustrated in Table 5 below. The cost associated with this service is included in the FY2012 Mid-Connecticut Operating Budget.

Table 5 – Estimated Contract Year 1 Cost for Transportation

	Transportation	Cost
Average No. of Loads Transported to WPF (3 years)	320	\$78,400
Average No. of Loads Transported to Contractor Volume Reduction Facility (3 years)	77	\$14,553
Total		\$92,953

Revenue Generated from Disposal of Non-Processible and Bulky Waste

CRRRA will charge the City of Waterbury \$85.00 per ton in fiscal year 2012 (the first year of the contract) for all Non-Processible waste delivered to the Mid-Connecticut RRF and for all Bulky Waste delivered to the Contractor’s facility. \$85.00 per ton is the tip fee that has been established in CRRRA’s FY 2012 Mid-Connecticut Project Operating Budget.

Under the agreement with the Contractor, the Contractor will charge CRRRA \$84.00 per ton for all bulky waste delivered to its facility. Based on the historic Reloading Area Waste Disposal data for disposal of bulky waste at the Contractor’s facility (a 3 year average of approximately 725 tons per year) CRRRA estimates the Contract Year 1 revenue to be approximately \$725.00 as illustrated in Table 6 below.

Table 6 – Estimated Contract Year 1 Revenue for Disposal at Contractor’s facility

Estimated Tons Delivered to Contractor’s Facility	Disposal Cost per ton	CRRRA Tip Fee Charged to Waterbury	Net Revenue
725	\$84.00 per ton	\$85.00 per ton	\$725.00

TAB 9

**RESOLUTION REGARDING AN AGREEMENT BETWEEN CRRA AND
SWEROC FOR OPERATION OF THE STRATFORD INTERMEDIATE
PROCESSING CENTER**

RESOLVED: That the Board of Directors hereby authorizes the President to enter into an agreement with the Southwest Connecticut Regional Recycling Operating Committee (SWEROC) for the operation of the Stratford Intermediate Processing Center as an Acceptable Recyclables transfer station and for the transportation and disposal of Acceptable Recyclables, substantially as presented and discussed at this meeting.

Agreement Summary

Transfer Station Operation, Transport Services and Disposal of Recyclable Materials

Presented to the CRRA Board	May 19, 2011
Facility	Stratford Intermediate Processing Center
Previous Contract	N/A
Contractor	N/A
Commencement Date	July 1, 2011
Term	July 1, 2011 – June 30, 2014
Term Extensions	Term may be extended upon terms mutually agreeable to CRRA and SWEROC
CRRA Termination for Convenience	CRRA may terminate the agreement in the event there are not sufficient funds (revenue and/or reserves) to pay the costs associated with the operation and maintenance of the Stratford IPC as a recyclables transfer station. Additionally, either party may terminate the agreement, after one year, with 75 days advance notice.
Contract Type/Subject matter	Authorizes CRRA management of O&M, transportation, and processing of Stratford IPC Acceptable Recyclables and obligates ten (10) Southwest municipalities to deliver recyclables generated within their corporate boundaries to the Stratford IPC.
Scope of Services	CRRA shall operate and maintain the Stratford IPC as a transfer station for the purposes of accepting, transporting, and processing of Acceptable Recyclables received at the Stratford IPC at the Mid-Connecticut Regional Recycling Facility.
Contractor Compensation	N/A
Compensation Adjustments	N/A
Contract Value	N/A
Performance Security	N/A
Budget Status	No expenditure of funds is associated with this Agreement.

Connecticut Resources Recovery Authority Stratford Intermediate Processing Center

Agreement for Transfer Station Operation, Transport Services and Disposal of Recyclable Materials

May 19, 2011

Executive Summary

This is to request approval by the CRRA Board of Directors for the President to enter into an agreement with SWEROC for the period of July 1, 2011 through June 30, 2014 for the operation and maintenance of the Stratford IPC as a recyclables transfer station and to transport Acceptable Recyclables received at the Stratford IPC to the Mid-Connecticut Regional Recycling Facility for processing.

Discussion

On June 30, 2011, the current agreement with FCR for the operation and maintenance of the Stratford Intermediate Processing Center ("Stratford IPC" or "Facility") located at 1410 Honeyspot Road Extension, Stratford, Connecticut, terminates. The agreement being considered today will replace the current CRRA/SWEROC/FCR agreement for the operation and maintenance of the Stratford IPC.

The Stratford IPC is currently constructed and equipped to accept and process "dual-stream" recyclables. Dual-stream recyclables are paper, cardboard, containers and other materials that residents separate and place into different recycling bins for curbside collection. CRRA is in the process of assessing the cost/benefits of retrofitting the Stratford IPC with new state-of-the-art equipment capable of processing "single-stream" recyclable materials. Single-stream means residents do not have to sort the materials into separate containers for collection, but rather can place all of their recyclables into a single, larger container or tote for curbside collection. CRRA's assessment and subsequent retrofit, if any, of the Facility cannot be completed between now and the time the current operation and maintenance agreement for the Facility terminates. Therefore, CRRA plans to operate the Facility for an interim period of time as a recycling transfer station in order to accommodate CRRA's retrofit planning and procurement process.

Ten (10) Connecticut municipalities located in the southwestern portion of the state remain signatories to an Inter-Community Agreement for the purpose of providing regional solid waste recycling services. Through the Inter-Community Agreement, the municipalities established the Southwest Connecticut Regional Recycling Operating Committee ("SWEROC"). Pursuant to Connecticut state statute, SWEROC constitutes a public instrumentality and political subdivision of the State created for the performance of an essential public and governmental function. As part of their obligations under the Inter-Community Agreement, the municipalities agree to be

bound by, and obligated to, the decisions and actions of SWEROC pursuant to the powers and authority granted to SWEROC in the Inter-Community Agreement. This agreement will

- obligate the ten (10) communities to deliver to the Stratford IPC all Acceptable Recyclables generated within their corporate boundaries;
- provide CRRA the authority to operate and maintain the Stratford IPC as a recyclables only transfer station; and
- provide CRRA the authority to transport recyclables received at the Stratford IPC to the Mid-Connecticut Regional Recycling Facility for processing and marketing.

Via a separate memorandum to the Board of Directors, CRRA management is seeking Board of Directors authorization to enter into an Agreement for Operation, Maintenance and Transportation Services for the Stratford Intermediate Processing Facility. Under this Agreement CRRA will have direct responsibility for overall management of the Facility and operation of its associated scalehouse. The Contractor will be responsible for all activities related to the operation of the Stratford IPC as a transfer station for recyclables only, along with a limited scope of maintenance activities for the Facility and to transport Stratford IPC recyclables to Hartford for processing and marketing.

Financial Summary

No expenditure of funds is associated with this Agreement.

TAB 10

**RESOLUTION REGARDING AN AGREEMENT FOR
OPERATION, MAINTENANCE AND TRANSPORTATION
SERVICES FOR THE STRATFORD INTERMEDIATE
PROCESSING CENTER**

RESOLVED: That the President is hereby authorized to enter into an agreement with City Carting, Inc., for Operation, Maintenance and Transportation Services for the Stratford Intermediate Processing Center, substantially in the form presented and discussed at this meeting.

AGREEMENT SUMMARY
Operation, Maintenance and Transportation Services for the
Stratford Intermediate Processing Center

Presented to the CRRRA Board	May 19, 2011
Facility	Stratford Intermediate Processing Center
Original Contract	N/A
Contractor	City Carting, Inc.
Commencement Date	July 1, 2011
Term	Three (3) years commencing July 1, 2011 and terminating June 30, 2014
Term Extensions	N/A
Termination for Convenience	CRRRA may terminate the agreement or any part of the Services for any reason by giving at least sixty (60) days prior written notice to the Contractor. If CRRRA wishes to terminate upon completion of the first Operating Year (June 30, 2012), then CRRRA shall provide Contractor such notice of termination at least sixty (60) days prior to June 30, 2012.
Contract Type/Subject matter	Operation and maintenance of the Stratford Intermediate Processing Center ("Stratford IPC") and services associated with transporting Acceptable Recyclables from the Stratford IPC to the Mid-Connecticut Regional Recycling Center ("Mid-Conn RRC") for processing.
Scope of Services	Contractor shall furnish all labor, vehicles, equipment, parts, materials, maintenance, supervision and all other items and activities necessary to operate and maintain the Stratford IPC as a recycling transfer station (as opposed to a recyclables processing center) and transport Acceptable Recyclables delivered to the Stratford IPC to the Mid-Conn RRF for processing.
Contractor Compensation	Contractor shall receive an annual fixed price for operation and maintenance of the Stratford IPC as a transfer station and a per ton fee for each ton of Acceptable Recyclables transported from the Stratford IPC to the Mid-Conn RRC for processing.

Compensation Adjustments	The annual fixed O&M price shall be adjusted annually to reflect 100% of the annual change in the Consumer Price Index (Northeast Region) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The per ton transportation price shall be adjusted monthly based on the change in the Bureau of Labor Statistic Average Per Gallon Price Data for Northeast Urban, Automotive Diesel Fuel.
Contract Value	Estimated cost of Contract Year 1 (July 1, 2011 – June 30, 2012) will vary from \$480,036 to \$598,836 depending upon the number of tons of Acceptable Recyclables transported (see Table 2 presented on page 5 of this memorandum).
Performance Security	\$25,000 Letter of Credit.
Budget Status	Monies required to cover the costs of the O&M and transportation services will be paid by CRRA/SWERO from the tip fee revenue paid by the Mid-Conn RRC operator to CRRA for each ton of SWERO recyclables delivered to the Mid-Conn RRC, and the SWERO share of revenue realized from the sale of recycling commodities.

Connecticut Resources Recovery Authority

Stratford Intermediate Processing Center

Agreement for Operation, Maintenance and Transportation Services for the Stratford Intermediate Processing Center

May 19, 2011

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into an agreement with City Carting, Inc., for the Operation, Maintenance and Transportation Services for the Stratford Intermediate Processing Center.

Discussion

Procurement Purpose, Agreement and Services Summary

On June 30, 2011, the current agreement with FCR for the operation and maintenance of the Stratford Intermediate Processing Center (“Stratford IPC” or “Facility”) located at 1410 Honeyspot Road Extension, Stratford, Connecticut, terminates. The Stratford IPC is currently constructed and equipped to accept and process “dual-stream” recyclables. Dual-stream recyclables are paper, cardboard, containers and other materials that residents separate and place into different recycling bins for curbside collection. The Connecticut Resources Recovery Authority (“CRRA”) is in the process of assessing the cost/benefits of retrofitting the Stratford IPC with new state-of-the-art equipment capable of processing “single-stream” recyclable materials. Single-stream means residents do not have to sort the materials into separate containers for collection, but rather can place all of their recyclables into a single, larger container or tote for curbside collection. CRRA’s assessment and subsequent retrofit, if any, of the Facility cannot be completed between now and the time the current operation and maintenance agreement for the Facility terminates. Therefore, CRRA plans to operate the Facility for an interim period of time as a recycling transfer station in order to accommodate CRRA’s retrofit planning and procurement process.

On March 7, 2011, CRRA issued a Request for Bids (RFB) for operation, maintenance and transportation services associated with operating the Stratford IPC as a recyclables transfer station. The availability of the RFB package of documents was advertised in the Connecticut Post, New Haven Register, Hartford Courant, Northeast Minority News, LaVoz Hispania de Connecticut, State of Connecticut GAS web site and CRRA’s web site. The deadline for the submittal of bids was April 1, 2011. In response to the RFB, CRRA received four bids as summarized in Table 1 below.

Table 1 – Bids Received

Bidder Name	CWPM	City Carting	Enviro	FCR
Annual O&M Fee	\$45,000	\$269,760	\$208,000	\$331,500
Per Ton Transportation Fee	\$30.00	\$11.88	\$15.98	\$29.00

Under the new Agreement for Operation, Maintenance and Transportation Services for the Stratford Intermediate Processing Facility (“Agreement”), CRRA will have direct responsibility for overall management of the Facility and operation of its associated scalehouse. The Contractor will be responsible for all activities related to the operation of the Stratford IPC as a transfer station for recyclables only, along with a limited scope of maintenance activities for the Facility. All personnel, materials, and other items needed to operate and maintain the Facility on a daily basis while operated as a transfer station will be provided by Contractor on an annual fee for service basis. Dual-stream and single-stream recyclables delivered to the Stratford IPC will be trans-loaded and transported by Contractor to CRRA’s Mid-Conn RRC located at 211 Murphy Road, Hartford, Connecticut for processing and marketing. All recyclables delivered to the Facility whether delivered as dual-stream or single-stream materials, will be transported by Contractor as single-stream material to the Mid-Conn RRC. Costs associated with the transportation of the recyclables from the Stratford IPC to the Mid-Conn RRC (vehicles, fuel, labor, etc.) will be paid to Contractor on a fee per ton of recyclables transported basis.

The operation of the Facility as a recycling transfer station will be for a period not to exceed three years commencing July 1, 2011 and ending June 30, 2014, but could be for a period of less than three-years if CRRA proceeds with the retrofit of the Facility and such retrofit is completed prior to June 30, 2014. In any event, the term of the agreement for services resulting from this Request for Bids (“RFB”) shall not be for less than one year commencing July 1, 2011 and terminating June 30, 2012.

Presented in Table 2 is CRRA’s estimate of the costs associated with Contract Year 1 services (cost of O&M and transportation services) based on the number of tons of Acceptable Recyclables transported by the Contractor from Stratford to Hartford.

TABLE 2 – Contract Yr 1 O&M and Transportation Estimated Cost of Services

Tons Transported Assumption	CWPM	City Carting	Enviro	FCR
17,700 tons	\$576,000	\$480,036	\$490,846	\$844,800
22,700 tons	\$726,000	\$539,436	\$570,746	\$989,800
27,700 tons	\$876,000	\$598,836	\$650,646	\$1,134,800

Stratford IPC, SWEROC, Budget Summary

CRRA developed the Stratford IPC in 1992 and began operations in 1993. CRRA is the owner of the Facility and operates the Facility pursuant to permits issued to CRRA by the Connecticut Department of Environmental Protection (“CTDEP”). The Stratford IPC consists of 46,000 square feet of processing area and associated dual-stream processing equipment. Housed in the same building and adjacent to the Facility is approximately 14,000 square feet of space that is currently being used as a recycling education center (known as the Stratford Garbage Museum) offices and conference rooms. There is also a separate scale house serving the Facility.

Ten (10) Connecticut municipalities located in the southwestern portion of the state are signatories to an Inter-Community Agreement for the purpose of providing regional solid waste recycling services. Through the Inter-Community Agreement, the municipalities established the Southwest Connecticut Regional Recycling Operating Committee (“SWEROC”). Pursuant to Connecticut state statute, SWEROC constitutes a public instrumentality and political subdivision of the State created for the performance of an essential public and governmental function. As part of their obligations under the Inter-Community Agreement, the municipalities agree to be bound by, and obligated to, the decisions and actions of SWEROC pursuant to the powers and authority granted to SWEROC in the Inter-Community Agreement.

CRRA and SWEROC are parties to an agreement that sets forth the responsibilities and duties of each party in connection with the Southwest Connecticut Regional Solid Waste Recycling Program, including the development, financing, construction and operation of the Stratford IPC. Originally executed in 1990 and entitled Contract for the Operation of an Intermediate Processing Center to Serve the Municipalities of the Southwest Connecticut Regional Recycling Operating Committee (SWEROC), has been amended from time to time and explicitly confers administrative and contract enforcement responsibilities to CRRA on behalf of SWEROC.

The ten (10) municipal members of SWEROC will enter into an Agreement for Transfer Station Operation, Transport Services and Disposal of Recyclable Materials between CRRA and SWEROC. This Agreement is effective July 1, 2011 and replaces the old CRRA/SWEROC agreement for the O&M of the Stratford IPC. Through the new

Agreement, SWEROC commits all Acceptable Recyclables under each municipality's control to be delivered to the Stratford IPC.

Under the CRRA/SWEROC O&M agreement, municipalities will pay a \$0.00 tip fee for the delivery of recyclables to the Stratford IPC. Under CRRA's arrangement with the operator of the Mid-Conn RRC, CRRA receives two revenue streams:

1. A delivery fee for each ton of recyclable material delivered to the Mid-Conn RRC (currently about \$17/ton); and
2. A share of the revenue the operator of the Hartford RRC receives from the sale of the recycled commodities.

Under the CRRA/SWEROC agreement, CRRA will credit to the account of SWEROC:

1. The applicable delivery fee for each ton of SWEROC Acceptable Recyclables transported from the Stratford IPC to the Hartford RRC; and
2. SWEROC's share of the commodity sales revenue.

The revenues credited to the account of SWEROC will be used as the budget to cover the costs associated with the O&M and transportation services for the Stratford IPC. If, at any time, SWEROC revenues are not sufficient to cover the O&M and transportation costs (budget shortfall due to depressed commodities markets or other causes), SWEROC will pay to CRRA from the reserve account monies sufficient to cover the deficit(s). There is currently \$800,000 in this reserve account. If at any time it appears that the SWEROC reserves will be exhausted, CRRA retains the right to exit the CRRA/SWEROC O&M agreement.

TAB 11

BOARD RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES

WHEREAS, CRRA has entered into Legal Service Agreements with various law firms to perform legal services; and

WHEREAS, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2011 projected legal fees; and

WHEREAS, CRRA expects to incur greater than authorized legal expenses for General Counsel services;

NOW THEREFORE, it is RESOLVED: That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2011:

<u>Firm:</u>	<u>Amount:</u>
Halloran & Sage	\$400,000

CONNECTICUT RESOURCES RECOVERY AUTHORITY

Request regarding Authorization for Payment of Projected Additional Legal Expenses

May 19, 2011

Executive Summary

This is to request Board authorization of payment of additional projected fiscal '11 legal expenses.

Discussion:

At its May 2010 regular meeting, the Board of Directors expressed its preference for continuing to approve payment of fees for services rendered by the Authority's General Counsel, Halloran & Sage, on a quarterly basis. The board therefore authorized payment of approximately one-quarter of the projected annual total, and requested management to seek additional authorization every three months during the fiscal year. The board authorized payment of second quarter expenses on September 30, 2010 and of third quarter expenses on January 27, 2011.

We are now seeking board authorization to incur additional legal expenses on the terms set forth above for the final quarter of FY11.

TAB 12

BOARD RESOLUTION REGARDING FY 2012 PROJECTED LEGAL EXPENDITURES

WHEREAS, CRRA has negotiated three-year Legal Service Agreements with various law firms for the provision of legal services from July 1, 2011 through June 30, 2014; and

WHEREAS, CRRA now seeks Board authorization for projected legal expenditures during the first year of the term of said Agreements;

NOW THEREFORE, it is RESOLVED: That the following amounts be authorized for projected legal fees to be incurred during fiscal year 2012:

<u>Firm:</u>	<u>Amount:</u>
Brown Rudnick	150,000
Cohn Birnbaum & Shea	45,000
Day Pitney	60,000
Halloran & Sage	1,075,000
Hinckley, Allen & Snyder	400,000
Kainen, Escalera & McHale	350,000
McCarter & English	85,000
McElroy, Deutsch, Mulvaney & Carpenter	165,000
Pullman & Comley	100,000
Sidley Austin	100,000
Willinger, Willinger & Bucci	50,000

Further RESOLVED: That the President be authorized to expend up to \$20,000 from the Landfill Development Reserve Account for payment for legal fees incurred in fiscal year 2011 in connection with the Authority's suspension of its efforts to develop a new ash landfill in the State of Connecticut;

Further RESOLVED: That the President be authorized to expend up to \$85,000 from the Post Litigation Reserve Account for payment of legal expenses incurred in fiscal year 2012 in connection with the Enron Global litigation continuing under the aegis of the Attorney General; and

Further RESOLVED: That the President be authorized to expend up to \$15,000 from the Wallingford Project Closure Reserve Account for payment of legal fees incurred in fiscal year 2012 in connection with continuing Wallingford Project obligations; and

Further RESOLVED: That the President be authorized to expend up to \$1,025,000 from the Mid-Connecticut Litigation Reserve Account for payment of litigation-related legal fees and expenses incurred in fiscal year 2012.

Connecticut Resources Recovery Authority

AUTHORIZATION TO PAY FY 2012 PROJECTED LEGAL EXPENDITURES

May 19, 2011

Executive Summary

This is to request Board authorization of the payment of FY 2012 projected legal expenditures for the firms and up to the amounts set forth in the attached resolution.

Discussion

The funds requested to be authorized are included in the FY 12 Board-approved General Fund, Project, and Division legal budgets or in the reserves noted in the attached proposed resolution. Please note that this initial request for authorization does not include all of the funds designated for legal expenses in FY12 budgets; some funds are reserved for matters anticipated to arise later during FY12 and for which the choice of appropriate counsel has not yet been determined.

As requested by the P&P Committee in prior years, attached please find a comparison of requested 2012 authorizations with total 2011 authorizations and amounts actually invoiced by each firm for the period from July 1, 2010 to date.

Fiscal Year 2011 and 2012 Comparison

Law Firm	FY 12 Requested Authorization	FY 11 Authorization	Additional FY 11 Request	FY 11 Total Invoiced to Date
Brown Rudnick	\$ 150,000.00	\$ 255,000.00		\$ 32,074.00
Cohn Birnbaum & Shea	\$ 45,000.00	\$ 55,000.00		\$ 5,322.00
Day Pitney	\$ 60,000.00			
Halloran & Sage	\$ 1,075,000.00	\$ 1,150,000.00	\$ 400,000.00	\$ 957,688.00
Heneghan Kennedy & Doyle		\$ 36,000.00		
Hinckley Allen Snyder	\$ 400,000.00	\$ 300,000.00		\$ 44,359.00
Kainer, Escalera & McHale	\$ 350,000.00	\$ 250,000.00		\$ 74,667.00
McCarter & English	\$ 85,000.00	\$ 85,000.00		\$ 18,498.00
McElroy Deutsch	\$ 165,000.00	\$ 235,000.00		\$ 117,394.00
Pullman & Comley	\$ 100,000.00	\$ 120,000.00		\$ 39,956.00
Sidley Austin	\$ 100,000.00	\$ 120,000.00		\$ 2,456.00
Willinger Willinger & Buccl	\$ 50,000.00			
Total	\$ 2,580,000.00	\$ 2,606,000.00	\$ 400,000.00	\$ 1,292,414.00

None of the totals to date are more current than March.