

**CRRA
BOARD MEETING
JULY 17, 2003**



100 CONSTITUTION PLAZA - 17th FLOOR • HARTFORD • CONNECTICUT • 06103-1722 • TELEPHONE (860) 757-7700
FAX (860) 727-4141

July 11, 2003

TO: CRRA Board of Directors
FROM: Angelica Mattschei, Corporate Secretary *aw*
RE: Notice of Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors held on Thursday, July 17, 2003 at 9:00 a.m. at the Regional Recycling Center, 211 Murphy Road, Hartford.

Please notify this office of your attendance at (860) 757-7792 at your earliest convenience.



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Connecticut Resources Recovery Authority
Board of Directors' Meeting

Agenda

July 17, 2003

9:00 AM

I. Pledge of Allegiance

II. Public Portion

A public portion from 9:00 to 9:30 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 June 19, 2003 Regular Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the approval of the June 30, 2003 Special Board Meeting Minutes (Attachment 2).

IV. Finance

1. The Mid-Connecticut Project Source and Use of Cash Funds is included for your review (Attachment 3).
2. Board Action will be sought regarding the Creation and Dissolution of a Recycling Reserve (Attachment 4).

V. Project Reports

A. Mid-Connecticut

1. Board Action will be sought regarding a Connecticut Market Waste Flow and Management Study (Attachment 5).

2. Board Action will be sought regarding A Facilities Modification Agreement to Modify Existing Regional Recycling Center Located in Hartford, CT (Attachment 6).

VI. Chairman's and Committee Reports

1. The Policy & Procurement Committee will report on its July3, 2003 meeting.
 - a. Board Action will be sought Authorizing the Approval of the CRRA Ethics Policy (Attachment 7).

VII. Executive Session

An Executive Session will be held to discuss litigation, pending litigation, contractual and consent order negotiations and personnel matters with appropriate staff

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED FIFTY-EIGHTH MEETING

JUNE 19, 2003

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, June 19, 2003 at 211 Murphy Road, Hartford. Those present were:

Chairman Michael Pace

Directors: Stephen Cassano, Vice Chairman
Benson Cohn
Howard Rifkin (delegate for Director Nappier)
John Mengacci (delegate for Director Ryan)(left at 1:05 p.m.)
Ray O'Brien
Andrew Sullivan (arrived at 10:45 a.m.)
Marc Ryan (arrived at 9:30 a.m.)(left at 10:15 a.m.)
Mark Cooper
Mark Lauretti (arrived at 9:10 a.m.)
Timothy Griswold, (ad hoc for Mid-Connecticut)(arrived at 10:15 a.m.)
Alex Knopp (arrived at 9:10 a.m.)

Directors Martland, Francis, Blake, Boone and Nappier did not attend.

Present from the CRRRA staff:

James Bolduc, Chief Financial Officer
Bettina Bronisz, Assistant Treasurer & Director of Finance
Robert Constable, Budget Analyst
Peter Egan, Director of Environmental Services
Christopher Fancher, Facilities Engineer
Thomas Gaffey, Recycling & Environmental Education Division Head
Gary Gendron, Director of Administration
Ronald Gingerich, Senior Analyst
Marion Hubbard, Human Resources Administrator
Thomas Kirk, President
Angelica Mattschei, Executive Assistant & Corporate Secretary
Christopher May, Systems Analyst
Virginia Raymond, Project Analyst
John Romano, Project Manager
Diane Spence, Secretary
Ann Stravalle-Schmidt, Director of Legal Services
Michael Tracey, Director of Civil & Construction Engineer

Others in attendance were: Elsie Patton, Arthur Rocque and Tom Tyler of the DEP; John Stafstrom, Jr. of P&C; Joyce Tentor of HEJN; Frank Marci of USA Hauling; Jerry Tyminski of SCRRA; David Arruda of the MDC; Ted Doolittle and Charlie Steenburg of the AG's Office; Jane Korwek and Douglas Cohen of BRBI; Steve Diaz of Covanta; Peter Boucher of H&S; Barry Zitser of P&Z; Mark Cordeiro of PLM; and Jonathan Bilmes of BRROC.

Chairman Pace called the meeting to order at 9:05 a.m. and noted that a quorum was present. Chairman Pace requested that everyone stand up for the Pledge of Allegiance, whereupon, the Pledge of Allegiance was recited.

PUBLIC PORTION

Chairman Pace said that the next item on the agenda allowed for a public portion between 9:00 a.m. and 9:30 a.m. in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes. Chairman Pace asked whether any member of the public wished to speak.

Ms. Tentor of the Hartford Environmental Justice Network addressed the Board of Directors.

PRESENTATION REGARDING THE COLLABORATION BETWEEN CRRA AND THE DEP

Chairman Pace and Commissioner Arthur Rocque of the Department of Environmental Protection gave a presentation on CRRA and the DEP collaboratively making good public policies (refer to pages 11-23 of transcript).

APPROVAL OF MAY 15, 2003 REGULAR BOARD MINUTES

Vice Chairman Cassano requested a motion to approve the minutes of the May 15, 2003 regular Board meeting. The motion to accept made by Director Cohn and seconded by Director O'Brien was approved. Director Knopp abstained from the vote as he was not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti	X		
Alex Knopp			X
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		

PROJECT REPORTS

MID-CONNECTICUT

AUTHORIZATION REGARDING AN AGREEMENT FOR METALS RECOVERY AND MARKETING SERVICES WITH wTe RECYCLING, INC.

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President be authorized to enter into a contract with wTe Recycling, Inc., for the transportation, processing and marketing of metals generated at the Mid-Connecticut Resources Recovery Facility and the Hartford Landfill substantially in accordance with the terms and conditions discussed at this meeting.

Director Cooper seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		

FINANCIAL MITIGATION PLAN

Chairman Pace and Director Ryan led a lengthy discussion regarding the referenced item (see page 26-62 of transcript).

MID-CONNECTICUT (CON'T)

AUTHORIZATION REGARDING THE INSTALLATION OF A TEMPORARY MEMBRANE COVER AT THE HARTFORD LANDFILL

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to execute the agreement entitled "Installation of Temporary Membrane Cover Agreement" with TDI Contracting, LLC, substantially as presented and discussed at this meeting.

Director Cooper seconded the motion which was approved. Director Lauretti was not present during the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION REGARDING THE EXTENSION OF THE ON-CALL EQUIPMENT SERVICES CONTRACTS FOR THE ELLINGTON, HARTFORD, SHELTON, AND WALLINGFORD LANDFILLS

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to execute a one-year extension to the On-Call Equipment Services Contracts for Earth Technology, Inc., Infantino's Property Services, Park Trucking & Contracting, LLC, and R.L. Rogers & Sons, Inc., substantially as presented and discussed at this meeting.

Director Cooper seconded the motion which was approved. Director Lauretti was not present during the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION REGARDING A REDUCTION IN WASTE DELIVERY HOURS AT THE HARTFORD LANDFILL

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the Board of Directors hereby approves a change to the delivery hours for the Hartford Landfill, as published in the MID-CONNECTICUT PROJECT PERMITTING, DISPOSAL AND BILLING PROCEDURES, substantially as presented and discussed at this meeting.

Director Cooper seconded the motion which was approved. Director Lauretti was not present during the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION REGARDING A SPOT WASTE SERVICES AGREEMENT WITH THE TOWN OF WINDSOR

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President is authorized to enter into an agreement with the Town of Windsor substantially in accordance with the terms and conditions discussed at this meeting.

Director Cooper seconded the motion which was approved. Director Lauretti was not present during the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Laretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION REGARDING AN EQUIPMENT LEASE BETWEEN CRRA AND CWPM, LLC

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President be authorized to enter into an Equipment Lease with CWPM, LLC for the lease of CRRA rolling stock equipment associated with the operation of the Torrington and Watertown transfer stations substantially in accordance with the terms and conditions discussed at this meeting.

Director Cooper seconded the motion which was approved. Director Laretti was not present during the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Laretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION REGARDING THE CREATION OF CRRA EMPLOYEE POSITIONS TO OPERATE THE MID-CONNECTICUT PROJECT SCALES AND PROVIDE ENHANCED WASTE ENFORCEMENT ACTIVITIES

Vice Chairman Cassano requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President be authorized to implement a program to operate the Mid-Connecticut Project scales with CRRA employees and provide enhanced waste enforcement activities, as deemed necessary, substantially in accordance with the proposal discussed at this meeting.

Director Cooper seconded the motion.

Director Lauretti made a motion to amend the resolution to add "or a contractor to CRRA" to read:

RESOLVED: That the President be authorized to implement a program to operate the Mid-Connecticut Project scales with CRRA employees or a contractor to CRRA and provide enhanced waste enforcement activities, as deemed necessary, substantially in accordance with the proposal discussed at this meeting.

Director O'Brien seconded the amendment to the motion which was approved unanimously.

The amended motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION TO ADD AN ITEM TO THE AGENDA

AUTHORIZATION REGARDING THE PURCHASE OF COAL

Chairman Pace requested a motion to add the referenced item to the agenda. The motion to add the item made by Director O'Brien and seconded by Director Cooper was approved unanimously.

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President of CRRA is authorized to enter into an agreement with Mountain Resources for the purchase of the remaining 2,500 tons of coal at a cost of \$61.90 per ton. Be it further resolved that the President is authorized to purchase the 2,500 tons of coal under the executed agreement with Mountain Resources.

Director Cooper seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

BRIDGEPORT

AUTHORIZATION REGARDING ENVIRONMENTAL MONITORING, LABORATORY ANALYSIS, AND REPORTING AT THE SHELTON LANDFILL FOR FISCAL YEAR 2004

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to enter into a Request for Professional and Technical Services ("RFS") with Environmental Risk Limited under existing Environmental Services Agreement No. 020120 for completion of environmental monitoring, laboratory analysis, and reporting for the Shelton Landfill for Fiscal Year 2004, substantially as discussed and presented at this meeting.

Director Lauretti seconded the motion. After a brief discussion, the motion previously made and seconded was passed unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

SOUTHEAST

AUTHORIZATION REGARDING A MUNICIPAL SOLID WASTE DELIVERY AGREEMENT WITH THE TOWN OF MANSFIELD

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President is authorized to enter into a solid waste disposal agreement for the Southeast Resources Recovery Facility with the Town of Mansfield, Connecticut in accordance with the terms and conditions discussed at this meeting.

Director Cooper seconded the motion. Director O'Brien said that the contract should be approved with the reservation that it could be brought back to the Board for reconsideration pending a resolution from Southeast regarding the out years.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		

Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

AUTHORIZATION REGARDING A MUNICIPAL SOLID WASTE DELIVERY AGREEMENT WITH THE TOWN OF SALEM

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President is authorized to enter into a solid waste disposal agreement for the Southeast Resources Recovery Facility with the Town of Salem, Connecticut in accordance with the terms and conditions discussed at this meeting.

Director Sullivan seconded the motion which was passed unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

WALLINGFORD

AUTHORIZATION REGARDING AN ASH RESIDUE DISPOSAL AGREEMENT EXTENSION WITH WHEELABRATOR PUTNAM, INC

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President be authorized to enter into a contract extension with Wheelabrator Putman, Inc., for the disposal of ash residue from the Wallingford and Southeast Resources Recovery Facilities through December 31, 2008 substantially in accordance with the terms and conditions discussed at this meeting.

Director Cooper seconded the motion. Mr. Kirk noted that Director Lovejoy expressed to him his regrets for not being able to attend the meeting. Director Lovejoy had a scheduling conflict, he said.

The motion previously made and seconded was passed unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

CHAIRMAN'S AND COMMITTEE REPORTS

POLICY & PROCUREMENT COMMITTEE

AUTHORIZATION TO APPROVE THE REVISED BYLAWS OF CONNECTICUT RESOURCES RECOVERY AUTHORITY

Chairman Pace requested a motion on the referenced item. Director Cohn made the following motion:

RESOLVED: That the Board hereby affirmatively adopts the new Bylaws of the Connecticut Resources Recovery Authority as presented and discussed at this meeting.

Director O'Brien seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

CHAIRMAN'S AND STEERING COMMITTEE REPORT

DISCUSSION ON SECOND DRAFT OF NEW BUSINESS PLAN

Chairman Pace led a discussion on the referenced item (see page 118-137 of transcript).

Director O'Brien made a motion to state that the Board of Directors encouraged and supported the Chairman, the Steering Committee and staff in the continuing development of the comprehensive business plan for CRRA. The motion was seconded by Director Cohn which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

ORGANIZATIONAL SYNERGY & HR COMMITTEE

AUTHORIZATION REGARDING THE HUMAN RESOURCES CONSULTING SERVICES AGREEMENTS

Vice Chairman Cassano requested a motion on the referenced topic. Director Cooper made the following motion:

RESOLVED: That the President is hereby authorized and directed to execute, deliver, and perform on behalf of the Authority, Human Resources Consulting Services Agreement as were substantially set forth in the RFQ for a period of three years with firms listed below, as presented and discussed at this meeting. All of the human resources consulting services obtained through the firms below will be obtained on an "on-call" basis.

B. 401(k) Plan Advisory And Audit Services

Prudential
Segal

C. Temporary Staffing Services

Adecco
Robert Half/Accountemps
Jaci Carroll
People Management
Snelling

D. Recruiting Services

Adecco
Robert Half/Accountemps
Horton Incorporated
Jaci Carroll
People Management
Snelling

E. General/Miscellaneous Human Resources Services

Career Management Services
Horton International
Lee, Hecht, Harrison
People Management

Director Cohn seconded the motion which was approved. Chairman Pace and Directors Sullivan and O'Brien were not present for the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman			
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien			
Andrew Sullivan			
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

LEGAL

AUTHORIZATION REGARDING FCR SETTLEMENT

Vice Chairman Cassano requested a motion on the referenced topic. Director Cooper made the following motion:

RESOLVED: that the Board hereby approves the procurement procedure for the baler retrofit, set forth in Section 2 of the global settlement, pursuant to Article II, Section 1(b), Subsection 5 and 7.

Director Rifkin seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

AUTHORIZATION FOR PAYMENT OF ANDERSON KILL AND OLICK

Chairman Pace requested that the motion be divided into three parts. Chairman Pace requested a motion on the first resolution. Director O'Brien made the following motion:

RESOLVED: That the President of CRRA is hereby authorized to pay Anderson Kill and Olick up to \$240,000 to reimburse Anderson Kill for fees and expenses incurred, up until May 31, 2003, but not paid, which exceed the June 2002 authorized amount of \$300,000 for work with the Attorney General's Office in the matter of In re: Enron Corp., et al. (Chapter 11, Case No. 01-16034 (AJG)("Bankruptcy Case"). This brings the total amount authorized by the Board up to \$540,000.

Director Lauretti seconded the motion which was approved. Director Lauretti voted "nay."

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti		X	
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

Chairman Pace requested a motion on the second resolution. Director O'Brien made the following motion:

RESOLVED: And to further pay for additional work in the amount of \$26,500 for fees and expenses incurred, up to May 31, 2003, not anticipated on the CL&P issues which arose in the Bankruptcy Case and in discussions with CL&P to obtain monies owed to CRRA.

Director Sullivan seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		

Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

Chairman Pace noted that the final resolution would be held until after the Executive Session.

FINANCE

AUTHORIZATION REGARDING THE ADOPTION OF THE FISCAL YEAR 2004 METROPOLITAN DISTRICT COMMISSION MID-CONNECTICUT PROJECT ANNUAL OPERATING BUDGET

Chairman Pace requested a motion on the referenced topic. Director Sullivan made the following motion:

RESOLVED: The fiscal year 2004 Metropolitan District Commission Mid-Connecticut Project Annual Operating Budget, excluding the projected costs for the Torrington and Watertown transfer stations and the associated transportation costs, as presented in Exhibit I, be adopted substantially in the form as presented at this meeting. In its adoption of this MDC Annual Operating Budget, CRRA does not validate or approve the terms of the foregoing MDC Annual Operating Budget and CRRA reserves its rights to dispute and or challenge any of the terms of the foregoing MDC Annual Operating Budget in particular, and without limitation, MDC's statement of Indirect Costs, and in no way waives CRRA'S legal or equitable rights. The adoption of this MDC Annual Operating Budget does not preclude CRRA from effectuating the April 19, 2000 Arbitration decision in CRRA versus the MDC including, without limitation, (1) CRRA's unilateral right to hire replacement workers to replace MDC on one or more programs, (2) CRRA's right to a new Indirect Costing Methodology, and (3) CRRA's right to seek recovery of funds previously paid to MDC as Indirect Costs.

Director O'Brien seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		

Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AUTHORIZATION WITH RESPECT TO FINANCIAL ADVISORY SERVICES

Chairman Pace requested a motion on the referenced topic. Director Sullivan made the following motion:

RESOLVED: That the President or Chief Financial Officer be authorized to extend a contract to Public Financial Management ("PFM") to assist the Finance Division staff with work in a variety of projects, including Mid-Connecticut and Southeast issues on an as-needed basis. The contract would extend to October 31, 2003. Concurrently, Finance Division Staff will solicit proposals, complete selection and recommend a Financial Advisor prior to October 31, 2003, in order to ensure continuity of financial advisory services.

Director O'Brien seconded the motion which was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			

EXECUTIVE SESSION

Chairman Pace requested a motion to convene an executive session to discuss litigation, pending litigation, contractual negotiations and personnel matters with appropriate staff. Director O'Brien made the motion which was seconded by Director Cassano. Chairman Pace requested that Messrs. Kirk, Fancher, Cohen, Doolittle and Cordeiro and Ms. Schmidt remain during separate parts of the executive session. The motion previously made and seconded was approved unanimously.

The Executive Session began at 12:10 a.m.

The Executive Session concluded at 1:45 p.m.

Chairman Pace reconvened the Board meeting at 1:46 p.m.

Chairman Pace noted that no votes were taken in Executive Session.

LEGAL (CON'T)

AUTHORIZATION FOR PAYMENT OF ANDERSON KILL AND OLICK

Chairman Pace requested a motion on the final resolution regarding the referenced topic. Director O'Brien made the following motion:

FURTHER RESOLVED: That the President of CRRA is hereby authorized to pay Anderson Kill an additional \$115,000 for preliminary motions and appeal in bankruptcy action on the condition that Anderson Kill inform CRRA when it is within \$50,000 of this authorized expenditure. This brings the total amount authorized by the Board up to \$655,000.

Director Cooper seconded the motion which was approved. Director Knopp abstained from the vote.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti	X		
Alex Knopp			X
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		

AJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn made by Director Rifkin and seconded by Director O'Brien was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 1:52 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Angelica Mattschei".

Angelica Mattschei
Corporate Secretary to the Board

CONNECTICUT RESOURCES RECOVERY AUTHORITY

EXECUTIVE SESSION

JUNE 19, 2003

An Executive Session called for the purposes of discussing litigation, pending litigation, contractual negotiations and personnel matters, was convened at 12:10 p.m.

DIRECTORS

Chairman Pace
Vice Chairman Cassano
Director Cohn
Director Rifkin
Director Sullivan
Director O'Brien
Director Mengacci
Director Knopp
Director Cooper
Director Lauretti
Ad Hoc Member Griswold

STAFF

Tom Kirk
Ann Stravalle-Schmidt (part)
Christopher Fancher (part)

BR

Doug Cohen

A.G.

Theodore Doolittle (part)

PLM

Mark Cordeiro (Part)

No votes were taken in Executive Session.

The Executive Session was adjourned at 1:45 p.m.

CONNECTICUT RESOURCE RECOVERY AUTHORITY
BOARD MEETING

June 19, 2003

Held At:

211 Murphy Road

Hartford, Connecticut

H e l d B e f o r e :

MICHAEL A. PACE, Chairperson

1 Appearances:
 2 Directors:
 3 STEPHEN CASSANO
 4 BENSON COHN
 5 MARK COOPER
 6 TIMOTHY GRISWOLD
 7 ALEX KNOPP
 8 MARK LAURETTI
 9 JOHN MENGACCI
 10 RAY O'BRIEN
 11 HOWARD RIFKIN
 12 MARC RYAN
 13 ANDREW SULLIVAN
 14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25

1 Appearances (Cont'd.):
 2 In attendance:
 3 JERRY TYMINSKI
 4 SCRRRA
 5
 6 BARRY ZITSER, ESQ.
 7 Perakos & Zitser, P.C.
 8
 9 STEVE N. DIAZ
 10 COVANTA
 11
 12 DAVID ARRUDA
 13 MDC
 14
 15 MARK CORDEIRO
 16 PLM
 17
 18 ELSIE PATTON
 19 ARTHUR ROCQUE
 20 D. COHEN
 21 TOM TYLER
 22 Department of Environmental
 23 Protection
 24
 25

1 Appearances (Cont'd.):
 2 Present from the CRRA staff:
 3 BETTINA BRONISZ
 4 ROB CONSTABLE
 5 CHRISTOPHER FANCHER
 6 GARY GENDRON
 7 MARION HUBBARD
 8 THOMAS KIRK
 9 ANGELICA MATTSCHER
 10 CHRISTOPHER MAY
 11 VIRGINIA RAYMOND
 12 DIANE SPENCE
 13 ANN STRAVALLE-SCHMIDT
 14 MICHAEL TRACEY
 15
 16 In attendance:
 17 JOHN STAFSTROM, JR., ESQ.
 18 Pullman & Comley, LLC
 19
 20 JOYCE TENTOR
 21 HEJN
 22
 23 FRANK MARCI
 24 USA Hauling & Recycling
 25

1 Appearances (Cont'd.):
 2 In attendance:
 3 THEODORE DOOLITTLE, ESQ.
 4 CHARLIE STEENBURG, ESQ.
 5 Office of the Attorney General
 6
 7 JANE KORVEK
 8 BRBI
 9
 10 RONALD GINGERICH
 11
 12 JONATHAN BLIMES
 13
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1 THE CHAIRMAN: All right,
 2 we're going to start this meeting. It's five
 3 after nine. This is the regular scheduled
 4 meeting of the Connecticut Resource Recovery
 5 Authority of June 19th. And I've checked
 6 with counsel; we do have a legal quorum. I
 7 would ask everybody to rise for the pledge of
 8 allegiance, please.

9 (Whereupon, the pledge of
 10 allegiance was recited.)

11 THE CHAIRMAN: Thank you. I
 12 know we have other members coming, but let's
 13 go right to the public portion. Is there any
 14 member from the public that wishes to address
 15 -- yes.

16 MS. TENTOR: Good morning,
 17 Mr. Pace, board members. My name is Joyce
 18 Tentor, and I'm with the Hartford
 19 Environmental Justice Network. Our
 20 organization is concerned about actions
 21 involving the quality of the air, water, and
 22 the land in which we live. And one of our
 23 ongoing efforts is to reduce the sulfates and
 24 the particulate matter in diesel fuel. You
 25 have seen the new Connecticut transit buses.

1 And we are working with them as well as the
 2 Hartford school board to develop alternative
 3 fuels for the diesel.

4 On your agenda today you will
 5 be considering the reduction of delivery
 6 hours to the Hartford Landfill. And before
 7 you take a vote on that, I would hope that
 8 you would consider on behalf of all of us
 9 what impact that may indeed have on traffic
 10 going into the landfill, particularly on days
 11 that you may see an increase after holidays,
 12 perhaps in the summer and spring when peak
 13 construction begins.

14 So, with that in mind, you may
 15 want to, if you do not have a study now of
 16 that kind of activity, you may indeed want to
 17 postpone your vote a little to maybe tweak
 18 your adjustment hours. Certainly we
 19 appreciate the cost-cutting efforts that
 20 you're doing on behalf of all of the citizens
 21 in Connecticut, but at the same time we do
 22 not want to put an additional burden of added
 23 pollution to that neighborhood and that
 24 neighbor and also the folks across the river
 25 by having a stream of trucks that sit there

1 and idle for could be hours depending on the
 2 line. And so I would respectfully ask you to
 3 do that in consideration.

4 Also an additional -- and this
 5 might be down the road a little -- in your
 6 contract negotiations for transportation we
 7 are working to try to bring some ultralow
 8 sulfur diesel into the Hartford area. That's
 9 something that is pretty much common in New
 10 Haven but up here apparently it is not. The
 11 ultralow sulfur diesel with the combination
 12 of particulate traps is a good way, an easy
 13 way, an economical way to bring down this
 14 emissions, the sulfates and the particulate
 15 matter, emissions into the air. And you
 16 could by a stroke of a pen require this in
 17 your contracts with your transportation
 18 people when they renew. And this is a little
 19 thing that you could do that could have a big
 20 impact on the environment.

21 Thank you.

22 THE CHAIRMAN: Is there anyone
 23 else who wishes to address?

24 The Chair is going to take a
 25 prerogative, if you will. We don't normally

1 do this, but this CRRA has set right from the
 2 beginning that it's very concerned about our
 3 host communities and it's very interested in
 4 doing everything it can do to mitigate any
 5 environmental impact.

6 Without putting you on the
 7 spot, Peter, the issue about us reducing the
 8 landfill hours, can you address in short to
 9 the lady if that would have any impact on
 10 other traffic, because we have done a study,
 11 correct?

12 MR. EGAN: Certainly, I'll
 13 address the concern of Joyce in the
 14 environmental justice network that we have
 15 not conducted a formal study, a formal
 16 traffic study. And the reason is I consider
 17 this to be a very small, very essentially
 18 insignificant change in traffic patterns. I
 19 think the only comment that I'll make is
 20 although we did determine that between the
 21 two hours 6:30 and 8:30 a.m. we're going to
 22 prevent trucks from delivering, we average
 23 about three and a half trucks in that time
 24 period. When those three and a half trucks
 25 show up at 8:30 they may sit for an extra

1 five to ten minutes. On the other side of
2 the equation, what we're doing is changing
3 the time when we start our nonmobile heavy
4 equipment on the landfill by two hours, which
5 would include typically two bulldozers and a
6 compactor.

7 So what we will be
8 accomplishing is reducing the idling time of
9 that heavy equipment for approximately two
10 hours, which significantly offsets the issue
11 of five or ten minutes that a truck might be
12 sitting out in the cul-de-sac there. We have
13 not done a formal traffic study, and, again,
14 I don't believe that's necessary in this
15 case.

16 THE CHAIRMAN: I just wanted
17 to hear that in case you don't -- for our
18 agenda so that we have looked at some of
19 those mitigating factors. Thank you.

20 Yes.

21 DIR. CASSANO: The second part
22 of her presentation involved the low sulfur
23 fuel. We do know that New Haven is using it
24 in that area. How will we go about trying to
25 make that happen here?

1 THE CHAIRMAN: I think what
2 we'll do is we'll refer it to Peter and Tom
3 through operations and come back and see what
4 kind of arrangements we have to make.

5 I would say that the lady
6 brings up a point today that's quite
7 opportune, if you will, because I think as
8 the board Commissioners are probably aware of
9 right now, I've taken the liberty of inviting
10 a special guest here this morning,
11 Commissioner Art Rocque. He's commissioner
12 of the DEP. I do this because I've met just
13 recently with the commissioner and his deputy
14 to talk about some of what we think or what I
15 thought were some common interests
16 representing the people of the state of
17 Connecticut, good public policy and the fact
18 that this CRRA board, all right, the new
19 CRRA, if you will, should be working in a
20 more proactive stance, all right, with the
21 DEP to see what good public policy is and how
22 it can be improved and through regulations or
23 legislation what commonalities we would have
24 in serving and the delivery of service that
25 we would have to the residents of the state

1 of Connecticut.

2 And with that I'm going to be
3 quiet and introduce Commissioner Rocque.

4 MR. ROCQUE: Thanks Mike, I
5 appreciate it. I don't know about special
6 guest but thanks for inviting me.

7 Before I start, let me just
8 point out that I did bring the requisite
9 number of bodyguards with me, one to the
10 right side and one to the left side. I'll
11 point them out to you. I brought Elsie
12 Patton with me. Elsie is the acting director
13 of planning for the waste bureau. And just
14 so that she doesn't get too lazy and
15 complaisant in that new job, we had her bring
16 her remediation responsibilities from the
17 water bureau with her. What Elsie is charged
18 with doing is merging, if you will, the
19 appropriate components of the remediation
20 program and the waste program. They had been
21 in separate bureaus and not always on the
22 same page or going in the same direction,
23 and under Elsie's guidance I'm sure that they
24 will begin to do that.

25 I also brought Tom Tyler,

1 who's hiding in the back. Tom is my eyes,
2 ears, feet, I don't know, strong arm or
3 subtle arm at the General Assembly to try and
4 keep what we hold near and dear relatively
5 intact and fend off those things that we
6 think are not good ideas. He spends probably
7 more time on the latter than on the former, I
8 fear to say.

9 And that sort of is a segue
10 into the issues that Michael and I and my
11 deputy commissioner discussed a couple weeks
12 ago. We have a long history, DEP and CRRA.
13 Without revealing too much personal
14 information about myself, I was actually in
15 the room when Dan Lufkin listened to the
16 presentation from Dick Chase, Dick Dowd, and
17 Bob Shultz that created CRRA. So I've been
18 around, I know what's going on, I know what
19 has gone on. And through my various life
20 cycles at the Department of Environmental
21 Protection over the last 33 years, I've
22 actually enjoyed some of the more tumultuous
23 things that have occurred between the two
24 agencies. And it seems to me that this is a
25 good time with the reconstituted CRRA board

1 and with the Department of Environmental
 2 Protection looking at serious reorganization
 3 for us to sit down and figure out what makes
 4 sense as part of public agenda to move
 5 forward so that we get the best possible
 6 waste management and disposal at the lowest
 7 possible price that Connecticut can achieve.

8 Having said that, I think that
 9 there are some constraints. One of the
 10 issues that Mike brought to us was the issue
 11 of cost. And he and the rest of the board, I
 12 know, are struggling with trying to reduce
 13 operating costs for the entire system,
 14 particularly to benefit municipalities, but
 15 also to benefit the ultimate user or
 16 disposer, if you will, the individual
 17 households. We're fairly strongly in
 18 support of that notion, but there is a minor
 19 dilemma, and that dilemma is that the
 20 contributions that come from CRRA into the
 21 solid waste management fund are currently
 22 used to support the very staff that would be
 23 necessary to make whatever adjustments in the
 24 system might be appropriate and required.

25 So, what I suggested as a

1 compromise or as a solution, I guess, a
 2 future solution, is that we go hand in hand
 3 to the governor, and I think that's actually
 4 a fairly easy sell, but to the governor and
 5 to the General Assembly, perhaps a more
 6 difficult sell there, and suggest that maybe
 7 they want to put DEP on actually some state
 8 money, some real state money general fund
 9 revenues to support environmental quality
 10 programs rather than continue getting by on
 11 the cheap, thereby giving us the opportunity
 12 to relieve some of the fees and other things
 13 that we collect to keep ourselves in business
 14 and afloat.

15 Another issue that we
 16 discussed that I think is more fundamental to
 17 the issues at hand is the statutory construct
 18 that has been created for waste disposal in
 19 the state of Connecticut. We currently
 20 require under statute a certificate of need
 21 before a new facility can be developed. The
 22 permitting process for new facilities, for
 23 example, a bulky waste landfill, provided
 24 that you have a willing applicant, an able
 25 applicant, and a suitable site is probably in

1 the two- to three-year range or longer. We
 2 know that we're running out of space. We
 3 know that it's much more expensive to ship
 4 out of state, but yet we're sort of waiting,
 5 we wait, we the Department of Environmental
 6 Protection, wait for an applicant to come to
 7 us. And because there is still capacity the
 8 certificate of need for some of these
 9 landfill -- ash landfills, for example, are
 10 very difficult to quote unquote justify.

11 Let me be bold and follow a
 12 careerlong pattern of being candid and
 13 getting myself in trouble by being so and
 14 suggest that it's a huge fiction. We're
 15 supposed to produce a solid waste management
 16 plan which is supposed to guide our
 17 permitting. The last addition of the solid
 18 waste management plan was more controversial
 19 than the previous additions. And that has a
 20 basis, I think, in three areas. First of
 21 all, there is a dearth of data upon which to
 22 base that plan or the data that exists is
 23 controversial or the data is contested. So
 24 when we try to pull together a solid waste
 25 management plan, CRRA, as one of the

1 principal users but not the only user of that
 2 plan, objects to the numbers and the
 3 projections and we start wrestling over the
 4 details. The implication being that if an
 5 application is not consistent with that plan
 6 it isn't going to get a permit, so there are
 7 actually big stakes. Well, the problem is
 8 that the system, the whole concept of waste
 9 management in Connecticut is based on the
 10 principle that Connecticut is an entity unto
 11 itself completely by itself and completely
 12 self-sufficient. You probably have caught on
 13 already that that is a fiction, that while we
 14 consider it garbage when we take it out to
 15 the curb, it's actually at least a national
 16 if not an international commodity once it's
 17 picked up.

18 So the economic system is
 19 driving something that's very different and
 20 contrary to what is in Connecticut law. If
 21 you're going to maintain competition, i.e.,
 22 be able to control prices, you've got to have
 23 some ability to provide capacity for the
 24 future so that you're not up against it, as
 25 it were, in the 11th hour. And I really

1 think that that's where we need to focus our
 2 efforts. I am not particularly proud, but
 3 I'm also not ashamed of the fact that there
 4 is no current edition of the solid waste
 5 management plan out there because, quite
 6 frankly, I didn't think it was helpful. I
 7 didn't think it was accurate. When I asked
 8 staff six years ago questions about how we
 9 got certain projections and numbers, et
 10 cetera, I was not confident in the answers.
 11 I was confident I was getting the answers
 12 that they thought I should be getting, but I
 13 wasn't confident in what they were giving me
 14 in terms of data, numbers, and projections.

15 So I would recommend that that
 16 be a place where we start. We start looking
 17 at what it is CRRA thinks it needs and what
 18 the other operators, very few, think are
 19 necessary and reasonable so that we don't
 20 wind up with a split system. One of the
 21 things that Mike expressed some concern
 22 about, and frankly the deputy commissioner
 23 and I also are concerned about, is that we
 24 don't wind up with a segregated waste
 25 management system in Connecticut where you

1 have haulers and, if you will, disposers or
 2 trash-to-energy producers on one end of the
 3 scale and disposers of the residue or the ash
 4 on the other end of the scale that can then
 5 figure out what the marginal difference is
 6 between shipping the ash to say Arizona by
 7 parcel post and disposing of it in a landfill
 8 that may have excess capacity here within the
 9 state.

10 So with that introduction I'd
 11 be willing to turn it over to discussion,
 12 debate, and conversation. But I think that
 13 there's a lot of common ground that we can
 14 work on. I think the best way to do that is
 15 to sit down and reason together, come
 16 together with something that we can both
 17 agree to rather than try and battle it out as
 18 we have too often in the past either in the
 19 hall, to the legislature or other places,
 20 public hearings, et cetera.

21 THE CHAIRMAN: Board? I guess
 22 the first thing -- I don't know if it's a
 23 surprise. Through the chair, I've been
 24 trying to network out and see what other
 25 agencies we need to work with and should be

1 working with and where there's a commonality
 2 of delivery of service and public policy to
 3 the residents of the state. In today's
 4 packet you will see that new business plan
 5 model, if you will, the new charge for the
 6 next year that I've been working on with the
 7 steering committee. Others of you have gone
 8 through it. It's on the table today. What
 9 Art just spoke about today in my meeting with
 10 him and Deputy Commissioner Stahl is a major
 11 piece of that. So that we take a look at
 12 what our business is, what our future
 13 projections are and how we come up with the
 14 viable business model, the finance model
 15 obviously, to do so. So it is an important
 16 element. I will say that the attorney
 17 general, I've spoken with him on this. He is
 18 supportive of this. He was going to be here,
 19 but last night we got a call. He had another
 20 conflict and obviously he's not here.

21 So I think it's important to
 22 sit down with the various agencies of the
 23 state and the legislature and make sure we
 24 have an understanding of what this business
 25 is about and have people realize that this

1 new CRRA model, all right, is a viable model
 2 and is needed to protect the residents of the
 3 state of Connecticut and the municipalities
 4 and guard against any kind of a monopoly
 5 happening -- I've used that word -- from
 6 either private industry or others through
 7 political influence to try to gain an
 8 advantage. And I think to be candid, that's
 9 one of my concerns as I look at it. You will
 10 see items today that will start to bridge us
 11 from, if you will, CRRA and the new CRRA. We
 12 have been working on that for a year, and
 13 today is our one-year anniversary of the new
 14 board with things that I think we've
 15 accomplished through your good hard works
 16 through our new president and CFO and our
 17 staff. We need to now make that quantum leap
 18 of going into the 13th month looking out
 19 toward our future with our financial
 20 mitigation plan, with our new business model
 21 being developed, with cooperations of
 22 collaboration between the DEP, us, and the
 23 attorney general. Someone actually told me
 24 this is a pie in the sky. They're wrong. I
 25 don't think it is. I think when we have the

1 attention of the public, and CRRA seems to
 2 have the attention of the public, we can
 3 start to move the agenda to make sure that
 4 the public's interest is best served.
 5 That's the Chair's comments.
 6 If you have any comments of concern or
 7 support on this I would appreciate it.
 8 Sir.
 9 DIR. O'BRIEN: I appreciate
 10 the comments. And I would commend the
 11 commissioner and the staff. I know you lost
 12 some key staff recently, but you're turning
 13 that to an advantage in some respects by the
 14 restructuring.
 15 And, Mike, you know you can
 16 count me in. I have some experience working
 17 with DEP for several years and you can count
 18 me in on any of the discussions that you'd
 19 like to hold jointly with the commissioner or
 20 -- I haven't worked with the commissioner
 21 much, but I have worked with Deputy
 22 Commissioner Stahl so --
 23 MR. ROCQUE: She has all the
 24 staff anyway so we've got to work with her.
 25 THE CHAIRMAN: And Jane was

1 going to be here but she had a conflict as
 2 well.
 3 Any other comments?
 4 Then I thank you.
 5 Art, you're welcome to stay.
 6 MR. ROCQUE: I think I won't,
 7 though.
 8 THE CHAIRMAN: I knew that was
 9 going to be the response.
 10 MR. ROCQUE: I appreciate the
 11 opportunity. If I realized this was a
 12 birthday I would have brought a cake, but
 13 anyway thank you very much.
 14 THE CHAIRMAN: Thank you.
 15 All right, Andy Sullivan,
 16 who's our chairman of our finance committee,
 17 is going to be delayed. He'll be here
 18 somewhere around 10, 10:30, so what we're
 19 going to do is move the finance piece. I'm
 20 going to ask Mr. Cassano to take over the
 21 chair for a minute to take care of the
 22 minutes. I have somebody in the hallway that
 23 wants to see me.
 24 DIR. CASSANO: Is there a
 25 motion to adopt the minutes of May 15th?

1 DIR. COHN: So moved.
 2 DIR. O'BRIEN: Second.
 3 DIR. CASSANO: It's been moved
 4 and seconded. Any corrections?
 5 Seeing none, all those in
 6 favor?
 7 Opposed?
 8 Minutes are adopted.
 9 DIR. KNOPP: Mr. Chairman, I'm
 10 going to abstain because I was not present at
 11 the meeting.
 12 DIR. CASSANO: Okay,
 13 abstention. We're going to wait for Andy on
 14 the finance so let's go on to item 6. Why
 15 don't we go to project reports,
 16 Mid-Connecticut project, board action
 17 regarding the agreement for metals recovery
 18 and marketing services.
 19 Tom.
 20 MR. KIRK: That's behind tab
 21 number 5. This is a contract for the removal
 22 of metal that's picked out of the Mid-Conn
 23 waste stream. WTe Corporation has been well
 24 researched. It's a Massachusetts operation
 25 in full compliance with Massachusetts DEP

1 requirements. This particular contract
 2 allows us to remove large bulky metal items
 3 that we cannot landfill and we cannot process
 4 and dispose of them on a sliding-scale cost
 5 basis. If the index price for metal gets
 6 sufficiently high enough, not a likely
 7 opportunity, but should it get high enough we
 8 would actually receive a revenue for this
 9 metal. Virginia is even more familiar with
 10 the contract and the company as is Peter, if
 11 you have any questions.
 12 DIR. O'BRIEN: So moved the
 13 resolution that follows tab 5.
 14 DIR. CASSANO: Is there a
 15 second?
 16 DIR. COOPER: Second.
 17 DIR. CASSANO: Moved and
 18 seconded.
 19 Any discussion?
 20 Seeing none, all those in
 21 favor of the resolution?
 22 Opposed?
 23 Item A1 is done.
 24 THE CHAIRMAN: I'll stay out
 25 of the room longer if he's going to get more

1 done. It's good.

2 DIR. CASSANO: We're going to
3 just go down until Andy gets here. We'll
4 move the resolution --

5 DIR. O'BRIEN: I'll move the
6 resolution following tab 6.

7 THE CHAIRMAN: All right,
8 actually after we take the next piece of
9 business I'll turn it over to Steve.

10 Secretary Ryan, who's part of
11 our board, is here. He's asked to be put up
12 early in the agenda here because he does have
13 to leave. I will notice the board that I
14 also was going to move part of the finance
15 piece a little bit later because, as I said,
16 Andy Sullivan, our chairman of that, is not
17 here.

18 But one of the major pieces
19 that we have been working on for the last
20 many months is a financial mitigation plan
21 which is part of our restructuring which is
22 part of our mandate through the legislation,
23 and we have come up with a plan and have
24 submitted it to the OPM and the treasurer's
25 office. And John, perhaps you want to move

1 up to the table, maybe next to Jimmy here.
2 And I think it's important for the board to
3 hear where we are with the mitigation plan
4 and the loan and what has happened and what
5 has transpired in the last few weeks.

6 Secretary, I'll defer to you
7 first.

8 DIR. RYAN: Thanks very much,
9 Chairman Pace. I wanted to come in -- and I
10 apologize I have to leave shortly for a
11 budget meeting, but I wanted to go through a
12 little bit about some of the things we're
13 concerned about in trying to see if we can
14 move forward and get cash to the authority as
15 quickly as possibly. Many of you are aware
16 that I sent a letter to the legislature on
17 two issues, one of which was my continued
18 feeling that the OPM remaining on the board
19 is a conflict of interest since we will
20 potentially have direct oversight of loans
21 and approvals of plans in the future with the
22 authority. But separate and apart from that,
23 I also requested a change to the statute that
24 was passed a couple years ago that basically
25 says as a condition of approving CRRA's loan

1 of up to, I guess, \$115 million, I think the
2 number is, the treasurer and the secretary
3 would have to essentially approve the
4 mitigation plan submitted by the board. I
5 said in the letter that I felt very
6 uncomfortable doing that prognosticating
7 about the financial health and well-being of
8 the authority well into the future. I said
9 that I recognize that, because of the
10 relationship that CRRA has with the state in
11 terms of the SCRF and a potential draw down
12 on the SCRF, that I continued to support a
13 loan, but I would support a loan with a
14 delinking in the statute which basically said
15 the treasurer and the secretary would accept
16 the mitigation plan, basically attest that
17 all the things that needed to be addressed in
18 that plan were addressed without essentially
19 commenting on the contents itself and then
20 follow through with the loan.

21 Now, as many of you know, the
22 budget is held up with the implementing
23 session and the budget session is not
24 occurring exactly on time. We hope to have
25 the session concluded by the end of the

1 month. That clearly -- if that happens, even
2 that best-case scenario, perhaps now
3 certainly does not give us sufficient time to
4 enter into an agreement on that basis and to
5 get a loan through.

6 What I would propose doing is
7 -- my understanding is a meeting took place
8 yesterday with members of my staff, Gareth
9 Bye, who's my in-house legal counsel, and
10 outside counsel for CRRA, bond counsel, I
11 guess the treasurer's office was there as
12 well, and my understanding is that a number
13 of language changes were submitted and I
14 think in general were adopted. I think the
15 main issue is now the level of the loan in
16 the short term and I guess some disagreement
17 between the parties about whether we could
18 enter into a short-term loan agreement, say,
19 for \$2 plus million, whatever's needed, and
20 then roll that loan into a larger \$22 million
21 loan agreement through June 30th of '04. I
22 believe we can craft, if we need to, I would
23 like to be able to get the legislative
24 changes I think we need to enter into the \$22
25 million loan, but I also believe if that's

1 not the case we could take essentially the
 2 agreed-upon language that was outlined
 3 yesterday, simply substitute the \$22 million
 4 for the \$2 plus million and enter into that
 5 type of an agreement at least in the short
 6 term. I believe we can get around my
 7 concerns about the delinking by essentially
 8 tweaking some language that I understand the
 9 treasurer's bond counsel had put together,
 10 and I think we could get that done and not
 11 have any issues related to potentially
 12 drawing down on the SCRF.

13 So I just would like to have
 14 some discussion on some of those issues at
 15 this point when you think it's appropriate.

16 THE CHAIRMAN: Treasurer's
 17 office?

18 DIR. RIFKIN: I wasn't at the
 19 meeting yesterday, but I did speak with Cathy
 20 Boone. I also just on a point of personal
 21 privilege inform the authority that Cathy
 22 Boone's mother passed away last night, and
 23 that's why she's not here today obviously.
 24 I'm sure we all extend our heartfelt
 25 sympathies to her.

1 I think that from the
 2 beginning we -- the treasurer has expressed
 3 and evidenced a willingness to work with the
 4 authority in executing a loan agreement that
 5 was -- that protected the state's interests
 6 and at the same time gave the authority a
 7 loan at an interest rate that was appropriate
 8 balancing the interests of the state against
 9 the one real revenue source that we have, one
 10 of the two revenue sources that we have, and
 11 that is the tipping fees to the
 12 municipalities. That's been the treasurer's
 13 position from day-one with respect to any
 14 negotiations around the loan agreement.

15 At this point in time, given
 16 the secretary's reservations, I'm sure that
 17 we would be prepared to support an interim
 18 loan agreement so that we would float enough
 19 resources to CRRA to make the debt service
 20 payments that will come due in July without
 21 having to tap into the SCRF. And then once
 22 we get this issue resolved in the legislature
 23 with respect to the secretary and the
 24 treasurer's requirement to accept a financial
 25 mitigation plan submitted by CRRA, that we

1 can move forward to execute a \$22 million or
 2 \$20 million loan agreement, whatever the
 3 difference is. And from my perspective I
 4 feel comfortable with the language that I
 5 think the subcommittee saw yesterday that the
 6 secretary and the treasurer would sign with
 7 respect to "accepting" the financial
 8 mitigation plan that was presented to us.

9 I do want to say for the
 10 record since Marc raised it, and this isn't
 11 anything that he and I haven't spoken about,
 12 that from the treasurer's perspective she
 13 disagrees with the position that OPM has
 14 taken relative to an inherent conflict of
 15 interest by remaining on the board because
 16 they are signatory to the loan agreement. I
 17 think the very nature of having ex-officio
 18 members on quasi-public authorities, whether
 19 it's CRRA or any other public authority,
 20 quasi-public authority in the state, is that
 21 those of who us represent offices, statutory
 22 offices, in fact, are there to ensure that
 23 the state's interest is heard and
 24 acknowledged in the process. I think that
 25 Marc's concern about being the signatory as

1 the secretary to the loan agreement may be a
 2 difference between actions that he might have
 3 to take whether at CHFA or CDA or on the
 4 Waterbury oversight board, but I think there
 5 are differences by degree. So, for example,
 6 the Connecticut Housing Finance Authority,
 7 every bond issue that they do under the
 8 general bond resolution has behind it a
 9 special capital reserve fund which is backed
 10 by the state of Connecticut. So if there
 11 were a default in payment to the bondholders
 12 ultimately and the reserves were tapped into,
 13 by virtue of the agreement that we have the
 14 state of Connecticut would appropriate back
 15 to the reserves the amount necessary to
 16 continue to support those reserves on an
 17 ongoing basis. That clearly is a link
 18 between Marc's role as a fiduciary and the
 19 budget director. It's clearly a link as in
 20 the role of treasurer as the issuer of state
 21 debt and the chief elected financial officer
 22 of the state. I've talked to the treasurer
 23 about this. She recognizes that inherent in
 24 any work that we do on a quasi-public
 25 authority may be differences of opinion

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1 between what the authority's interests might
 2 be and what the overarching interests of the
 3 state might be, and that's why we're there to
 4 articulate those differences and try to
 5 protect the interests of the state.
 6 So I need to say since Marc
 7 raised it for the record that we have a
 8 disagreement and I've conveyed that issue or
 9 that disagreement to the legislative leaders
 10 as well, as we go forward.
 11 THE CHAIRMAN: From the
 12 Chair's point, I'll respect your positions,
 13 conflict of interest, and that can be sorted
 14 out. The Chair's concern, as I mentioned to
 15 Marc just a few minutes ago, was the
 16 timeliness of this, that we've gone through a
 17 long process with this. And now I'm going to
 18 defer, John, how does this work for what the
 19 secretary is offering here? Does this work
 20 legally -- Jim, I would also ask you to
 21 comment on this -- from CRRA's perspective?
 22 MR. STAFSTROM: We did have a
 23 meeting yesterday to discuss the draft of the
 24 loan agreement and also some of the issues
 25 raised in the secretary's letter. I think a

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1 couple of things: The background of this,
 2 the background to the Chairman's point about
 3 the timing of this, is if we are not able to
 4 pay our debt service on the bonds, as the
 5 deputy treasurer pointed out, there's a hit
 6 on the special capital reserve fund and the
 7 state in effect fills that special capital
 8 reserve fund. That is a disclosure issue to
 9 the rating agencies for this authority,
 10 probably is also a disclosure issue for the
 11 state of Connecticut. It's on its own debt,
 12 something that people would like to avoid, I
 13 believe.
 14 In addition, the authority
 15 also has subordinate debt to the SCRF bonds.
 16 There's \$13 million of older bonds that are
 17 not covered by the SCRF. And because they
 18 are subordinate bonds, if we're now paying
 19 the debt service on the SCRF bonds, we're
 20 then not able to pay the debt service on the
 21 subordinate bonds and those bonds would
 22 actually go into default and the trustee
 23 and/or the bondholders could call that
 24 default with all kinds of the remedies you
 25 might expect on a regular default. They also

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1 are not insured bonds. And the trustee has
 2 such remedies as far as going -- putting a
 3 receiver on this agency. It could go that
 4 far.
 5 The other piece of this is,
 6 obviously the budget has already been set for
 7 the coming year and tip fees have already
 8 been set. There is no mechanism under state
 9 law or otherwise for a special assessment on
 10 the towns to cover any shortfall that we
 11 might have. So we operate in that sort of
 12 environment right now as far as the timing is
 13 concerned.
 14 The discussions we had
 15 yesterday, and I would agree with the
 16 secretary's characterization, that we are
 17 pretty well agreed on what the loan documents
 18 will look like. The issue that I don't think
 19 we came to closure on yesterday is what the
 20 form of approval of that loan will take.
 21 There had been some discussion from the
 22 treasurer's office, and frankly the letter
 23 has not been shared with us, but there was
 24 some discussion from the treasurer's office
 25 that they would work on a letter that said

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1 the treasurer and the secretary, if the
 2 secretary is in agreement with that, had
 3 determined that the requirements of the
 4 statute for the -- the requirements of the
 5 statute to be contained in the financial
 6 mitigation plan had been met without actually
 7 approving the plan in substance. And I
 8 believe that's an interpretation of the law
 9 that could hold water, but that is not
 10 something that secretary's counsel agreed to
 11 yesterday. So if that's what they're
 12 agreeing to today and there's clear -- it's
 13 clear that once the authority receives the
 14 loan, the loan won't be recalled, which is
 15 what our concern was yesterday, and that we
 16 fit within the statutory requirements, I
 17 think we would be comfortable then saying
 18 that that's something that we could move
 19 forward on. But I'd have to suggest,
 20 Secretary Ryan, that we didn't actually come
 21 to full closure with that and your counsel.
 22 And maybe there's been some development since
 23 then.
 24 DIR. RYAN: No, I don't think
 25 there has been. I think -- well, let's be

1 honest here. I think in my letter I
 2 basically say I am uncomfortable because the
 3 wording in the statute essentially implies an
 4 absolute approval of a mitigation plan as a
 5 condition to the loan. And whether we're
 6 signing on the face of it a \$2 million loan
 7 or a \$22 million loan people are going to say
 8 what's the difference. And do you want to
 9 know what? That probably is the case. I
 10 would however argue I feel much more
 11 comfortable because I do think approval is a
 12 flexible word. I believe if I'm approving a
 13 \$100 million loan approval probably means
 14 something very different if you're signing a
 15 document over a 10 or a greater period for
 16 \$100 million or \$20 million, an approval
 17 probably can mean something slightly
 18 different within the bounds of the law if I'm
 19 approving a stopgap loan anticipating changes
 20 in the statute. It's a political world. I
 21 believe we can craft language that
 22 essentially allows us to enter into a \$2
 23 million loan with appropriate language that I
 24 think we've reviewed perhaps with slight
 25 changes to comport with the statute and get a

1 short-term loan in place before the delinking
 2 occurs. There is an issue about whether the
 3 attorney general would have to approve the
 4 loan agreement. That is unclear to me at
 5 this point about whether it would have to be
 6 submitted or not. And clearly if it did have
 7 to be submitted and the attorney general
 8 approved whatever language we put in the
 9 agreement about the quote unquote approval, I
 10 don't see how that loan would ever be called
 11 back.
 12 DIR. RIFKIN: Can I just
 13 address that last point?
 14 THE CHAIRMAN: Sure.
 15 DIR. RIFKIN: I've had
 16 conversations with Carolyn Querijero, deputy
 17 attorney general, I had, months ago when we
 18 first started down the path of needing to try
 19 to negotiate out a loan agreement, talked to
 20 the AG's office about the need to sign off
 21 with respect to form and legality. And
 22 Carolyn's view of that was not necessarily so
 23 because of the way in which the statute reads
 24 as a loan agreement as opposed to a contract
 25 with an outside party. This is a loan

1 executed through the treasurer and the
 2 secretary, fiscal agents of the state. So
 3 she wasn't firmly committed to insisting that
 4 any loan agreement that we negotiate go
 5 through the attorney general for form and
 6 legality.
 7 So I suppose the answer is we
 8 can submit it or not. And that if we decide
 9 not to, I don't think that it's a huge issue
 10 for the AG.
 11 THE CHAIRMAN: We're throwing
 12 some numbers around here. We need \$1.8
 13 million for the next year, roughly \$2
 14 million, wasn't it?
 15 MR. KIRK: No, 1.8.
 16 THE CHAIRMAN: One point eight
 17 this year. And we're looking at a package
 18 that we put on the table that had a five-year
 19 out, about 20 something million, wasn't it?
 20 MR. STAFSTROM: The package is
 21 up to 22 with the expectation that the
 22 authority would probably only need to draw
 23 something slightly under 20, I believe --
 24 DIR. RIFKIN: Through June 30
 25 '04.

1 MR. STAFSTROM: -- to cover
 2 June 30th of 2004. So if we're successful in
 3 working this through and if the secretary and
 4 the treasurer get together on how this is
 5 done and put together, the money that the
 6 secretary is talking about gets us to next
 7 month.
 8 THE CHAIRMAN: Next month,
 9 the 1.8 to \$2 millions.
 10 DIR. O'BRIEN: That would be
 11 paid out this month -- received this month.
 12 THE CHAIRMAN: And, again,
 13 with everybody bringing their interest to the
 14 table. The Chair's responsibility is to
 15 CRRA. And I'm telling you my concern is here
 16 we are at the 12th hour. And we need to come
 17 up with the resolution of how we're going to
 18 resolve this, and we probably need to do it
 19 now. Because otherwise both the treasurer's
 20 office and the secretary said, and this board
 21 has said from square one, everything we've
 22 done to date is to ensure the fact that we
 23 don't hit the SCRF. Nobody wants that. And
 24 we need to bridge this.
 25 Howard, help us out with this.

1 DIR. RIFKIN: I would say two
2 things: I don't want to put words into
3 Marc's mouth, but I do think that we have
4 agreed on language for a loan agreement that
5 would constitute authority for the state to
6 loan CRRA up to \$22 million.

7 THE CHAIRMAN: Marc, would you
8 agree on that?

9 DIR. RIFKIN: We have agreed
10 that we're going to delink the interest rate
11 charge in that loan from the overall loan
12 agreement because the interest rate, setting
13 of the interest rate, falls within the
14 authority of the treasurer.

15 MR. STAFSTROM: That's
16 correct.

17 DIR. RIFKIN: We have -- both
18 the secretary and the treasurer's office
19 agree that we would feel more comfortable
20 executing a \$22 million loan agreement
21 without the language in the current statute
22 that requires acceptance or approval of a
23 three-year financial mitigation plan
24 submitted and approved by a two-thirds vote
25 of the members of this authority and

1 doesn't rise to the level of a stamp of
2 approval but comports with the general spirit
3 of the statute as it currently exists.

4 So, that's a long-winded way
5 of saying, Michael, that I think we're in
6 agreement. I don't think that Marc is here
7 to say I'm unwilling to enter into any loan
8 agreement until the legislature acts, because
9 there is a recognition that that's not going
10 to happen before CRRA needs the money. I
11 think he's also said clearly that nobody has
12 an interest in seeing the SCRF tapped. So
13 what we're trying to do is come up with a set
14 of practical solutions to a complex problem
15 that will float CRRA the money to make the
16 payment and then enter into a subsequent
17 agreement the language of which we've agreed
18 to.

19 THE CHAIRMAN: So then --
20 John, the language is agreed moving
21 forward --

22 MR. STAFSTROM: So it's fair
23 to say that there will be some certificate or
24 something in conformance with whatever the
25 requirements of the statute say and then

1 submitted to us.

2 So we both agreed that -- and
3 there will be at some point in the near or
4 not-too-distant future a special session of
5 the legislature to deal with budget issues
6 and budget implementation. And there's a
7 commitment to get a change in the statute
8 with respect to this loan agreement to remove
9 the approval requirement. It comes down to
10 the issue of making sure that there is
11 sufficient funds without tapping the SCRF to
12 make the next bond payment debt payment so
13 that in fact we don't tap the SCRF. And what

14 Marc is proposing here is a two-step process
15 towards a \$22 million loan agreement to do
16 an interim loan agreement by substituting 2
17 million or 1.8 million for the 22 and then
18 executing a subsequent agreement as soon as
19 the language is approved by the legislature
20 for the full amount.

21 In the interim we think that
22 there is some language, a certificate, if you
23 will, that we can jointly sign that will lay
24 out the sort of elements of the condition
25 precedent to the approval of the loan that

1 we'll enter into the interim agreement?

2 DIR. RIFKIN: I can't speak
3 for Marc or Gareth. From my perspective what
4 I'm saying is I think that the language that
5 we've seen that certifies and creates the
6 condition that satisfies the condition
7 precedent to entering into the loan agreement
8 I'm comfortable with. Now, maybe the words
9 get tweaked a little bit but I think it's
10 here and I think that at least the
11 conversation that I had previously with Marc
12 we're maybe that close to.

13 DIR. RYAN: Can I ask a
14 question? Howard, are you saying we would
15 only sign the certificate that was done by, I
16 guess it was, Squire, Sanders?

17 DIR. RIFKIN: I'm not saying
18 that's the only one.

19 DIR. RYAN: The loan agreement
20 and the certificate?

21 DIR. RIFKIN: Right.

22 DIR. RYAN: I'm saying if we
23 can take the language changes we proposed
24 yesterday with the master loan agreement plus
25 the certificate with a minimal amount of

1 tweeking, that I guess --
 2 MR. BYE: John and I are going
 3 to have to dance, around at the head of a pin
 4 and I assume also with Squire, Sanders.
 5 MR. STAFSTROM: From what I
 6 know, that would be acceptable to us. We
 7 were at a different place yesterday. I think
 8 there was some expression that the
 9 certificate was not needed and -- we probably
 10 don't need to go into all the details --
 11 DIR. RYAN: No.
 12 DIR. STAFSTROM: -- because
 13 what I'm hearing us say is that the
 14 certificate will enter into the agreement, it
 15 will be a short-term arrangement, and
 16 hopefully by the time we get to the need for
 17 additional money next year the legislature
 18 will have solved the problem.
 19 DIR. RYAN: That's correct.
 20 THE CHAIRMAN: And your
 21 problem really is, as you call it, delinking?
 22 DIR. RYAN: That's correct.
 23 THE CHAIRMAN: And just for
 24 the record, it has nothing to do with the
 25 content or the format of the mitigation plan

1 we forwarded?
 2 DIR. RYAN: Uh --
 3 THE CHAIRMAN: I want to hear
 4 it if it is.
 5 DIR. RYAN: Put it to you this
 6 way: We had nothing to do with what -- I
 7 believe CRRA submitted exactly what was
 8 called for in the statute. Inherent, though,
 9 in the statutory language I see approval, as
 10 essentially the secretary of OPM attested,
 11 over a long-term time frame, to the health of
 12 the authority. And I'm saying I as an
 13 individual shouldn't have to attest to that.
 14 There are too many unknowns out there. And
 15 it has nothing do with the operations
 16 necessarily of CRRA at this point, but there
 17 are so many things that could fall against
 18 anything assumed in that mitigation plan.
 19 And that's why I say as long as you
 20 essentially submit that document and we
 21 approve it in terms of -- I'm sorry, submit
 22 that document and we basically attest that
 23 you submitted the document, that is something
 24 I can agree to as opposed to approving that
 25 document in terms of all of the assumptions

1 that may be made.
 2 THE CHAIRMAN: Howard.
 3 DIR. RIFKIN: And let me be
 4 clear. I think the language that we've
 5 internally worked out for me satisfies a
 6 broader view of what approval means. And
 7 from our perspective, we'd be willing to
 8 execute the loan agreement whether it's for 2
 9 million or 22 million dollars with this
 10 language as part of a certificate. I favor
 11 the delinking that Marc is talking about but
 12 feel comfortable that this language satisfies
 13 the context in which the legislature used the
 14 word "approval" as a condition precedent to
 15 the secretary and the treasurer executing a
 16 loan agreement.
 17 MR. STAFSTROM: Mr. Chairman,
 18 if I could ask one more question?
 19 THE CHAIRMAN: Sure.
 20 MR. STAFSTROM: Because that
 21 -- not that we need to get into the full next
 22 point and exigencies of the situation, but
 23 what is your level of confidence that the
 24 legislature is going to change the
 25 legislation so that next month or not -- I

1 mean, we're living month to month here -- or
 2 next month we don't have a similar issue?
 3 DIR. RYAN: Both the treasurer
 4 and I believe -- have consulted with the
 5 legislature and they understand why we think
 6 we need those changes. I feel comfortable
 7 that the delinking will be approved. I'm not
 8 as comfortable that they believe that one or
 9 both of the ex-officios should be off the
 10 board. That's a totally separate issue.
 11 They may not buy that. I had to do what I
 12 had to do. I do, though, believe that
 13 delinking will be passed.
 14 DIR. RIFKIN: Plus it will be
 15 in section 150, subsection D, subdivision 17
 16 of the implementor bill.
 17 MR. STAFSTROM: But I get the
 18 strong sense the secretary will make sure
 19 it's there.
 20 DIR. RIFKIN: Yes.
 21 DIR. RYAN: That probably is
 22 the case.
 23 DIR. RIFKIN: He's a detailed
 24 kind of guy.
 25 THE CHAIRMAN: Then the Chair

1 would appreciate the secretary could send
2 some preadvancive language. As the chairman
3 with the responsibility I also -- Bud, did
4 you have a question?

5 DIR. COHN: Actually I had two
6 questions but one of them was already asked.
7 The second -- I don't know if
8 it's a question or a statement. This board
9 has been in a lot of uncomfortable positions
10 in the last year, but one of the most
11 uncomfortable was in setting a tipping fee
12 without knowing what the circumstances of the
13 loan would be, whether there would be one and
14 how much it would be. And we really need a
15 commitment from you that that won't happen
16 again, that our mitigation plan or our next
17 version of it next year is based on
18 discussion before the fact of what's feasible
19 and what's in the best interest of the
20 authority and the state.

21 DIR. RYAN: Well, I don't
22 think I've taken issue with the mitigation
23 plan. I'm just taking issue with the fact
24 that the secretary of OPM shouldn't have to
25 attest, as I view it, to the long-term

1 viability of the organization before making
2 the loan.

3 DIR. COHN: Let me be more
4 specific. In a couple -- I think it was
5 finance committee meetings rather than board
6 meetings, your representative on the board
7 was asked what's the secretary's position on
8 the loan and the answer was, "I haven't been
9 able to get to see him on it." And I think
10 our plan is better if we know your position
11 before we draft it rather than after.

12 DIR. RYAN: Bud, I don't have
13 an issue with making the loan. I understand
14 that's needed. In retrospect, I have an
15 issue with the wording of the statute, and
16 that's the only issue I have.

17 THE CHAIRMAN: Ray.

18 DIR. O'BRIEN: That bothers me
19 really, particularly the way you seem to be
20 construing the word "approve" to mean
21 "guarantee." And that seems to be what
22 you're saying, you construed that as meaning
23 a guarantee for ten years off.

24 Now I'm probably the least
25 qualified person on this board. I certainly

1 don't have your qualifications with regard to
2 finance. But nonetheless, I approved as a
3 director the mitigation plan because it was
4 based on the best information we had at the
5 time and it made sense. When we went through
6 the budget we even amended the
7 recommendations given us by staff to be sure
8 that we could cover all reasonably
9 anticipated expenses. And while I couldn't
10 guarantee even what next year's expenses are
11 going to be, we voted to approve that, and I
12 concurred in that vote. Heck, right now we
13 can't even guarantee when summer is going to
14 come. So I think you're using the word
15 "approve" and at the 11th or 11:30 telling us
16 well you think that means "guarantee," and I
17 think that's a stretch, very honestly.

18 DIR. RYAN: If I could just
19 respond? I appreciate that, and I don't want
20 to be at loggerheads with this board, but I
21 do believe this is a very unique
22 circumstance. There has been language in the
23 statute in the past that allowed the
24 treasurer or perhaps just me -- I can't
25 remember which -- to make incidental, in my

1 view, loans to quasi-public authorities, one
2 of them, I believe, was the Connecticut
3 Student Loan Foundation, and I think that was
4 a 2 to 4 million dollar, you know, cash loan.
5 And we went through as much detail on a 2 or
6 4 million dollar loan -- I remember going
7 through it with Bud on many occasions -- to
8 ensure that that agency that we're making a
9 loan could indeed pay that back, what was a
10 fair amount of time to pay it back, and
11 things of that nature. This is a very unique
12 circumstance when the state of Connecticut is
13 essentially not making an appropriation, not
14 having a bond authorization and simply making
15 a cash loan out of its reserves. And as you
16 know, we have a severe cash crunch right now,
17 we don't have a budget coming on July 1, and
18 we don't know if our cash position is going
19 to improve markedly in the next several
20 years.

21 So when I'm sitting here, you
22 know, with this kind of loan sitting in front
23 of me, I believe that it rises to the
24 level -- the statute forces me to rise to the
25 level and say can this organization

1 absolutely pay it back. I'm just saying as
 2 good as the mitigation may have been, as
 3 honest as this new agency is with new people
 4 in it, there are a lot of things that can't
 5 be anticipated. And given all the issues
 6 surrounding governor's representatives
 7 legally or illegally sharing and making
 8 decisions on the board in the past, I think I
 9 have to protect my agency as well as the
 10 state and request those changes, just to be
 11 very honest with you.

12 THE CHAIRMAN: Between John
 13 and Marc and Howard, we have a timetable.
 14 Jim, what's our timetable to need the cash?
 15 July what?

16 MR. BOLDUC: Recent projected
 17 cash flow suggests that by the end of July
 18 we'll be needing the cash.

19 THE CHAIRMAN: All right. And
 20 hopefully not waiting on July 29th, John,
 21 Howard, Marc, what do you see as the
 22 timetable to put this document together?

23 DIR. COHN: The 1.8?

24 MR. BOLDUC: Yes, the one
 25 that's in the budget the --

1 payment date -- if the payment date is July,
 2 then this discussion is materially different
 3 than if --

4 THE CHAIRMAN: You're talking
 5 about transporting the money. I'm talking
 6 about the document that guarantees we get it.

7 DIR. RIFKIN: I understand
 8 that. But the execution of a document, if
 9 the payment date is July 18th, then the issue
 10 is -- I mean, we can prepare the documents,
 11 as we described, including the certificate
 12 that the secretary and the treasurer is
 13 comfortable with within the context of the
 14 current statute. If the payment is July 18th
 15 and there is a legislative session between
 16 now and then and we get this delinking
 17 legislation, then we can tear up the
 18 agreement for the \$2 million and execute an
 19 agreement that's delinked from acceptance or
 20 approval of a mitigation plan for the full
 21 \$22 million.

22 THE CHAIRMAN: Right. I
 23 understand that --

24 DIR. RIFKIN: And that becomes
 25 the sort of operative loan agreement. Well,

1 DIR. RYAN: I thought that was
 2 in June actually.

3 MR. BOLDUC: The one that's in
 4 the book. There's a lot of things been going
 5 on in the last few days with EPA contracts
 6 and some other things. So we've got to
 7 revise when they hand out or --

8 THE CHAIRMAN: Give it June,
 9 give it July. The thing is what's our
 10 timetable here to do this?

11 DIR. RIFKIN: Well, if it's in
 12 June, then there's one answer. If it's in
 13 July, then there's potentially --

14 THE CHAIRMAN: Then the Chair
 15 will be conservative and say June because I'd
 16 like to see some cash coming to us.

17 DIR. RIFKIN: Let me just say
 18 from the perspective of the treasurer, the
 19 agreement has a provision with respect to how
 20 the money gets drawn. The state is not going
 21 to front CRRA money before it has to turn
 22 around and make the payment.

23 THE CHAIRMAN: I'm not asking
 24 for that.

25 DIR. RIFKIN: So if the

1 you can answer the question.

2 MR. STAFSTROM: I think we've
 3 agreed at yesterday's meeting the language in
 4 the document is the same for the 2 million
 5 and the 22 million. The real issue we're
 6 talking about is whether we need this
 7 determination letter certificate or not
 8 depending upon whether the legislation
 9 delinking is passed. I think what Howard is
 10 saying is if we need the money next week,
 11 we've got to get this done and got to get the
 12 certificate signed. And if you don't need
 13 the money until July, I assume what they're
 14 going to tell you is they are going to wait
 15 until they see if the legislature moves.

16 DIR. RYAN: I came here -- my
 17 last best information was that money would be
 18 needed before the end of the fiscal year. If
 19 cash flows have changed sufficiently to put
 20 that off by several weeks, I think what we
 21 should do is continue to meet on the master
 22 loan agreement. I think it's 95 percent
 23 done.

24 MR. STAFSTROM: Ninety-nine
 25 point nine.

1 MR. KIRK: I don't want to
 2 leave the board with the wrong impression.
 3 The last best information is and as it is
 4 right now we need the money in June.
 5 However, there are steps the board can take
 6 at this meeting releasing board-designated
 7 reserve funds that have some qualifications
 8 and issues surrounding that release that
 9 could get us into July. That in conjunction
 10 with revised estimates on our EPA can
 11 possibly get us until July, but not without
 12 action by the board today.

13 DIR. RYAN: Let me point out
 14 exactly where my position would be. We
 15 should cement down the master loan agreement
 16 and have the ability to put either that \$2
 17 plus million number or that \$22 million
 18 number in it. We should cement down language
 19 on a certificate that the state treasurer and
 20 I would sign if it's needed because you feel
 21 you need the money before delinking
 22 legislation can pass. I feel comfortable
 23 that we can get both of those pieces of paper
 24 done even by the beginning of next week at
 25 the latest. And when you guys say if you

1 don't feel comfortable making those
 2 arrangements to extend cash flow through
 3 July, I will be more than happy to sign the
 4 certificate at a \$2 million level, a master
 5 loan agreement at the \$2 million level. If
 6 you guys feel you want to go through July,
 7 you wouldn't need the certificate. We would
 8 get delinking language and we would just sign
 9 the master loan agreement.

10 MR. STAFSTROM: Just so I can
 11 clarify, I think where the discussion back
 12 and forth on June or July is coming is
 13 there's some internal discussion if we really
 14 got stuck here what would happen on a cash
 15 flow basis, but that means linking into
 16 board-designated restricted reserves, such as
 17 landfill closure reserves and other things.
 18 And the issue then is how do you ever
 19 replenish them because all we can ever borrow
 20 for is debt service. So it's probably not a
 21 good way to go.

22 DIR. RYAN: That's not a good
 23 idea. You shouldn't do it.

24 THE CHAIRMAN: The Chair is
 25 really not going to entertain that one.

1 Ray.

2 DIR. O'BRIEN: I don't really
 3 support that because it's really breaking the
 4 piggy bank and buying something short term
 5 that we're going to have a problem
 6 replenishing in the long term. Jim talked to
 7 me about it before the meeting and it just
 8 seems like we're grasping at the straw to
 9 keep from going down. I think we need that 2
 10 million in June and then move forward with
 11 the delinking. I guess I understand
 12 everything with regard to the delinking.

13 That makes sense, move forward with that to
 14 get the balance approved in July, but I think
 15 we need the 2 million in June instead of --

16 DIR. RIFKIN: I think we're in
 17 violent agreement.

18 THE CHAIRMAN: Bud.

19 DIR. COHN: I want to say the
 20 same thing. I'm encouraged that we can get
 21 the documents in place and we can go either
 22 way because I feel very uncomfortable with
 23 voting to release the last dollar of reserves
 24 because we're an operating agency, things
 25 change from month to month. We can't be

1 without some reserves. So I think we have to
 2 be ready to move on the loan if --

3 THE CHAIRMAN: Steve, you
 4 had --

5 DIR. CASSANO: We're ready to
 6 go.

7 THE CHAIRMAN: Okay. If there
 8 are any further -- do we have a meeting of
 9 the minds, gentlemen?

10 DIR. RYAN: I think we do.

11 THE CHAIRMAN: Howard, do this
 12 for me. Yes?

13 DIR. RIFKIN: Yes. I don't

14 think there's much left of our minds but --

15 THE CHAIRMAN: Okay. I don't
 16 think we need to take any actions on this.
 17 All right.

18 DIR. O'BRIEN: Do we need
 19 action to approve the amendment of our
 20 original modification or authorize the
 21 modification or what we approved last month?

22 MR. STAFSTROM: No. The
 23 authorization was up to 22 million.

24 DIR. O'BRIEN: But with
 25 certain language that you're changing.

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1 MR. STAFSTROM: We're not
 2 changing any language that wasn't within your
 3 approval. Your approval was up to \$22
 4 million and up to I think a 6 percent
 5 interest rate, and we're all within that.
 6 DIR. O'BRIEN: Okay. The
 7 certificate doesn't change that at all?
 8 MR. STAFSTROM: That's really
 9 a legal issue, important one, but a legal
 10 issue.
 11 DIR. O'BRIEN: Okay. I just
 12 don't want to drop it.
 13 THE CHAIRMAN: I know the
 14 secretary has to go. But I would refer,
 15 Marc, to your attention, if you haven't read
 16 it yet, in your book, tab 17, which concerns
 17 the moving forward with a business plan that
 18 hopefully you'll see that will be viable.
 19 The Chair is going to excuse
 20 himself one more time and ask Mr. Cassano to
 21 take over.
 22 DIR. CASSANO: We're going to
 23 go back to Mid-Connecticut, project reports,
 24 item 2.
 25 DIR. O'BRIEN: I'll move the

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1 resolution that follows tab 6.
 2 DIR. CASSANO: Temporary
 3 membrane cover. Tom.
 4 MR. KIRK: Okay, temporary
 5 membrane cover at the Hartford Landfill. We
 6 are required to cover at least 50 percent of
 7 the open area. In this arrangement we are
 8 covering a large area with a poly sheet not
 9 unlike trash garbage cans we use in our
 10 kitchens. That's a permit requirement. It's
 11 to allow shedding of rainwater into the storm
 12 sewer system. It's a 6 mil poly sheet.
 13 ~~Eighty thousand dollars in '03 operations~~
 14 budget is available. We will actually
 15 capitalize this item, but it's pretty routine
 16 operations issue for the Hartford Landfill.
 17 DIR. CASSANO: It's been moved
 18 and seconded. Any discussion on this item?
 19 DIR. COOPER: Was it seconded?
 20 Why don't I second it. I don't think it was.
 21 DIR. CASSANO: Seconded for
 22 the record. I'm sorry. Moved by Ray and
 23 seconded by Mark.
 24 All those in favor?
 25 Opposed?

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1 It's adopted.
 2 Board action.
 3 MR. KIRK: Actually we're
 4 short a quorum.
 5 (Pause.)
 6 DIR. CASSANO: Now I have
 7 nine. We are voting on the installation of a
 8 temporary membrane cover, Michael, which is
 9 somewhat routine.
 10 THE CHAIRMAN: Yes.
 11 DIR. CASSANO: All those in
 12 favor?
 13 Opposed?
 14 It is adopted.
 15 We're now on item 6-3,
 16 attachment 7.
 17 DIR. O'BRIEN: I will move the
 18 resolution that follows tab 7.
 19 DIR. COOPER: Second.
 20 MR. KIRK: Under 7 this is the
 21 prequalified service agreements, no value to
 22 the contract. They are an on-call service
 23 for miscellaneous issues at our Ellington,
 24 Hartford, Shelton, and Wallingford landfills,
 25 storm water management, leachate seepage

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1 repairs, et cetera. We generate a scope of
 2 work and choose a vendor.
 3 THE CHAIRMAN: The vice chair
 4 is doing a fine job. Go for it.
 5 DIR. CASSANO: Any discussion
 6 first of all. All those in favor?
 7 Opposed?
 8 Adopted.
 9 Item 4, attachment 8.
 10 DIR. O'BRIEN: I will move the
 11 resolution following tab 8 regarding the
 12 reduction of delivery hours at the Hartford
 13 Landfill.
 14 DIR. COOPER: Second.
 15 DIR. CASSANO: It's been moved
 16 and seconded. We had discussion on this
 17 earlier regarding public comment and I think
 18 that was addressed.
 19 Any further comment?
 20 DIR. O'BRIEN: Yes. I just
 21 would like, say, three months after this goes
 22 in for Peter to update the information he
 23 gave us with regard to any change in traffic
 24 as a result of these hours.
 25 MR. EGAN: Uh-huh.

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1 DIR. CASSANO: All those in
 2 favor?
 3 Opposed?
 4 Adopted.
 5 Item 5, attachment 9, spot
 6 waste delivery.
 7 DIR. O'BRIEN: Move the
 8 resolution following tab 9 regarding spot
 9 waste services agreement with the town of
 10 Windsor.
 11 DIR. COOPER: Second.
 12 DIR. CASSANO: Moved and
 13 seconded.
 14 Tom.
 15 THE CHAIRMAN: Just for
 16 information, one of the people sitting here
 17 went in the hallway and unfortunately fell
 18 and he's needing a little medical attention.
 19 That's why you see the activity going in and
 20 out. It's not that people are being rude.
 21 They are just attending to somebody.
 22 I'm sorry, sir.
 23 DIR. CASSANO: Tom, item 9.
 24 MR. KIRK: Under tab 9, spot
 25 waste services for Windsor, this is an

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1 agreement with the town of Windsor for use of
 2 their landfill, the Windsor/Bloomfield
 3 Landfill. It allows us additional options in
 4 dealing with our excess waste, waste that we
 5 cannot process at the Mid-Conn facility.
 6 It's beneficial for us because it provides us
 7 another option in addition to out-of-state
 8 export and it's at a slightly favorable price
 9 to our established costs right now, about \$2
 10 per ton savings.
 11 DIR. CASSANO: It's been moved
 12 and seconded. Any discussion?
 13 Seeing none, all those in

14 favor?
 15 Opposed?
 16 It's adopted.
 17 Item 6, attachment 10.
 18 DIR. O'BRIEN: I will move the
 19 resolution regarding the equipment lease
 20 between CRRA and CWPM.
 21 DIR. COOPER: Second.
 22 DIR. CASSANO: It's been moved
 23 and seconded.
 24 Tom.
 25 MR. KIRK: This particular

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1 arrangement has been addressed by the board
 2 in a prior meeting. It is the return of CRRA
 3 rolling stock trailers and tractors from our
 4 contractor. We've negotiated a favorable
 5 agreement that provides more value to CRRA.
 6 This particular agreement codifies a lease
 7 buy-back arrangement such that we will own
 8 and have in our possession the titles for all
 9 of our original equipment. We will be
 10 leasing that at a market rate to our
 11 contractor and they will have the option of
 12 buying that equipment at a market rate at the
 13 conclusion of the contract. This has been
 14 previously described to the board. There
 15 were some changes in the actual agreement, in
 16 particular, the insurance arrangements that
 17 assure indemnity of the CRRA. And we want to
 18 bring it back to the board for final
 19 approval.
 20 DIR. O'BRIEN: I would like to
 21 commend the president and his staff on
 22 resolving this question which was sticky for
 23 a while. And I got involved in it at the
 24 Chairman's request last year. So I commend
 25 you and your staff on the efforts to resolve

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1 this.
 2 THE CHAIRMAN: Howard.
 3 DIR. RIFKIN: I want to say
 4 for the record I agree with Ray. And I want
 5 to make it clear that -- particularly since
 6 this is on CTN -- that this essentially
 7 reverses the action taken by the previous
 8 board in which as a result of the transfer of
 9 the Torrington and Watertown transfer
 10 stations to a private entity previous board
 11 action gave away the equipment that was under
 12 the ownership of CRRA. And I do appreciate
 13 the effort that Tom and others made to not

14 only undo that but also create additional
 15 value to the authority.
 16 THE CHAIRMAN: Thank you. The
 17 Chair agrees with that. It was one of our
 18 long-standing issues and has finally been
 19 concluded.
 20 Any other comment on this?
 21 Then I'd see if the vice chair wants to call
 22 for the vote.
 23 DIR. CASSANO: All those in
 24 favor?
 25 Opposed?

1 It is adopted.
 2 Finally, item 7, board action
 3 attachment 11.
 4 DIR. COHN: I'll move the
 5 resolution that follows tab 11 regarding the
 6 creation of CRRA employee positions for the
 7 Mid-Conn project scales.
 8 DIR. COOPER: I'll second it.
 9 DIR. CASSANO: It's been moved
 10 and seconded.
 11 Let me just indicate that the
 12 personnel committee has reviewed this and
 13 recommended unanimously adoption of this to
 14 the board.
 15 Tom.
 16 MR. KIRK: This is an
 17 initiative that we're undergoing for two
 18 reasons: One is from a controls and a
 19 business standpoint we don't think it's
 20 proper that the CRRA cash register, if you
 21 will, is operated by contractors. We think
 22 it's a not optimized arrangement. It puts
 23 our contractors in an unenviable position of
 24 controlling scales over which their equipment
 25 moves and in the situation where they are

1 says CRRA employees, and there's a statutory
 2 limit on number of CRRA employees.
 3 DIR. CASSANO: That was a
 4 major consideration.
 5 DIR. O'BRIEN: Do these count
 6 or don't they count?
 7 DIR. CASSANO: They don't
 8 count because one of the criteria, there are
 9 alternative provisions that if in fact cash
 10 savings are a part of the addition of people,
 11 and in this case I believe the savings are
 12 approximately \$89,000, then we're allowed to
 13 do it.
 14 DIR. O'BRIEN: And we've
 15 documented that and we've got the audit trail
 16 set up to maintain that documentation.
 17 THE CHAIRMAN: Howard.
 18 DIR. RIFKIN: With respect to
 19 Essex and Ellington, are we replacing MDC
 20 employees?
 21 MR. KIRK: We're giving staff
 22 the opportunity to do that. I would hasten
 23 to add that our plan is not to do that
 24 because we're still in the middle of a
 25 mediation with MDC. But fundamentally our

1 paid by the ton.
 2 Additionally, in anticipation
 3 of increasing tip fees in years to come, it's
 4 important that we redevelop our enforcement
 5 capabilities. This initiative creates
 6 positions that will address both issues,
 7 operating our own scales and providing us an
 8 enforcement arm to ensure proper deliveries
 9 of waste to our facilities and sufficient
 10 searching and exclusion of unacceptable
 11 wastes.
 12 Importantly, the positions
 13 ~~will be revenue positive, net positive to our~~
 14 bottom line, because our employees are
 15 significantly cheaper than our contractors
 16 and we can --
 17 DIR. O'BRIEN: Less costly.
 18 MR. KIRK: I'm sorry, less
 19 costly. Equally qualified CRRA employees are
 20 less costly than our contractors. So we will
 21 be able to initiate this action and actually
 22 save money.
 23 DIR. CASSANO: Ray.
 24 DIR. O'BRIEN: Either Tom or
 25 Steve, does this have any effect on our -- it

1 desire is to control our own scale house, and
 2 at Essex and Ellington MDC does run the
 3 scale.
 4 DIR. RIFKIN: And in
 5 Torrington and Watertown it's Manafort?
 6 MR. KIRK: Torrington and
 7 Watertown is Manafort. And we would initiate
 8 discussions with them to replace their scale
 9 operator with a CRRA employee.
 10 DIR. RIFKIN: I'm just trying
 11 to sort of -- when MDC was replaced in
 12 Torrington and Watertown, part of the
 13 ~~motivation, as I understand it, of the~~
 14 previous board was in fact that the authority
 15 had the ability to do that because the MDC
 16 had not fulfilled certain terms of the
 17 contract that we had and we moved to
 18 privatize it because we felt that there would
 19 be a net/net savings to the authority. So
 20 what we're saying now is we need somebody
 21 in-house to watch over to be a gatekeeper, if
 22 you will, at all of these transfer stations
 23 whether the current employee is an MDC
 24 employee or a Manafort employee?
 25 THE CHAIRMAN: There's two

1 things there, Howard. We're looking for
 2 savings but also we've talked right from the
 3 beginning on this board that we needed to
 4 take a look at how our functions are handled
 5 and who handles, where the intellectual
 6 knowledge is, and in this case who's running,
 7 using Tom's word, the cash register. And the
 8 scale house really dictates obviously the
 9 tonnage that gets charged and how it comes
 10 through, and this is one means for us to take
 11 a look and take control of that.

12 So, the first savings, and I'm
 13 going back between Manafort and the MDC was
 14 one piece, this is moving forward to take a
 15 look at how do we understand our business and
 16 understand the flow of garbage that comes in
 17 that should be charged for currently and in
 18 the future, and that's what Tom is looking
 19 at.

20 DIR. RIFKIN: So let me just
 21 understand. The savings that we're alluding
 22 to are the result of personnel cost savings,
 23 or are we including what we think will be
 24 some additional revenue?

25 THE CHAIRMAN: No, this is

1 cost, not revenue.

2 MR. KIRK: It's strictly
 3 personnel savings.

4 DIR. RIFKIN: So to the extent
 5 that at Torrington/Watertown there are
 6 contractual questions with the MDC over who
 7 has responsibility over the tipping scales --
 8 over the scales, we may have an MDC employee
 9 coupled with a CRRA employee essentially
 10 responsible for the same thing; is that
 11 possible?

12 MR. KIRK: I suppose as a
 13 result of arbitration or even mediation if

14 MDC were to be back at Torrington or
 15 Watertown, that's certainly a possibility. I
 16 would --

17 DIR. RIFKIN: I mean, Essex
 18 and Ellington, the two transfer stations that
 19 MDC is now in charge of, Essex and Ellington,
 20 there is currently an MDC employee who's
 21 responsible for the cash register?

22 MR. KIRK: Correct.

23 DIR. RIFKIN: This proposal
 24 would substitute a CRRA directed employee for
 25 in those two instances an MDC employee to

1 achieve a savings, because I'm assuming that
 2 the savings are going to come from the
 3 difference between what an MDC employee is
 4 paid and plus the fringe benefits we have to
 5 reimburse and the health care benefits that
 6 we have to reimburse the MDC for and what we
 7 would propose to pay an individual working
 8 directly for CRRA?

9 MR. KIRK: Correct.

10 THE CHAIRMAN: Correct.

11 DIR. RIFKIN: To the extent
 12 that our MDC contract does not allow for the
 13 replacement of a -- substitution of a
 14 CRRA-paid employee for an MDC employee and we
 15 go to arbitration and we need to continue to
 16 pay -- not reduce our MDC payment by that
 17 equivalent amount, we are, in essence, not
 18 saving money but potentially are incurring
 19 additional costs?

20 THE CHAIRMAN: And this is
 21 what Tom and I think the committee --
 22 Virginia.

23 MS. RAYMOND: I just want to
 24 comment that -- and I fully respect where
 25 you're coming from -- but traditionally,

1 historically CRRA has operated its scales.
 2 So this is not something -- this is actually
 3 going back to something we have traditionally
 4 done, and that was control. So getting into
 5 the MDC contractual matters and stuff may not
 6 necessarily be germane because they used to
 7 run our scales.

8 MR. KIRK: We ran it when MDC
 9 was operating.

10 MS. RAYMOND: Absolutely.

11 DIR. LAURETTI: Are there any
 12 prohibitions that would allow us to use an
 13 alternative method for manning the scale

14 houses, as an example, another outside
 15 contractor?

16 THE CHAIRMAN: I think that's
 17 what the president's point is, that we ought
 18 to have somebody working for us that's loyal
 19 to us and not to an outside contractor
 20 watching those scales.

21 DIR. LAURETTI: I wouldn't
 22 disagree with that. And quite frankly, if
 23 it's arbitration that is the result of it,
 24 then so be it. At some point in time we've
 25 got to take a position about the cost of

1 doing business. That's something we've been
2 talking about for the last year.

3 THE CHAIRMAN: Steve, can you
4 comment on this?

5 DIR. CASSANO: This directly
6 does that. Howard said the major savings are
7 in -- the salary differences are significant.
8 This also includes actually extending the
9 hours of this position from 37 and a half to
10 40 hours a week, it reduces overtime, and it
11 gives us supervision of our own scales. It
12 does exactly that. It creates a cost savings
13 but gives us management which we have had in
14 the past.

15 DIR. RIFKIN: I just want to
16 say that I don't oppose this and I appreciate
17 the fact that we had -- like she said, we had
18 control of the scales. I guess the question
19 I had was whether we've had any discussions
20 with the MDC with respect to replacing the
21 current employee on their payroll who we
22 reimburse the MDC for with a CRRA employee.
23 Because if in fact they're going to assert
24 some contract right, even if in the past we
25 did it another way, then in fact the only

1 savings here would be the difference in
2 whatever Manafort is paying the person who
3 attends the cash register and what we would
4 pay the person, because we would go down
5 another road.

6 All I'm saying is we ought to
7 -- if you're saying to me that legally under
8 the MDC agreement and because in the past we
9 have controlled the cash register we have the
10 absolute unilateral right to do this and can
11 expect to realize some savings, that's one
12 thing. If what we're going to do is incur
13 yet another dispute with the MDC which

14 they're going to assert we don't have the
15 unilateral right to do this and therefore
16 assert arbitration and try to get some stay
17 of our ability to replace their employee with
18 our employee, we won't realize any savings.
19 And so, you know, where are we?

20 THE CHAIRMAN: I guess the
21 easiest thing is we're not looking to
22 duplicate personnel on-site. There is an
23 arbitration. The MDC has decided to continue
24 with arbitration even though we're going into
25 mediation.

1 DIR. RIFKIN: But the
2 arbitration doesn't have to do with this
3 issue, but we're creating another issue.

4 THE CHAIRMAN: But we're also
5 going into mediation.

6 DIR. LAURETTI: I think it's
7 pretty clear that we need to go down a
8 different road, to quote you, Howard. The
9 time has come. And for us to continue to
10 debate this really doesn't serve much of a
11 purpose because if you're going to use that
12 rationale as a reason not to go down that
13 road then we might as well fold the tents and
14 go home.

15 DIR. RIFKIN: All I'm saying
16 is that -- I mean, I'll vote for this if
17 there's some assurance that there's going to
18 be some conversation that takes place with
19 the parties affected so that we don't go down
20 another road of arbitration or litigation --

21 THE CHAIRMAN: And that's the
22 committee's intention.

23 DIR. RIFKIN: -- et cetera. I
24 mean, because it doesn't make any -- it seems
25 to me that, yes, I agree we need to do

1 business differently, but if what it's going
2 to do is take us down an old road we ought to
3 rethink this.

4 DIR. LAURETTI: I think our
5 arbitration award tells us that we can do
6 this.

7 THE CHAIRMAN: I think
8 everybody -- let's go to Steve. He's the --

9 DIR. CASSANO: Whether it does
10 or doesn't, I think you still have to make
11 the step forward. This is a cost-saving
12 measure. It's only \$90,000. But when you
13 look at salary differences and so on and the
14 ability to control your own scales, these are
15 the kinds of things that CRRA should be doing
16 even if it means that we have to go to
17 arbitration, whatever it is, if we're serious
18 about moving forward and trying to do things
19 to make us more effective, then we pass this
20 and we take those chances. As to Howard's
21 concerns, they can be addressed. Clearly we
22 have discussions, ongoing discussions, with
23 MDC, opposition is clear, the financial
24 position is clear, the differences, and so we
25 should move on.

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1 MR. KIRK: I do want to
 2 emphasize, though, that this is a resolution
 3 asking for creation of a position, and we
 4 wouldn't necessarily insert anyone until
 5 we're comfortable, one, we got the right
 6 person to train and it does in fact work to
 7 the advantage of the CRRA. And to that end,
 8 I anticipate that changes, if they come
 9 about, at the MDC staff places to be a result
 10 of negotiations with MDC, probably not part
 11 of the broader mediation because there's much
 12 bigger issues there, but probably as a result
 13 of an improved relationship with MDC, and in
 14 recognition of the fact that they used to be
 15 our positions. I'm not anticipating a
 16 difficult time convincing the MDC that it's
 17 in our best interests relationshipwise to be
 18 able to make those changes. If that is the
 19 case, we do have, I believe, the unilateral
 20 right to make that change based on cost, but
 21 I'm not anticipating we do that. There's
 22 eight positions created here, a lot of
 23 training, both enforcement and the scale has
 24 to go -- has to happen. My first target
 25 would be CWPM scales because I think we have

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1 put that vendor, quite honestly, in an
 2 untenable position of running a scale over
 3 which he determines how he's paid. If I was
 4 a private contractor I wouldn't want to be in
 5 that position, and I think that's where we
 6 should go first.
 7 DIR. RIFKIN: I think that's a
 8 reasonable explanation.
 9 THE CHAIRMAN: But we're
 10 looking at the whole thing, Howard, not just
 11 one piece.
 12 DIR. RIFKIN: I understand.
 13 THE CHAIRMAN: Mr. Lauretti

14 DIR. LAURETTI: Tom, is there
 15 a -- I think I asked this question before --
 16 is there a prohibition, or is it an absolute
 17 that they have to be CRRA employees to
 18 perform these functions?
 19 MR. KIRK: No. We could get
 20 another contractor. And if we were to go
 21 that route, actually our prices are pretty
 22 good compared to the market. We're not out
 23 of market, per se. But if we were to go that
 24 route, I would certainly choose a contractor
 25 that was not involved in the waste business

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1 going across those scales.
 2 DIR. LAURETTI: I would like
 3 to see the motion reflect that, that there's
 4 an option to do either/or. That's always my
 5 first preference.
 6 MR. KIRK: As opposed to --
 7 DIR. LAURETTI: As opposed to
 8 increasing --
 9 MR. KIRK: -- hiring
 10 employees?
 11 DIR. O'BRIEN: I'll second
 12 that amendment.
 13 THE CHAIRMAN: All right,
 14 would the chairman accept that as a --
 15 DIR. CASSANO: Yes.
 16 THE CHAIRMAN: The chairman of
 17 that committee would accept that as an
 18 amendment.
 19 Mark, how would you like that
 20 to read and where would you like these words
 21 inserted? Take a look at the motion, please.
 22 DIR. LAURETTI: This is tab
 23 number 11?
 24 DIR. O'BRIEN: I would say
 25 with CRRA employees or a contractor to CRRA.

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1 DIR. CASSANO: CRRA or
 2 contract employees.
 3 DIR. LAURETTI: It's the
 4 wording that gives you an option and
 5 flexibility.
 6 THE CHAIRMAN: It's your
 7 motion. I just want to make sure it reads --
 8 DIR. LAURETTI: I'd be
 9 comfortable with that.
 10 DIR. O'BRIEN: Put the word
 11 independent contract employee so there's no
 12 implication it could be the --
 13 THE CHAIRMAN: So let's vote

14 on the amendment.
 15 All those in favor of the
 16 amendment as stated?
 17 Opposed?
 18 All right. And now on the
 19 revised --
 20 DIR. CASSANO: The amended
 21 motion. Any further discussion?
 22 Seeing none, all those in
 23 favor?
 24 Opposed?
 25 It is adopted. That's the

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1 seven items. You have one additional item,
 2 resolution regarding the purchase of coal for
 3 the Mid-Connecticut project. There's a
 4 motion to suspend the rules to add this to
 5 the agenda.
 6 DIR. O'BRIEN: So moved.
 7 THE CHAIRMAN: Second.
 8 DIR. CASSANO: All those in
 9 favor?
 10 Opposed?
 11 The motion to adopt the
 12 resolution regarding the purchase of coal for
 13 the Mid-Connecticut project.
 14 DIR. O'BRIEN: So moved.
 15 DIR. CASSANO: Is there a
 16 reason this wasn't passed around until after
 17 the commissioner and DEP left?
 18 (Laughter.)
 19 DIR. CASSANO: Any discussion
 20 on the coal purchase?
 21 Seeing none, all those in
 22 favor?
 23 Opposed?
 24 It is adopted. And
 25 Mid-Connecticut is finished.

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1 THE CHAIRMAN: Okay, we'll go
 2 on to the Bridgeport project.
 3 DIR. O'BRIEN: I'll move the
 4 resolution following tab 12.
 5 THE CHAIRMAN: All right.
 6 This deals with the resolution regarding the
 7 environmental monitoring laboratory testing
 8 for the Shelton Landfill.
 9 Peter, would you speak to
 10 this?
 11 MR. EGAN: Certainly.
 12 THE CHAIRMAN: In brief.
 13 DIR. O'BRIEN: While we have a

14 quorum.
 15 MR. EGAN: This is simply a
 16 contract to conduct environmental monitoring
 17 of the Shelton Landfill for the next fiscal
 18 year for July '03 until June of '04. We are
 19 contracting with this contractor under our
 20 three-year engineering services agreement.
 21 We sought prices from five of the engineering
 22 firms with which we have three-year
 23 agreements, and the information in the board
 24 package provides you with the bid prices we
 25 received. All of these five contractors have

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1 been prequalified under our three-year
 2 services agreement prequalification exercise.
 3 The contractor that we chose is not only the
 4 low bidder but they are a qualified bidder.
 5 I'll answer any questions you might have.
 6 THE CHAIRMAN: We have a
 7 motion on the table. Is there a second?
 8 DIR. LAURETTI: Second for
 9 discussion.
 10 THE CHAIRMAN: Second for
 11 discussion, Mr. Lauretti.
 12 DIR. LAURETTI: Yes,
 13 Mr. Chairman, you and I have been having some
 14 ongoing discussions with respect to these
 15 services as they are being provided, and I'm
 16 just wondering if this is the time to further
 17 those discussions. I certainly recognize
 18 that we need to have something in place to
 19 fulfill our DEP permit requirements and in
 20 the interest of the operation and the
 21 landfill in and of itself, but I didn't want
 22 this item to be passed and not have some type
 23 of discussion about how the city of Shelton
 24 will interact.
 25 THE CHAIRMAN: I would think

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1 that this is the right time to bring any of
 2 your concerns right now to the table, sir.
 3 DIR. LAURETTI: Okay. The
 4 letter that I had sent you a couple of months
 5 back, were you able to --
 6 THE CHAIRMAN: I haven't dug
 7 it out of my files.
 8 Peter, did we find it?
 9 MR. EGAN: I did locate a copy
 10 and I have a copy here.
 11 THE CHAIRMAN: Then can you
 12 speak to it.
 13 Mark

14 DIR. LAURETTI: Maybe you can
 15 just read it -- it's relatively short, is it
 16 not -- just so the board can get a feel for
 17 where we're at with this issue. Just for the
 18 board's benefit, just some introductory
 19 information. The reason for this discussion
 20 is that back in August of 1999 there was a
 21 gas migration leak at the Shelton Landfill
 22 that caused quite a stir and it's of concern
 23 not only for the community but for the DEP.
 24 And there were a number of deficiencies that
 25 were cited at the landfill with respect to

1 the gas collection system. It was agreed
 2 between myself and the former president, and
 3 I believe the board also approved this, of
 4 CRRA, that the city of Shelton would have as
 5 a second stopgap, employ an environmental
 6 firm much like the company that we are
 7 looking to approve today for these services
 8 to be the city of Shelton's eyes and ears at
 9 the landfill in the form of additional
 10 protection. Chairman Pace had spoken to me
 11 several months back about this issue and felt
 12 that there was a duplication of services
 13 because the expense was being borne by CRRA.
 14 And I had said to him at that time that I did
 15 agree that there is a duplication of services
 16 and that was really to serve a purpose a
 17 couple of years ago and that there was
 18 probably some vehicle that we could put in
 19 place that would allow us to eliminate this
 20 duplication of cost and services to still
 21 satisfy the city's need and interest in
 22 protecting any future gas migration leaks
 23 that may occur.
 24 Peter, why don't you go ahead
 25 and read that letter, if you would, to the

1 contract. The environmental consultant will
 2 provide DEP with all necessary reports and
 3 copy CRRA with all correspondence and
 4 reports. This will require approval by the
 5 DEP. I am therefore sending a copy of this
 6 letter to Deputy Commissioner Stahl."
 7 THE CHAIRMAN: I remember that
 8 letter. And that letter was in response, so
 9 the board knows, to a letter that I had sent
 10 to the mayor back on August 29th, about two
 11 months after assuming the chair. It was to
 12 the mayor. The topic was reimbursement of
 13 costs for environmental consultant.
 14 "I understand that the city of
 15 Shelton employs an environmental consultant,
 16 currently Teague and Bond, to perform
 17 environmental oversight services associated
 18 with the Shelton Landfill.
 19 "I believe that the
 20 Connecticut Resource Recovery Authority began
 21 providing reimbursement to the city of
 22 Shelton for its expenses in this regard
 23 beginning sometime after the gas migration
 24 incident which occurred in 1999.
 25 "As you are aware, a permanent

1 board.
 2 MR. EGAN: Certainly. This is
 3 a letter to Michael Pace from Mayor Lauretti.
 4 It's dated December 11, 2002.
 5 "In a recent letter you
 6 advised me that CRRA wished to discontinue
 7 reimbursement to the city of Shelton for the
 8 environmental consultant we hired for
 9 oversight of the CRRA landfill in Shelton.
 10 "The city believes it has a
 11 strong obligation to protect the residents
 12 near the landfill in the circumstances that
 13 occurred in 1999. We've relied only on the
 14 reports done by the firm you had contracted
 15 with to meet the DEP requirements for the
 16 permit and were woefully let down in what
 17 could potentially have been a devastating
 18 result.
 19 "As a counterproposal the city
 20 would hire a qualified environmental
 21 consultant to perform all the tasks currently
 22 performed by your consultant to meet the DEP
 23 requirements. CRRA will reimburse the city
 24 for all of those costs and expenses and be
 25 able to release the firm it has under

1 enclosed landfill gas flare was installed at
 2 the site in May of 2002. Following a several
 3 week shakedown period during the month of
 4 June, this new flare was operating
 5 flawlessly. A stack test was performed in
 6 June of '02 and the results indicated that
 7 the flare is performing as designed. The
 8 results of this test were submitted to the
 9 DEP on August the 5th, '02. At this time the
 10 entire landfill gas collection and control
 11 system is operating in compliance with the
 12 air permit that governs the system.
 13 Additionally, the leachate collection and
 14 treatment system which is designed to manage
 15 the ash leachate generated from the ash
 16 residue disposal area at the landfill
 17 continues to operate properly, and the
 18 groundwater monitoring program continues to
 19 be conducted in accordance with the discharge
 20 permit which governs the landfill.
 21 "At this time I, acting as
 22 chair, feel that it is appropriate to
 23 discontinue the reimbursement program that
 24 has been in place between CRRA and the city
 25 of Shelton. CRRA will pay the reimbursement

1 request dated June 20th of '02 which was
2 \$2,210. CRRA, of course, will continue to
3 provide copies."

4 As Mark said, there was a
5 migration system. It was a serious problem.
6 It was addressed. The city of Shelton had
7 legitimate concern and did have a secondary
8 person or company verifying some of the
9 numbers. Upon reviewing those things and
10 talking with staff back in August when you
11 first came on board and, again, looking to
12 take a look at cost benefit, I wrote the
13 letter to Mr. Lauretti saying we'll
14 discontinue that and reimburse them to date.

15 At this point we're at
16 renewing or bringing in a contract to
17 continue this, and I think Mr. Lauretti is
18 looking for assurances for his town and his
19 population about these results in the firm.
20 Am I correct on that? That's a duplication.

21 DIR. LAURETTI: That's in
22 part correct because past performance at the
23 landfill has not borne fruit. And the reason
24 that we had asked for some type of a
25 safeguard and a second set of eyes and ears

1 was just for that reason. There are many
2 people that reside very close to the area
3 that felt that not only the CRRA has let them
4 down but the DEP has also let them down. DEP
5 is supposed to be there on a regular basis to
6 do inspections. They were. They were there
7 just three weeks prior to the incident and
8 revealed nothing. So if you know anything
9 about the nature of gas migration it's
10 something that evolves over a period of time
11 given the nature of where it is and soil
12 conditions and a whole bunch of variables.
13 So for them to be there and inspect and sign

14 off with a clean bill of health, it tells me
15 that we were failed on two fronts. So hence,
16 in the best interest of our public that lives
17 there we had insisted upon this. And I guess
18 what I'm suggesting here today is that we put
19 some type of procedure in place that ensures
20 that those eyes and ears are going to be
21 there on an ongoing basis.

22 THE CHAIRMAN: And to that
23 point that's where, quite honestly, I'd
24 forgotten how that letter to you got
25 generated. It's because of my letter to you.

1 And I think with that I have asked Peter and
2 Tom and talked with Mark that we would put in
3 place whatever the mayor thought was needed
4 using this new firm. And you can speak with
5 the new firm and Peter to see what protocols
6 they are going to provide and how you would
7 want that information turned over to you
8 simultaneously as it's turned over to us.

9 DIR. LAURETTI: I do agree
10 with you that we're at the point now the
11 system has been revamped. It's working, I
12 think, pretty well. We've had two years of a
13 pretty good track record there. And again,
14 in the interest of our community, if there's
15 something that we can put in place where
16 we're not duplicating our efforts and our
17 monies, then I'm all for it.

18 THE CHAIRMAN: Then that's
19 what we'll do.

20 DIR. LAURETTI: Perhaps one
21 way of doing that is taking this proposal and
22 putting it before the city board of alderman
23 and allowing them to ask their questions and
24 put their blessing on it.

25 A second approach could be

1 that we would provide outside oversight
2 either once or twice during the course of the
3 year of which the cost would be reimbursed by
4 CRRA.

5 THE CHAIRMAN: That gets us
6 back to the original letter.

7 DIR. LAURETTI: But it really
8 doesn't because we were spending close to
9 11,000, 12,000 dollars. And I'm not talking
10 doing the monitoring on a monthly basis. I'm
11 talking about doing it maybe once or twice a
12 year is probably what the necessity is at
13 this point.

14 THE CHAIRMAN: Perhaps the
15 gentleman would entertain this: That the
16 gentleman if he wants the chair or the
17 president working with whatever protocols and
18 whatever you think would be needed to protect
19 your town, all right, and we would take a
20 look at that internally including a
21 presentation to your board of alderman?

22 DIR. LAURETTI: When does the
23 contract expire?

24 MR. EGAN: This contract
25 expires June 30th. We need to have this

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1 contractor ready to go on July 1st. We
 2 monitor quarterly, the first quarter being in
 3 the month of July. Also this particular
 4 contract is for groundwater monitoring and
 5 other ancillary --
 6 DIR. LAURETTI: There are
 7 other services that are being provided under
 8 this in addition to gas migration?
 9 MR. EGAN: There is no
 10 services associated with gas management or
 11 gas migration in this contract. We have a
 12 separate service contract with Emcon OWT
 13 which we extended two months ago at the April
 14 board meeting. This is a separate contract,
 15 not associated with the gas system.
 16 THE CHAIRMAN: CRRA, not
 17 because you're here, Mark, but to any of our
 18 customers which are our towns and anybody who
 19 has our facilities we will respond.
 20 Now through this other
 21 discussion moving forward on the contract and
 22 taking a look at some of your other concerns,
 23 as the commissioner was here today you heard
 24 he's willing to work with us and I think is
 25 eager to do that, we can take a look at DEP

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1 providing a secondary oversight of their
 2 responsibilities of what, quote, we do at
 3 your landfill. Perhaps that's a means of
 4 giving you that sense.
 5 DIR. LAURETTI: Again, I'm not
 6 -- I'll vote in favor of the motion that's
 7 before us today, but I want everybody to
 8 understand that I'm going to be vigilant in
 9 this effort because that's my part of my
 10 responsibility as the mayor of Shelton.
 11 THE CHAIRMAN: And as this
 12 board, it's our responsibility, as we said,
 13 to make sure that we do what's right for the
 14 public and the public's interests in our host
 15 facilities.
 16 DIR. O'BRIEN: I think that's
 17 the position we've taken. While I think the
 18 services outlined in this contract are
 19 certainly of interest to the city of Shelton
 20 and their residents near the landfill, I
 21 think the more important one -- and I'm sure
 22 your comments about talking to the mayor and
 23 his counsel would also apply to the gas
 24 contract because that's really the one that I
 25 think they're going to be able to focus on

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1 and make sure that that testing and that
 2 reporting is satisfactory to the town of
 3 Shelton and its residents. So I'm sure your
 4 comments included both.
 5 THE CHAIRMAN: Yes.
 6 Any further discussion?
 7 Is the gentleman at least
 8 temporarily satisfied?
 9 All those in favor?
 10 Opposed?
 11 Abstained?
 12 So moved.
 13 DIR. O'BRIEN: Move the
 14 resolution following tab 13 --
 15 DIR. COOPER: Second.
 16 DIR. O'BRIEN: -- regarding
 17 waste delivery agreement with the town of
 18 Mansfield.
 19 THE CHAIRMAN: Tom.
 20 MR. KIRK: Yes. This is a
 21 very basic update of a contract. Some of
 22 our -- our projects include cities that are
 23 not original founding members and therefore
 24 pay a small premium to the tipping fee for
 25 arriving later into the project. This town

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1 of Mansfield is a renewal of that contract
 2 and identifies tipping fees moving forward.
 3 Similarly, in the next tab the town of Salem
 4 is an identical resolution.
 5 THE CHAIRMAN: So we have a
 6 motion on the table dealing with the town of
 7 Mansfield.
 8 DIR. O'BRIEN: Just a
 9 question. Has Southeast reviewed and
 10 approved this?
 11 MR. KIRK: Yes.
 12 DIR. O'BRIEN: They have taken
 13 action?
 14 MR. WRIGHT: No.
 15 MS. RAYMOND: No. They
 16 canceled their most recent meeting which this
 17 item was going to be taken up on. It's my
 18 understanding they will be taking it up at
 19 next month's meeting, so we will be approving
 20 it --
 21 DIR. O'BRIEN: Do they need to
 22 approve it for it to be effective?
 23 MS. RAYMOND: Technically, no,
 24 they're not a party to the contract. It's a
 25 CRRA contract. We always as a courtesy

1 involve them and --
 2 MR. TYMINSKI: Other than it's
 3 a delivery to the project. I don't want to
 4 speak for my board. There may be a concern
 5 about deliveries in the outer years because
 6 our tonnage has been up.
 7 THE CHAIRMAN: The outer years
 8 looking at '07/08, sir?
 9 MR. TYMINSKI: That's correct.
 10 Our tonnage, as you've noticed, has continued
 11 to increase, and there would be a concern in
 12 the outer years.
 13 DIR. O'BRIEN: I would move
 14 that we approve the contract, as I've stated,
 15 but I would reserve the right to bring it
 16 back for reconsideration pending a resolution
 17 from Southeast regarding the out years.
 18 THE CHAIRMAN: All right.
 19 DIR. O'BRIEN: I'm just
 20 reserving that right. It doesn't change the
 21 motion. I'll just say we can bring it back
 22 for reconsideration if it seemed appropriate.
 23 THE CHAIRMAN: Mr. Griswold
 24 from the town of Old Lyme.
 25 DIR. GRISWOLD: The contract

1 rates are set every year by CRRA, are they
 2 not?
 3 THE CHAIRMAN: Yes.
 4 DIR. GRISWOLD: But this
 5 commits to these rates in the future
 6 regardless of what CRRA's may be?
 7 THE CHAIRMAN: It has the '04
 8 rates going down through '07.
 9 DIR. GRISWOLD: But if there
 10 were some need to increase the rates above
 11 this, these rates would be fixed -- they
 12 might be under what other towns would be
 13 paying perhaps who are adjusted every year?
 14 THE CHAIRMAN: Well, this is
 15 not the Mid-Conn project that you and I are
 16 involved in, you know that?
 17 DIR. GRISWOLD: Yes.
 18 THE CHAIRMAN: Tom or Rob, do
 19 you want to address?
 20 MS. RAYMOND: Is it possible
 21 that in an out year that it might? Yes, but
 22 highly unlikely. I mean, this is literally
 23 -- this is unlikely. It's possible that that
 24 might happen, but our projections of future
 25 tip fees --

1 DIR. O'BRIEN: What's this
 2 year, Virginia, 60?
 3 DIR. GRISWOLD: Sixty-three
 4 seventy-five, I think.
 5 THE CHAIRMAN: That's
 6 Mid-Conn.
 7 DIR. O'BRIEN: Southeast is
 8 60?
 9 MS. RAYMOND: Fifty-seven.
 10 DIR. O'BRIEN: Fifty-seven,
 11 okay.
 12 THE CHAIRMAN: Tim, as you
 13 know there are four different projects. This
 14 is a different project.
 15 MS. RAYMOND: It's possible --
 16 MR. KIRK: They're at 57 now.
 17 In July they go to 60. There's a \$4 premium.
 18 So is it safe to say that the late arrivals
 19 pay a \$4 premium to the tipping fee
 20 established?
 21 MS. RAYMOND: Correct. We
 22 never let anybody into the project --
 23 DIR. O'BRIEN: Or 7 percent
 24 above roughly.
 25 DIR. MENGACCI: So that \$4

1 delta will always remain?
 2 MS. RAYMOND: This is a
 3 negotiated contract. We might negotiate
 4 something higher. If another customer wanted
 5 to come in with a CRRA contract we could
 6 well --
 7 DIR. MENGACCI: I understand
 8 that. I guess I'm getting back to what the
 9 gentleman asked earlier as to whether or not
 10 there is a possibility that these prices will
 11 be lower than what the tipping fees could be,
 12 and you answered that question again it could
 13 be.
 14 MS. RAYMOND: It's possible.
 15 MR. CONSTABLE: I just want to
 16 expand a little bit upon that, John.
 17 Basically during our last budget process we
 18 presented to the board the projections for
 19 that project through 2015. And due to the
 20 lucrative energy contract that that project
 21 has, those energy rates will continue to
 22 escalate on an annual basis and the
 23 projections that we currently show for that
 24 project because that tip fee will remain
 25 around \$60 for the duration of the project

1 because they will be increasing their energy
 2 revenues approximately \$799,000 a year. So
 3 this will actually -- based on what we know
 4 today this will be above member rates for the
 5 duration of the contract.
 6 DIR. O'BRIEN: And they are
 7 refinancing too, aren't they?
 8 MR. CONSTABLE: The
 9 refinancing may not occur.
 10 THE CHAIRMAN: Okay, there
 11 were some comments about tonnage in the out
 12 years, by the gentleman, of that project.
 13 Ray said the reserve of bringing something
 14 back is always possible.
 15 Any further discussion?
 16 All those in favor?
 17 Opposed?
 18 So moved.
 19 DIR. O'BRIEN: I move the
 20 resolution following tab 14 regarding the
 21 town of Salem with the same notification to
 22 the board regarding reconsideration pending a
 23 report from the board Southeast.
 24 THE CHAIRMAN: Is there a
 25 second?

1 DIR. SULLIVAN: Second.
 2 THE CHAIRMAN: Discussion?
 3 The gentleman from Southeast wish to reserve
 4 the same comments?
 5 MR. TYMINSKI: It's the same.
 6 THE CHAIRMAN: All right.
 7 Any other discussion?
 8 All those in favor?
 9 Opposed?
 10 Abstained?
 11 So moved.
 12 DIR. O'BRIEN: Move the
 13 resolution following tab 15 regarding the ash
 14 disposal with Wheelabrator Putnam.
 15 THE CHAIRMAN: Is there a
 16 second?
 17 DIR. COOPER: Second.
 18 THE CHAIRMAN: Okay, Tom.
 19 MR. KIRK: Very
 20 straightforward. It's a contract for ash
 21 disposal until 2008. I would also note it
 22 also provides an option for Mid-Conn at an
 23 identical rate to bring its ash into the
 24 Putnam project. We recommend passing this
 25 resolution.

1 THE CHAIRMAN: Anything with
 2 cost on this that you see beneficial in the
 3 out years?
 4 MR. KIRK: Well, if Art Rocque
 5 were here I'd say certainly --
 6 THE CHAIRMAN: Then the Chair
 7 will withdraw the question.
 8 MR. KIRK: Beneficial ash
 9 reuse is a much preferred, but this is a
 10 very, very favorable price. Our bidding
 11 indicated this is certainly the best option
 12 for us. Out-of-state options are the only
 13 other options available and they are more
 14 expensive so we think this works well for us
 15 and we are continuing to investigate the
 16 possibility of bringing our Mid-Conn ash up
 17 to Putnam.
 18 THE CHAIRMAN: All right. Any
 19 further discussion?
 20 All those in favor?
 21 Opposed?
 22 Abstained?
 23 So moved.
 24 DIR. RIFKIN: Can I just ask a
 25 follow-up question?

1 THE CHAIRMAN: Sure.
 2 DIR. RIFKIN: To the extent
 3 that is one of the issues around the Hartford
 4 Landfill and potential expansion of the
 5 Hartford Landfill -- the combination of ash
 6 waste?
 7 MR. KIRK: Yes. There's
 8 essentially two cells at the Hartford
 9 Landfill, one is a subtitle D line landfill
 10 on the north side which we use for ash,
 11 leachate collected and treated. There's
 12 about four or five years of capacity left
 13 there. There is expansion opportunity there.
 14 On the south side is the bulky
 15 waste and MSW cell. There's expansion
 16 opportunity there too. There's about two and
 17 a half years of space left. Some years ago
 18 the original idea was to permit expansions at
 19 both sites. That's still under review, but
 20 we anticipate making a decision on that very
 21 quickly because we've only got a couple years
 22 left here at Hartford.
 23 DIR. RIFKIN: And to the
 24 extent that there are opportunities to
 25 redirect the ash waste for Mid-Connecticut to

1 the Putnam Landfill, how does that
 2 potentially affect the discussion making with
 3 respect to the Hartford Landfill?
 4 MR. KIRK: In any case
 5 depositing the ash in the Hartford Landfill
 6 is a much more economically beneficial option
 7 to us because there's zero tip fee. The
 8 option of bringing Mid-Conn ash up to Putnam
 9 would primarily be a timing issue to take
 10 advantage of this negotiated lower price tip
 11 fee of \$38, escalated \$38 per ton, to allow
 12 us to bank, if you will, the air space at the
 13 Hartford Landfill for later on in the project
 14 when we would probably sorely be in need of
 15 mitigation of our tip fee.
 16 THE CHAIRMAN: It's saving on
 17 future costs, I guess.
 18 DIR. RIFKIN: Okay.
 19 THE CHAIRMAN: Any further
 20 discussion?
 21 All those in favor?
 22 Opposed?
 23 So moved.
 24 MR. KIRK: I did want to make
 25 one point before we leave the Bridgeport

1 issues. Director Lovejoy called me yesterday
 2 expressing his regrets for not being able to
 3 attend. I wanted to make sure that was in
 4 the minutes. He had a conflict with a
 5 meeting on expansion of Route 25 or fixing
 6 Route 25, and as a Fairfield county resident
 7 I strongly encouraged him to go to that
 8 meeting instead of this one.
 9 THE CHAIRMAN: Before we go
 10 on, have we had an update on the gentleman?
 11 MR. KIRK: Jim fell and hit
 12 his head, opened up a nice gash. It looked
 13 like he had been in a prizefight. I didn't
 14 think things got that ugly outside. He was
 15 taken to Saint Francis in an ambulance --
 16 with one of our employees. He was coherent
 17 and fine and worried about finishing the
 18 meeting. Bettina convinced him she and Rob
 19 and the rest of the staff could fill in for
 20 him, so we expect him back in the office this
 21 afternoon.
 22 THE CHAIRMAN: Okay. The
 23 next item on the agenda, tab 16.
 24 DIR. CASSANO: Go back to
 25 finance or --

1 THE CHAIRMAN: Well, I was
 2 going to hold finance and give Andy a few
 3 seconds to get settled. I was going to move
 4 on with the revised bylaws.
 5 DIR. COHN: I'd like to move
 6 it with one change in wording. Instead of
 7 "affirmatively approves and endorses," I'd
 8 like to just say "adopts."
 9 DIR. O'BRIEN: I'll second
 10 that with the amendment. Marc will be proud
 11 of you.
 12 DIR. COHN: Thank you.
 13 There's one substantive change from the
 14 addition that was circulated last month, and
 15 that is on page 4, the functions of the vice
 16 chairman. It was pointed out by a member
 17 that the last language we had in there prior
 18 was exceeding the statute in permitting the
 19 vice chairman to succeed temporarily to all
 20 the functions of the chairman. And since
 21 that's the governor's prerogative who's
 22 chairman and under what circumstances, we
 23 changed it so that vice chairman essentially
 24 just chairs meetings in the absence of the
 25 chair. Other than that, it's the same as the

1 one that was distributed last month.
 2 MS. STRAVALLE-SCHMIDT: If I
 3 could just add a few quick points. These
 4 bylaws were revised from 1992 and hadn't been
 5 revised since 1992, and the change was pretty
 6 much statutorily mandated in the sense that
 7 our statutes changed, FOIA has changed, and
 8 the public statutes has changed. I just want
 9 to point out for the board on page 11,
 10 article IX should include employee as far as
 11 indemnification just to track the statute. I
 12 make that change. And then there's just a
 13 typo from "frees" to "fees." That would be
 14 the only change I would make, but I wanted to
 15 point that out to the board.
 16 THE CHAIRMAN: All set with
 17 that, Bud?
 18 DIR. COHN: Yes.
 19 THE CHAIRMAN: Howard.
 20 DIR. RIFKIN: Are there any
 21 other provisions of the bylaws that are an
 22 expansion of the underlying statute or are
 23 not -- or the provision of the bylaw not
 24 supported by the underlying statute? I guess
 25 that the vice chair was the one I thought

1 most stood out. But with the change to just
 2 recognize that the vice chair would merely
 3 attend meetings or oversee meetings as
 4 compared to being given any signatory
 5 authority that the current chair has, I guess
 6 I feel okay about that. But are there any
 7 others that should be highlighted?
 8 MS. STRAVALLE-SCHMIDT: That
 9 are outside the statute? Pretty much, except
 10 probably the CFO was added. The other bylaws
 11 had other officers. I guess at one time when
 12 the bylaws were first adopted in 1979 and
 13 revised in 1992 there was provision for other
 14 officers, i.e., vice president, what have
 15 you. And since we didn't have one we made a
 16 paragraph about the chief financial officer,
 17 and that would be in article IX under
 18 officers. But pretty much the appointment,
 19 the president delegation, are very similar,
 20 the quorum is similar. They just track the
 21 statute as far as the appointment of the
 22 board, who sits on the board, how the board
 23 can be removed, and the quorum and
 24 transaction of business tracks the statute
 25 and is different from the other bylaws

1 because the statute has changed. The thing
 2 we did add in this bylaw was standard of
 3 conduct, partially because of the environment
 4 and partially because it's good to have at
 5 least a generic standard of conduct in the
 6 bylaws for the officers and directors of a
 7 company or quasi-public. Everything else
 8 that's in the statute, standing committees
 9 and the like, are in some form or the other
 10 were in the other bylaws, including going
 11 into executive session.
 12 THE CHAIRMAN: Sir.
 13 DIR. RIFKIN: Just one other
 14 question for the record. It's been
 15 highlighted to me that for most quasi-public
 16 agencies there is a requirement that any
 17 policies, procedures be noticed to the public
 18 before being adopted. And I understand when
 19 that provision of the statute was in fact
 20 passed, which came after the establishment of
 21 CRRA, there was a carve-out for CRRA in which
 22 there is seven conditions listed in the
 23 statute that would require public notice
 24 prior to the adoption of procedures related
 25 to those seven items. And I just want for

1 the record, as I understand it, that nothing
 2 in these bylaws that we're about to adopt
 3 would be included in any of those
 4 requirements for public notice that are found
 5 in the statute.
 6 THE CHAIRMAN: Bud, I'd defer
 7 to you as chairman of this. And then you
 8 could defer to Ann, if you like.
 9 DIR. COHN: I think I'll have
 10 to.
 11 MS. STRAVALLE-SCHMIDT: No.
 12 And I just want to point out, yes, Howard is
 13 correct on 22. What we looked at was
 14 22a-268a, written procedures, which requires
 15 the CRRA to go to publication under what he's
 16 referring to as 1-121 for the borrowing,
 17 adopting an annual budget or plan of
 18 operation. This isn't an adoption of a plan
 19 or a budget. We do specify certain financial
 20 information to hiring, dismissing, promoting,
 21 compensating employees, including an
 22 affirmative action plan and requirement for
 23 an approval before a position may be filled
 24 or a vacancy filled; acquiring no personal
 25 property and personal services; contracting

1 for business design, operation, management or
 2 financial, legal or bond underwriting or
 3 other professional services, not that, or
 4 contracting for supplies and materials, so on
 5 and so forth. Let's see, issuing and
 6 retiring bonds; bond anticipation notice and
 7 other obligations; awarding loans, grants and
 8 other financial assistance and the use of
 9 surplus funds.
 10 And so we went through this
 11 list and said it's not one of these seven,
 12 therefore we don't have to go to 1-121. For
 13 example, we do with the travel policy also
 14 because it's something where people --
 15 because it may affect outside consultants who
 16 can come and comment. And when we were
 17 changing other things that the public would
 18 have input, they were noticed in the
 19 Connecticut Law Journal at the time of the
 20 board meeting and they could come and express
 21 their opinion.
 22 THE CHAIRMAN: Okay. Are you
 23 satisfied?
 24 DIR. RIFKIN: Yes. I just
 25 wanted that on the record.

1 THE CHAIRMAN: Any other
 2 comments?
 3 DIR. CASSANO: Just a quick
 4 comment to Bud and the committee and to Ann.
 5 I served on enough bylaw committees. These
 6 things were 15 years old. There was a lot of
 7 work to go into this. And it's just a
 8 terrific job in bringing them up to 2003.
 9 DIR. COHN: Thank you.
 10 DIR. O'BRIEN: Paul Doyle also
 11 was involved.
 12 THE CHAIRMAN: The committee,
 13 they've done a great job.
 14 All those in favor?
 15 Opposed?
 16 Abstained?
 17 So moved.
 18 Tab 17, this is the second
 19 draft of that business plan. Basically you
 20 can take a look-through. The chair and the
 21 steering committee, we're seeking consent of
 22 the board of directors on the development of
 23 the new comprehensive business plan for CRRA.
 24 The plan will be structured in the following
 25 sequence, just as, you know, when we first

1 took over I brought to you a three-, a six-
 2 and a 12-month plan with benchmarks to
 3 accomplish some things. What this plan does
 4 is look in the short term going out to the
 5 longer term from the next six months to the
 6 next 10 years of what our business model
 7 should be based on what market conditions
 8 are.
 9 The purpose of the business
 10 plan is to guide CRRA's board and staff in
 11 conducting the authority's business over what
 12 will prove to be a crucial period in CRRA
 13 since the last 30 years. And the task would
 14 be directly assigned to the president and the
 15 CFO.
 16 Taking a look at just some of
 17 the categories so that the TV or the people
 18 here --
 19 Strategic plan, that would
 20 look at both innovation as well as conducting
 21 those of mandatories or legislation or
 22 regulation.
 23 On the second page it goes
 24 into maintaining a whole list of perspective
 25 of the business as well as taking a look at

1 distinctive individual problems that we
 2 currently face and that the marketplace will
 3 probably bring on in the near future and to
 4 gain knowledge that would be needed to
 5 improve operations, strengthen the management
 6 information system, manage human resources,
 7 broaden in-house activities and task
 8 assignments, and you heard a little bit about
 9 that earlier, balance outsourcing needed for
 10 tasks not assigned to the in-house, and
 11 enhance the delivery of services to our
 12 customers.
 13 It goes on to continue to look
 14 at cost saving and revenue enhancement, and
 15 to that point we actually offered a few bills
 16 this year in the legislature. While none of
 17 us really thought that they probably would
 18 pass the first time out, I think I'm
 19 semi-encouraged with the fact that they will
 20 probably go into some kind of a review
 21 committee that hopefully CRRA will be at the
 22 table and have a voice. And that would deal
 23 with the dioxin tax as well as the bottle
 24 bill, which is a favorite of the Chair's.
 25 We talked about staffing and

1 what our future will need. The basis for
 2 charting the review of the future will be to
 3 focus on a strategic plan with tactical
 4 initiatives, improve management's focus and
 5 directed commitment, develop teamwork and
 6 organizational synergy -- and that's what
 7 Steve's committee has been working on --
 8 enforce the process for continued
 9 improvement. Any organization, and I think
 10 this organization with its highlighted recent
 11 past, we need to put in place something that
 12 is a continuous improvement in the way we
 13 deliver services because the marketplace will
 14 be changing out there. Coordinate specifics
 15 of the structured annual plan to the
 16 strategic plan. And that is in there in
 17 working in conjunction with what you heard
 18 from Art today. It's important for us to
 19 have this plan knowing or at least having
 20 some knowledge of what the DEP is looking for
 21 going, looking for future policies it may
 22 have.
 23 Performance review and audit,
 24 I'll leave that, and Andy had taken a look at
 25 that for us.

1 Document control, that was one
 2 of the things that I think we had talked
 3 about early on, a keeper of the records, if
 4 you recall, and at that point we assigned it
 5 to Ann, to make sure that all of our
 6 documents were kept in one secure place, and
 7 that as documents went around, so to speak,
 8 it had all the right signatures to it but
 9 also had those who truly needed to know be
 10 part of it. And that information was to be
 11 an inclusive, not an exclusive piece of our
 12 company.

13 Team building, we've been
 14 working on that to some degree. I think Tom
 15 has built on that model very well since he's
 16 been on board.

17 Best practices and statutory
 18 compliance, we have to take a look at that
 19 and take a look at, you know, as a
 20 quasi-public I think we could take a look at
 21 what private industry does and take a look at
 22 some of their best practices. And here
 23 again, why we delayed our six months in
 24 hiring a president to see what we needed and
 25 we got somebody from that side. So Tom came

1 in from that private industry. So taking a
 2 look at what those best practices are and
 3 bringing them into our company, so to speak.

4 It goes on. A business
 5 disruption plan. I'll just bring you to the
 6 bottom of page 4. You can see there's a lot
 7 of highlighted things that we included in
 8 this. We're taking a look at a business
 9 disruption plan. We went through a little
 10 episode here with terrorism and things like
 11 that, but if Mid-Conn or something should go
 12 down, what do we do? Where do we go? How do
 13 we enact it? On the first day how do we

14 build confidence in the marketplace that we
 15 can handle the trash? And where do we come
 16 up with the resources, both financial and
 17 other to get the job done?

18 The last page of this
 19 disruption plan you see I've put several
 20 bullets in there that I hope you have comment
 21 to. This is a long process. Again, as we
 22 started out, our three-, six-, 12-month plan.
 23 As we said before, the new CRRA needs to take
 24 a look at what it will be, how it will build
 25 confidence to our municipalities, to the

1 residents of the state, to the anybody else
 2 who would have any doubt that we're not going
 3 to be viable and to assure our bondholders
 4 that we will be able to pay off our debts in
 5 the future. We will have to go out into the
 6 marketplace to sign up the towns one more
 7 time for any one of our projects.

8 We have to take a look at a
 9 market study. And in talking with Jim and
 10 Tom, I have confidence that they can
 11 spearhead this thing off. I've asked Tom to
 12 make some comments to this today. I'm under
 13 no delusionary thing that this is not going
 14 to take a while to do, but I think between
 15 the efforts of the steering committee and, as
 16 you know, Andy, myself, Steve and we've
 17 included Bud onto the steering committee,
 18 working with the president and the CFO on
 19 this issue, who will be our new operations
 20 officers and then branching out from there on
 21 segmental pieces to go back to the subgroups
 22 for this business plan, I think should give
 23 us the information we needed and hopefully
 24 the format to set this direction for the new
 25 CRRA. I'm going to be quiet.

1 Tom, do you have some
 2 comments?

3 MR. KIRK: Just a couple. I
 4 do want to stress that this is a very
 5 expansive project. The document you have in
 6 front of you is the second draft and still
 7 very preliminary on some of the broad
 8 objectives we are attempting to pursue. But
 9 as much as it is a big project, there's not a
 10 lot of time to get it done. There are a few
 11 initiatives that we're beginning already even
 12 before we've completed this business plan, if
 13 you will. A big portion of the business plan
 14 is our long-term strategic plan, what would
 15 typically in a private sector be a five-year
 16 outlook, a five-year plan, we've begun that
 17 process with the staff and anticipate having
 18 a document for review by year-end. That's a
 19 very aggressive schedule, quite honestly, but
 20 it's one that meets our particular needs in
 21 that given our anticipated financial
 22 situation and our need to resolve our
 23 mitigation plan before the statutorily
 24 identified time frame for establishing
 25 tipping fees, we believe that strategic plan

1 has to be essentially in place by the end of
2 the year. The process for that plan, how
3 we're going to pull it together, which
4 resources we will dip into to get that done
5 is in progress now.

6 The other major initiative of
7 the business plan that is under way already,
8 and it's actually in process, is a
9 reorganization study, a study of our
10 organization, how our resources, needs, and
11 responsibilities work or don't work together.
12 We are fortunate to have the OPM helping us
13 with that, I believe at zero cost. John
14 has --

15 DIR. MENGACCI: Let's see how
16 the loan agreement turns out.

17 (Laughter.)

18 MR. KIRK: John's division has
19 graciously allowed us access to Dr. Mary
20 Polci who is a doctorate in organizational
21 science and has been -- we're fortunate to
22 have her essentially examine and study our
23 organization, what our requirements are, what
24 our tasks are, and help us design an
25 organizational structure that best meets our

1 needs. That is also a fast-track project, in
2 particular because Dr. Polci is being
3 transferred into a new division outside of
4 John's control. We're also fortunate in that
5 her new division head has permitted her to
6 continue work on this project. That's going
7 to be also a fast-track project which we hope
8 to have done within a couple of months. The
9 work product there will be a new
10 organizational structure, perhaps minor
11 changes, perhaps major changes from what we
12 have now but will be defensible in that it
13 will -- we will be able to confidentially
14 assure the board that all of our tasks and
15 responsibilities moving forward, and they are
16 a little different than they were in the
17 past, will be addressed by the organization.

18 And finally the most important
19 part of our new business plan moving forward
20 is, quite honestly, a communications plan.
21 In the past six months I've been here and the
22 year that this board has been in place, I
23 think tremendous strides have been made in
24 righting the ship. To use a boat analogy, I
25 think we've plugged the holes, and the bilge

1 pumps are working overtime and we're doing
2 very well. Unfortunately I don't think the
3 public, the media, perhaps even the
4 legislature, I don't think the public in
5 general quite yet understands what has
6 happened here and has drawn a distinction
7 between the old CRRA and the new CRRA. I
8 think what happened in the legislature this
9 year is perhaps indicative of that.

10 One of the most important
11 goals I have for the organization in the next
12 couple of months is to clearly define a line
13 of demarcation, a wall, if you will, between
14 the old CRRA and the problems that --
15 without casting aspersions -- happened on
16 their watch and the new CRRA, particularly
17 the new board, and the changes we're making
18 to mitigate those problems and get the ship
19 righted and back moving in the right
20 direction. That's not going to be easy to
21 do, particularly since until Ken Lay or Andy
22 Fastow is indicted there's no one swinging
23 from the yardarm to blame for this Enron
24 mess. But nonetheless, it's important that
25 we as an organization and this board do make

1 the efforts necessary to ensure that the
2 board is seen as the recovery board, the
3 board that is to bring the CRRA out of the
4 wilderness. That's going to be the focus of
5 our communications plan moving forward.

6 THE CHAIRMAN: Okay, good.
7 There have been some personnel changes and
8 we're still looking at that. And with that I
9 guess I would ask if you have any comment?
10 The Chair would -- sir.

11 DIR. RIFKIN: Can I just say
12 one thing? I think that this is all very
13 important and very good work and I appreciate
14 the Chair leading this. One of the things
15 that I think is important to sort out is what
16 is the appropriate relationship between the
17 board operating as a policy board and the
18 organization. And I think that in any
19 strategic planning process in any business
20 planning, that needs to be clearly spelled
21 out. And I've said before meetings that when
22 the board came in initially a year ago that I
23 thought that we should have taken a number of
24 days in a sort of retreat-style effort to
25 sort of understand the big picture. I

1 recognize that we were confronted with having
 2 to make a lot of detailed decisions. We get
 3 piles of information about various contracts
 4 that we have to approve, et cetera, but what
 5 I'm afraid of is that we don't have the time
 6 or take the time to look at some of the
 7 larger questions that you began to raise with
 8 the DEP commissioner earlier today whether
 9 it's -- what is going to be the overall
 10 approach to solid waste management in the
 11 state extant of CRRA, what the affect of
 12 transferring some of these plants that are
 13 now under the purview of CRRA to the private
 14 sector when the bonds are paid off. What
 15 we're going to do with some of the landfill
 16 capacity issues that we talked about relevant
 17 to Hartford and other landfills in the state.
 18 Those are issues that not only affect the
 19 ultimate environment of the state but the
 20 economic structure of the state in the
 21 future. And I think that this board has got
 22 to find a way to carve out the necessary time
 23 to really get information, consider those
 24 issues, and help steer from a policy
 25 perspective this organization in the right

1 direction. And I'm still frustrated by
 2 the -- and I recognize the necessity for
 3 getting down into the details, but without
 4 some concomitant effort to stay up here we're
 5 not doing our job as a board that is supposed
 6 to be involved in policy.
 7 So, I think these are all very
 8 important documents and important processes,
 9 but I think we also need to keep in mind what
 10 the ultimate relationship should be or role
 11 of this board ought to be in relationship to
 12 the organization.
 13 THE CHAIRMAN: And I concur.
 14 And that's why today I thought on our
 15 first-year anniversary bridging going forward
 16 you've got the business plan just as the
 17 gentleman just talked about the big picture,
 18 that's why I had the commissioner here, so
 19 that we start to sit at the table for these
 20 big policy decisions setting out what's in
 21 the public's interest on this level getting
 22 into the business plan with Tom, the steering
 23 committee on another level, and over the
 24 next -- and I've given it some benchmarks as
 25 you see in here as to how both of those

1 things, while working somewhat independently,
 2 really work jointly together.
 3 DIR. RIFKIN: But just to be
 4 clear, this isn't CRRA. We haven't had an
 5 undated solid waste management plan in 10
 6 years.
 7 THE CHAIRMAN: And that's
 8 where the commissioner said that. And
 9 working with us the Chair will entertain --
 10 maybe we'll have a little retreat down along
 11 the water, down along Old Saybrook, and maybe
 12 that will be the time where we can get away
 13 just as any other retreat, and consider these
 14 things, pending the commissioner's
 15 availability. Does that sound okay, Howard,
 16 looking in the future?
 17 DIR. RIFKIN: Uh-huh.
 18 THE CHAIRMAN: Other comments
 19 concerning either the big picture I had
 20 Commissioner Rocque here for or this business
 21 plan?
 22 Sir.
 23 DIR. KNOPP: I just wanted to
 24 say the document that was handed out, this
 25 draft about the implementation process, about

1 some of the aspects of the business plan
 2 strikes me as a very good way to begin
 3 accumulating the data that we need to go into
 4 some of the policy issues that Howard has
 5 raised. Now in terms of the timing of which
 6 goes first and which is available when, I
 7 don't have an opinion about, but I think it's
 8 a funny situation. We're here on a recovery
 9 board -- I think Tom has a good term for
 10 that -- at the sort of tail end of the
 11 initial 20 or 30 years of CRRA, and now we're
 12 beginning planning for the next 30 years.
 13 And this kind of data, especially about each
 14 plan, I think is very meaningful. I know
 15 coming from Bridgeport our plan is the first
 16 one that expires under the current
 17 agreements, and therefore I think rather soon
 18 we're going to need to start looking at
 19 alternatives for forecasting. But it does
 20 strike me that this packet I got passed out
 21 is a very good basis for accumulating some of
 22 this information that we need.
 23 THE CHAIRMAN: Sir.
 24 DIR. O'BRIEN: Keying off the
 25 first sentence of this report, I'd like to

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1 offer a motion that the board of directors
 2 encourages and will support the chairman, the
 3 steering committee, and the staff in the
 4 continuing development of the comprehensive
 5 business plan for CRRA.
 6 THE CHAIRMAN: That's a
 7 motion?
 8 DIR. O'BRIEN: If I may.
 9 THE CHAIRMAN: Sure. Is there
 10 a second to that?
 11 DIR. COHN: Second.
 12 THE CHAIRMAN: That would be
 13 looking for consent of the board that this is
 14 the direction we want to go. You may not
 15 agree with all the wording that we put in
 16 there, but in concept. Any discussion on
 17 this? Then we're going to kick it off.
 18 Tom.
 19 MR. KIRK: I just want to make
 20 one addition. One A here, after selecting
 21 internal team members, we elected not to
 22 include, but honestly is important and
 23 probably should be included. We have to
 24 determine the applicability of our planning
 25 process to FOIA rules. Coming from the

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1 private sector, I think it would be important
 2 for us to understand how we can think outside
 3 the box in a confidential manner without
 4 signaling the organizations and the state's
 5 intentions to competitors out there, the
 6 waste managements and other waste providers.
 7 We will work that out, and we'll of course
 8 find something that works inside the existing
 9 framework of restrictions, but it's probably
 10 worth mentioning that this strategic planning
 11 process would be something that would be very
 12 valuable to the waste disposal corporations
 13 of the world. CRRA's goal, I believe, is to
 14 provide the states, towns, and municipalities
 15 and citizens with the most effective and
 16 environmentally sound options available to
 17 them in solid waste. And key to that is
 18 ensuring a competitive balance moving
 19 forward. So that's going to be a key issue
 20 in determining our strategic plan and
 21 therefore is probably going to have to be
 22 done in an executive session manner at least
 23 to some extent.
 24 THE CHAIRMAN: Sir.
 25 DIR. KNOPP: If I could, as an

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1 addendum to what Tom said; this obviously in
 2 the end has to be a matter of building a
 3 public consensus about policy issues,
 4 environmental issues, and financial issues,
 5 and therefore they need to have a very
 6 comprehensive public participation process
 7 that is more than just giving people a
 8 take-it-or-leave-it plan at the end of an
 9 executive review, but have a chance for
 10 input, you know, at 50 percent, 75 percent,
 11 and 100 percent of our thinking. If we get
 12 guidance along the way, it would be useful,
 13 especially by other municipal CEOs and
 14 finance directors and public works directors
 15 in the towns.
 16 THE CHAIRMAN: Post today,
 17 then, the Chair, the steering committee will
 18 meet and then start to look through this
 19 process and find the best way to unfold this.
 20 Always looking for people to volunteer.
 21 Sir.
 22 DIR. CASSANO: Just one
 23 additional comment. I know we had the
 24 commissioner in this morning. We talked
 25 about issues, long-term issues with DEP. We

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1 know that we're losing ash sites and things
 2 like that. We need to have DOT as a part of
 3 some of this discussion. We've already had
 4 discussions here about the potential of
 5 either moving stuff by rail or whatever it
 6 might be. It doesn't make sense for us to be
 7 planning without using the people that are
 8 going to be involved in the transporting one
 9 way or another, whether it's rail lines or
 10 barge. Whatever it might be, there's a lot
 11 of effort there on their side. And as we get
 12 into long-range planning and start to look at
 13 the future and we're going to have to
 14 transport, how do we go about it, which
 15 avenue and so on. DOT has got to be a part
 16 of that process and should be part of this
 17 plan.
 18 THE CHAIRMAN: Any further
 19 discussion? Comment?
 20 The motion that Ray made in
 21 support of this has been duly seconded.
 22 All those in favor?
 23 Opposed?
 24 Abstained?
 25 So moved.

1 I know, sir, you'd like to add
 2 this to the agenda?
 3 DIR. CASSANO: The
 4 organizational synergy and HR committee had
 5 one other item that needs to be presented,
 6 the resolution with respect to human
 7 resources consulting service agreements.
 8 Gary, did everybody get a copy
 9 of the resolution itself?
 10 MR. GENDRON: Yes, everyone
 11 has a copy of the resolution.
 12 DIR. CASSANO: You have a copy
 13 of the resolution. With that is a separate
 14 sheet requesting qualifications of firms and
 15 so on. These are a variety of different
 16 firms that we work with on a regular basis.
 17 We're counting to make sure we have a quorum
 18 here.
 19 MS. STRAVALLE-SCHMIDT: Yes.
 20 DIR. CASSANO: We do have a
 21 quorum. In effect what this will allow us to
 22 do is, for a three-year period these are all
 23 people that have responded, and we have a
 24 data on each. We've worked with most in one
 25 way or the other, and it just allows the

1 nonsubstantive changes in regard to the
 2 previous settlement. But we are authorizing
 3 the purchase -- seeking to authorize the
 4 purchase of a baler which is over the \$50,000
 5 mark, so the resolution adopting the
 6 settlement would handle both.
 7 DIR. CASSANO: Are you saying
 8 that the resolution on 18, page 1 of tab 18,
 9 you don't believe we need the first three
 10 parts of that?
 11 MR. KIRK: Is Tom here? Yes.
 12 MR. GAFFEY: And Gary is here
 13 also. We just wanted to bring this back. I
 14 agree with the president that the resolution
 15 probably is unnecessary because we're in
 16 conformance with what you already
 17 substantially adopted. We wanted to bring
 18 this back specifically with regard to the
 19 procurement question that is outlined in
 20 section 2 on the retrofit and funding of the
 21 baler. We just wanted the board to be aware
 22 that we would have to make those retrofits
 23 and have it be consistent with our
 24 procurement policies.
 25 DIR. CASSANO: So the

1 president to move without being held up.
 2 Is there a motion?
 3 DIR. COOPER: So moved.
 4 DIR. COHN: Second.
 5 DIR. CASSANO: It was
 6 unanimously recommended by the personnel
 7 committee.
 8 All those in favor?
 9 Opposed?
 10 It's adopted.
 11 Legal we're going to -- I
 12 guess we have to wait for Andy. I don't
 13 think there's any other actions.
 14 Ann, are you ready for board
 15 action on attachment 18?
 16 MS. STRAVALLE-SCHMIDT: Yes.
 17 But basically it's not so different than the
 18 FCR redemption agreement that you saw before.
 19 We just wanted to make sure we're in
 20 agreement with some of the provisions that
 21 were worked out in the settlement.
 22 DIR. CASSANO: Tom.
 23 MR. KIRK: I don't believe
 24 there's a need for a resolution. To be
 25 honest with you, there are what I call

1 resolution then for us to adopt would be
 2 "Resolved: That the board hereby approves
 3 the procurement procedure for the baler
 4 retrofit set forth in section 2 of the global
 5 settlement, pursuant to Article II, Section
 6 1(b), subsections 5 and 7."
 7 MR. GAFFEY: Correct.
 8 DIR. CASSANO: Is there a
 9 motion to adopt?
 10 DIR. COOPER: So moved.
 11 DIR. CASSANO: Is there a
 12 second?
 13 DIR. RIFKIN: Second.
 14 DIR. CASSANO: Any discussion?
 15 Seeing none, all those in
 16 favor?
 17 Opposed?
 18 It is adopted. That's legal
 19 one.
 20 Attachment 19, authorization
 21 for payment to Anderson, Kill and Olick.
 22 DIR. O'BRIEN: Move the
 23 resolution following tab 19.
 24 THE CHAIRMAN: Is there a
 25 second?

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1 DIR. SULLIVAN: Second.
 2 THE CHAIRMAN: Ann, could you
 3 speak to this one?
 4 MS. STRAVALLE-SCHMIDT: Yes,
 5 I can speak to this one. I have worked with
 6 Anderson Kill with the help of Ted Doolittle,
 7 who is here. In November we had talked to
 8 the board about the issues that we had with
 9 some overruns in the authorization. The
 10 authorization of payment to Anderson Kill and
 11 Olick wasn't made at the time. Now that we
 12 know where the litigation appears to be
 13 going, we're able to get a budget, which, if
 14 anyone is interested, I will share privately
 15 because it does have some litigation
 16 strategy, and so on and so forth. And what
 17 this is, is, the first part of the resolution
 18 is to pay off what we owe Anderson Kill above
 19 the remaining authorization of last June a
 20 year ago.
 21 The second part is to
 22 authorize. And what the board had requested
 23 me to do last time I was here is to get a
 24 budget from Anderson and Kill that would at
 25 least take us out -- this budget will at

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1 least take us out through the end of this
 2 calendar year, if not through the entire
 3 fiscal year, and it will depend on what
 4 happens after the motion for reconsideration,
 5 which is all I'm going to say in open
 6 session. It will depend on where that motion
 7 goes, whether or not this 115,000 that I'm
 8 asking for to move forward as of this date
 9 will be needed to be added to. It may not
 10 need to be.
 11 So what I'm asking for in this
 12 resolution is to pay Anderson Kill, because I
 13 actually stopped paying them before we
 14 reached the authorized amount. But they've
 15 obviously had to keep working, and I'm
 16 asking -- I think it sets forth here what
 17 above the authorized amount we'll need in
 18 order to clear everything up.
 19 What I've also done for
 20 clarity is, I've set a second paragraph in
 21 the first-resolved out because we had to have
 22 Anderson Kill involved in the CL&P issues.
 23 It wasn't anticipated when the attorney
 24 general first came before this board nearly a
 25 year ago this month asking for authorization

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1 of 300,000. It wasn't anticipated that we
 2 would get into some of the issues with CL&P
 3 that we wound up getting into that we needed
 4 with the bankruptcy input, and that was not
 5 budgeted for nor did the board authorize.
 6 And that so far has been \$26,500.
 7 DIR. CASSANO: Ray.
 8 DIR. O'BRIEN: For Bettina
 9 covering for Jim, is this money reflected in
 10 the June expense log that we have and --
 11 MS. BRONISZ: I put \$600,000
 12 in there for additional legal bills under the
 13 advice of Ann.
 14 DIR. O'BRIEN: So that's the
 15 \$600,000 which we haven't authorized yet but
 16 were planning to authorize in the June
 17 expenditures?
 18 MS. BRONISZ: It's 600,000 that
 19 we expect to spend this month for legal
 20 bills.
 21 DIR. O'BRIEN: Okay.
 22 MS. STRAVALLE-SCHMIDT: And
 23 what I'm asking is authorization since this
 24 is the Enron litigation that the board since
 25 the AG came here is to clear off the old

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1 authorization and get a cap so that we can
 2 manage the Enron litigation a little more
 3 closely. I've also asked -- and we haven't
 4 worked out the terms yet -- of how Anderson
 5 Kill will inform CRRA when it's within
 6 \$50,000 of the 115, so we need something on
 7 the front end, not just on the back end.
 8 DIR. O'BRIEN: Putting aside
 9 the 26,000, which I understand, this means
 10 the total authorization by the board for
 11 Anderson Kill will be what amount?
 12 MS. STRAVALLE-SCHMIDT: You
 13 mean the total authorization in-toto from
 14 last year?
 15 DIR. O'BRIEN: For authorizing
 16 a total amount of how much for Anderson Kill?
 17 MS. STRAVALLE-SCHMIDT: A
 18 total amount from Anderson Kill would be the
 19 300 plus the 240 which is 500 and then the
 20 115.
 21 DIR. O'BRIEN: That's what I
 22 want to make sure is on the record is the
 23 total authorization.
 24 MS. STRAVALLE-SCHMIDT: So
 25 that would be 655,000.

1 DIR. MENGACCI: It's 681,500.
 2 DIR. O'BRIEN: Excluding
 3 the CL&P fees --
 4 MS. STRAVALLE-SCHMIDT: It's
 5 655.
 6 DIR. O'BRIEN: -- not part of
 7 the bankruptcy litigation. And I would like
 8 that included as part of the motion as a
 9 further-resolved that this increases the
 10 total authorization to \$155,000 for the
 11 litigation, the bankruptcy litigation.
 12 THE CHAIRMAN: The Chair
 13 accepts that just for transparency of the
 14 record.
 15 Sir.
 16 DIR. KNOPP: I think it would
 17 be helpful to have this resolution divided
 18 into three resolutions, because they are
 19 separate items. I don't know whether we're
 20 going to have an executive session today.
 21 THE CHAIRMAN: We are.
 22 DIR. KNOPP: If so, I assume
 23 that the third paragraph here might get
 24 discussed there. As I understand it, the
 25 first paragraph deals with payment for the

1 legal work the board has previously
 2 authorized. The second is to authorize
 3 payment for work not previously authorized
 4 but --
 5 MS. STRAVALLE-SCHMIDT: Wasn't
 6 anticipated in June of 2002.
 7 DIR. KNOPP: And the third is
 8 more future-oriented. So I think it would be
 9 helpful to have this in three resolutions.
 10 DIR. O'BRIEN: I request this
 11 be voted on serially, with the third portion
 12 being tabled until after the executive
 13 session.
 14 THE CHAIRMAN: All right. So
 15 what we have is the current motion that will
 16 be divided into three votes by three
 17 paragraphs with the inclusion I would assume
 18 in paragraph two which would state the total
 19 amount of money spent exclusive of the CL&P
 20 part, as you've stated, which would be
 21 \$655,000.
 22 DIR. O'BRIEN: If we had that
 23 in paragraph two -- or actually it would be
 24 in paragraph one that would have increased
 25 the authorization to \$540,000, because the

1 third piece, the last 115,000, wouldn't be
 2 voted on, as Alex preferenced, until after
 3 the executive session. Then we can include
 4 that.
 5 THE CHAIRMAN: So you want to
 6 put back your piece into the third paragraph?
 7 DIR. O'BRIEN: Actually, I'd
 8 put it in both just in case the third
 9 paragraph doesn't get passed. The first
 10 paragraph reflects the increase in the total
 11 authorization to 540,000 for that litigation.
 12 THE CHAIRMAN: The Chair
 13 stated it took your motion and put it in
 14 there for transparency, and it's getting
 15 cloudy on me now. So would the gentleman
 16 state where and how he would want it stated?
 17 DIR. O'BRIEN: Authorize to
 18 pay up to 240,000 to reimburse Anderson Kill.
 19 DIR. KNOPP: Can I make a
 20 suggestion to make it easier for us? Why
 21 don't we just, to implement Mr. O'Brien's
 22 suggestion, at the end of each of the three
 23 paragraphs, assuming that after each one
 24 passes, that the staff add the cumulative
 25 total arising with the passage of that

1 particular paragraph.
 2 THE CHAIRMAN: That will give
 3 us transparency. Do you agree with that?
 4 DIR. O'BRIEN: That's fine.
 5 DIR. CASSANO: Maybe we should
 6 do it after the executive session. Move to
 7 table this until after the executive session.
 8 DIR. O'BRIEN: Second.
 9 THE CHAIRMAN: All those in
 10 favor of table?
 11 DIR. LAURETTI: Opposed.
 12 DIR. KNOPP: We could vote on
 13 the first two now and then deal with the
 14 third after.
 15 THE CHAIRMAN: We'll make a
 16 motion to take it off the table. All right,
 17 the Chair will entertain a motion to bring
 18 this item back to the table.
 19 DIR. KNOPP: So moved.
 20 THE CHAIRMAN: Is there a
 21 second?
 22 DIR. LAURETTI: Second.
 23 THE CHAIRMAN: Mr. Lauretti.
 24 All right, we'll go to Mr. O'Brien.
 25 DIR. O'BRIEN: I will move

1 motion number one, "Resolved: That the
2 president of CRRRA is authorized to pay
3 Anderson Kill and Olick up to \$240,000 to
4 reimburse Anderson Kill for fees and
5 expenses," and the rest of the language in
6 that first paragraph noting that this brings
7 the total authorization by the board for this
8 up to \$540,000.

9 THE CHAIRMAN: Hold it there.
10 Let's see if our secretary has that.

11 DIR. LAURETTI: And I'll
12 second that for discussion.

13 THE CHAIRMAN: And we have a
14 second.

15 Any discussion on that?

16 DIR. LAURETTI: Yes. This
17 also includes the amount that was previously
18 not authorized in the amount of 300,000; am I
19 correct?

20 DIR. O'BRIEN: No. That was
21 authorized.

22 DIR. SULLIVAN: Three was
23 authorized, 240 was not.

24 MS. STRAVALLE-SCHMIDT: Two
25 forty was not and that says if the fees and

1 the legislation that created this board, we
2 do not have control of that litigation. We
3 only pay the bills. So I think there are
4 mitigating circumstances over why we didn't
5 have a better plan. We have one now. I
6 think those are also mitigating circumstances
7 as to how we got so far before we really
8 could get a handle on this.

9 So I support the resolution,
10 although had it been a different set of
11 circumstances I would wholeheartedly agree
12 with Mayor Lauretti.

13 DIR. SULLIVAN: I support it
14 as well but with that reservation. I made
15 the same comment at the last meeting that it
16 is bad policy to be involved in retroactive
17 approvals of expenditures. And I think
18 that's the practicality of it. And I think
19 that the attorney general's office is
20 sensitive to that at this point. And I think
21 that the fact that the resolution that we're
22 going to talk about after executive session
23 speaks to a specific amount is an answer to
24 that having it resolved in advance of and
25 approved in advance of the professional

1 expenses incurred, blah, blah, but not paid
2 which exceed the June 2002 authorized amount
3 of 300. So it lays out that we're paying 240
4 for bills up to May 31, 2003, hopefully
5 taking care of everything up to as much as
6 possible that weren't paid, so you know that
7 we didn't pay above the authorization, and it
8 exceeds the authorized amount of 300,000.

9 DIR. LAURETTI: For the record
10 I want you to know that I oppose this for the
11 following reasons: Number one, I think that
12 the fees are excessive. Number two, I think
13 that there should have been a defined plan
14 put before the board for this overexpenditure
15 that may never occur, as I expressed at the
16 last meeting. And I don't think this is any
17 way to conduct business. I just think at
18 this juncture we have held the line in many
19 areas in terms of expenses, and it would be
20 wrong for us not to take the same approach
21 here.

22 THE CHAIRMAN: Sir.

23 DIR. O'BRIEN: I agree with
24 the comments of Mayor Lauretti in general and
25 even specifically, but in this case based on

1 services firm moving on our matters.

2 DIR. LAURETTI: In recognition
3 of the comments of the last two directors, I
4 fully understand that this is far beyond our
5 control, and perhaps maybe this issue
6 shouldn't be before us. There's all kind of
7 recognition from outside sources that
8 understand the financial position of this
9 organization was created beyond our control.
10 But by the same point, the incurrence of
11 these bills were also created beyond our
12 control. And I want the record to reflect
13 that.

14 DIR. CASSANO: The other issue
15 here, and Ann alluded to it earlier, is the
16 notification. When we get within \$50,000 of
17 reaching the limit, I think that's critical.
18 We did not have that before. There were no
19 provisions for that; therefore, the attorney
20 general could simply, if he needed to, incur
21 additional expenses. That's how we got to
22 where we were. I think with the \$50,000
23 notification we have clearly a directive to
24 the attorney general and to the law firms
25 themselves: when you reach that point you've

1 got to let us know, because if you go beyond
2 that we're in a different situation.

3 DIR. SULLIVAN: And
4 we have to always consider the fact that, you
5 know, the cost benefit. I know that -- I
6 subscribe to the issue of the public policy
7 and continue to prosecute the claims that we
8 have, but, again, wearing the businessman's
9 hat, as I said before, cost benefit is a
10 certain analysis that has to be made in any
11 of these matters so --

12 THE CHAIRMAN: Okay. I think
13 we've vented that out. We all share the same
14 concerns, but I think the attorney general
15 has been working with you to help us with
16 that notification, but he has an obligation
17 to prosecute a case too. With that said,
18 none of us, he or us, are looking forward to
19 spending this money, but it has to be done.

20 Okay, we have a motion on the
21 table, duly seconded, which has an amendment
22 of language attached to it.

23 All those in favor?

24 Opposed?

25 DIR. LAURETTI: Opposed.

1 plus the 26,5?

2 MS. STRAVALLE-SCHMIDT: Yes.

3 DIR. O'BRIEN: We could. I
4 didn't really because it's not explicitly a
5 part of the Enron bankruptcy, and that's why
6 it was billed separately. It was a different
7 -- it was a related piece but it was not the
8 same piece.

9 MR. KIRK: And it was engaged
10 by the previous president without a need for
11 board approval at the time. It was a more
12 routine legal expenditure to solve a problem
13 the organization was experiencing.

14 THE CHAIRMAN: Any further
15 discussion?

16 All those in favor?

17 Opposed?

18 Abstained?

19 Paragraph 3, your recommending
20 we hold; is that correct?

21 DIR. SULLIVAN: Correct.

22 THE CHAIRMAN: Until after
23 executive session. Okay.

24 If Mark leaves, do I have a
25 quorum?

1 THE CHAIRMAN: Abstained?
2 The Chairman will entertain
3 paragraph two.

4 DIR. O'BRIEN: I will move
5 that the board of directors authorize the
6 president to pay for the additional work done
7 by Anderson Kill of 26,500 for fees and
8 expenses not initially anticipated on CL&P
9 issues which arose in the bankruptcy case and
10 in discussions with CL&P to obtain monies
11 owed to CRRA.

12 DIR. SULLIVAN: Second.

13 THE CHAIRMAN: Okay.

14 DIR. O'BRIEN: I would just
15 say that that turns out to be money well
16 spent even though, again, it should have come
17 to us first for authorization. It does turn
18 out to be money well spent.

19 DIR. SULLIVAN: Following the
20 cost-benefit analysis, I totally agree with
21 that one.

22 THE CHAIRMAN: There's a
23 motion on the table.

24 DIR. GRISWOLD: In keeping
25 with that cumulative, that would make it 540

1 MS. STRAVALLE-SCHMIDT: Yes,
2 you have a quorum.

3 THE CHAIRMAN: We're going to
4 go on to financial. But, Ann, before I
5 forget, I will note here if we could in the
6 next couple of weeks as we go and bridge into
7 our second year, can someone review the
8 attendance of our board and anyone who did
9 not make the mandatory attendance will be
10 notified? Then, let me know, and we'll take
11 a look at the proper procedure of refill.

12 MS. STRAVALLE-SCHMIDT: I
13 think Angelica is very on-top-of-that. We'll
14 make sure we will update it.

15 MR. KIRK: Angelica does
16 provide each board member with their
17 attendance record so they can manage their
18 statutory requirements to make the
19 appropriate number of meetings.

20 THE CHAIRMAN: I'm sure
21 everybody knows Angelica from my tenure up
22 there and she does a terrific job.

23 Andy, we're going to go to
24 financial plan right now.

25 DIR. SULLIVAN: I appreciate

1 the Chair and the board's indulgence in
2 moving this around due to an unavoidable
3 conflict that I had on another matter this
4 morning.

5 DIR. RIFKIN: Was that the
6 front nine or the back nine?

7 (Laughter.)

8 DIR. SULLIVAN: I don't dress
9 like that for either front or back. Plus I'd
10 have to tee off at six in the morning,
11 Howard, and that would never happen.

12 THE CHAIRMAN: The Chair will
13 not accept blame if we go beyond 12:30.

14 DIR. SULLIVAN: Anyway, I
15 think the first matter of a finance nature,
16 and we did review most all of these items at
17 the finance committee meeting last week, the
18 financial and variance report year-to-date
19 through April 30th, that's for informational
20 purposes only. If there are any questions,
21 feel free to ask them, but it really is
22 fairly clear on its surface. We're getting
23 to a point we're working together with the
24 finance department, we're doing estimated to
25 actuals, and we're going to continue that

1 DIR. SULLIVAN: I'll move the
2 resolution that has now just been handed out
3 that "The fiscal year 2004 Metropolitan
4 District Commission Mid-Connecticut project
5 annual operating budget, excluding the
6 projected costs for the Torrington and
7 Watertown transfer stations and the
8 associated transportation costs, as presented
9 in Exhibit 1, be adopted substantially in the
10 form as presented at this meeting. In its
11 adoption of this MDC annual operating budget,
12 CRRA does not validate or approve the terms
13 of the foregoing MDC annual operating budget
14 and CRRA reserves its rights to dispute
15 and/or challenge any of the items of the
16 foregoing MDC annual operating budget, in
17 particular without limitation the MDC
18 statement of indirect costs will in no way
19 waive CRRA's legal or equitable rights. The
20 adoption of this MDC annual operating budget
21 does not preclude CRRA from effectuating the
22 April 19, 2000, arbitration decision in CRRA
23 versus the MDC, including without limitation,
24 one, CRRA's unilateral right to hire
25 replacement workers to replace MDC on one or

1 into the next fiscal year, not one month plus
2 11 estimated-to-actual, but as we get some
3 more material information in through the
4 quarters, probably at the end of the first
5 quarter, we'll do an estimate to actual so
6 that we can benchmark that against what our
7 budgeting process is, just an additional
8 management tool.

9 Tab 3, we have a resolution
10 that I will move and then ask --

11 DIR. O'BRIEN: Second.

12 DIR. SULLIVAN: Or do you want
13 to discuss it first?

14 MR. CONSTABLE: I'd like to
15 hand out an updated resolution per the
16 request of the finance committee. We got
17 some minor change language in here after the
18 board package was published. Please read
19 this resolution. And if it's agreeable, I'd
20 like to have it as part of the package. I
21 apologize for the production problem in the
22 board book. The MDC budget was only one side
23 in your book, but it was actually supposed to
24 be two-sided. And the handout also has the
25 complete MDC budget.

1 more programs; two, CRRA's right to a new
2 indirect costing methodology; and three,
3 CRRA's right to recovery of funds previously
4 paid to MDC as indirect cost."

5 DIR. O'BRIEN: Second.

6 DIR. SULLIVAN: And I think
7 it's appropriate at this point to have some
8 discussion and perhaps Rob can help us out.
9 This was a significant discussion at the
10 finance committee meeting.

11 I will also say too that I am
12 aware that the group that is working together
13 with the group from MDC towards a concept of
14 mediation is in fact operational and it seems
15 to be working fairly well. Tom could speak
16 to that piece of it but --

17 The second thing I want to
18 mention before Rob walks us through any
19 questions or issues on this is that, recall
20 we did not take any action on MDC budgets --
21 at least last year in our board tenure, and I
22 expect the prior board did not either in
23 terms of approving their budget.

24 So I think we're trying to
25 recognize that they are a vendor of ours and

1 we are recognizing that they are a vendor and
 2 that we are trying to work very, very
 3 diligently to accomplish the financial
 4 objectives that both organizations have to
 5 work towards, both of them being in the
 6 public sphere and both having significant
 7 public policy protocols that they have to
 8 meet and objectives that they have to meet.
 9 So with that --

10 DIR. O'BRIEN: I think also,
 11 Andy, it's fair to point out that if we do
 12 not -- if we fail to approve the contract, we
 13 leave ourselves open to adjustments, or
 14 whatever the term you use was, by MDC. By
 15 approving the contract or the budget, then
 16 they are -- have to operate within that
 17 budget and they can't just transfer from one
 18 account to another without any --

19 THE CHAIRMAN: Simply said,
 20 it's a new way of doing business, and that's
 21 what we're trying to accomplish.

22 MR. CONSTABLE: I'd be happy
 23 to answer any questions. A quick review. In
 24 your board book there is exhibit number 1,
 25 which is what we're recommending for

1 is recommending this?

2 DIR. SULLIVAN: Correct.

3 DIR. RIFKIN: Andy, can you
 4 walk me back through the difference in the
 5 budget summary? They have costs associated
 6 with Ellington and Torrington -- there's a
 7 little more than a million dollars. Where
 8 are the other --

9 DIR. SULLIVAN: Watertown.

10 DIR. RIFKIN: I'm sorry,
 11 which ones? It's Watertown and Torrington.

12 DIR. SULLIVAN: And
 13 Torrington.

14 DIR. RIFKIN: So that's \$1.3
 15 million. What's the balance of the
 16 difference?

17 MR. CONSTABLE: It's the
 18 transportation associated with those transfer
 19 stations.

20 DIR. RIFKIN: And that's found
 21 in a different line?

22 MR. CONSTABLE: That's
 23 correct.

24 DIR. RIFKIN: And that's for
 25 the waste transportation we reduce that

1 adoption, and that does not include the
 2 Watertown and Torrington transfer stations
 3 currently being operated by CWPM. We
 4 discussed each line item individually.

5 DIR. O'BRIEN: And for the
 6 record, Rob, this budget that we're approving
 7 now has already been incorporated into the
 8 operating budget for CRRA for the fiscal year
 9 '04?

10 MR. CONSTABLE: That is
 11 correct, with the exception of the Torrington
 12 and Watertown transfer stations and
 13 transportation.

14 DIR. SULLIVAN: Their budget
 15 has a \$3 million -- a little better than a \$3
 16 million difference between what we're
 17 recommending you approve and their overall
 18 MDC budget. And that 3 million represents
 19 the Torrington and Watertown project.

20 THE CHAIRMAN: Under tab 3,
 21 the second page it gives you a little
 22 add-and-subtract of the MDC budget of
 23 22,581,000, the management recommended budget
 24 of 19,465,000, delta of 3,116,000.

25 Andy, your finance committee

1 amount?

2 MR. CONSTABLE: That's
 3 correct.

4 DIR. RIFKIN: Is there
 5 anything in here that in their proposed
 6 budget that addresses some kind of
 7 amortization of what is alleged we owe in the
 8 past health care costs?

9 DIR. SULLIVAN: We have in our
 10 budget -- I believe that's right -- 900 and
 11 some odd --

12 MR. CONSTABLE: Sixty-one
 13 thousand.

14 DIR. SULLIVAN: In the 2003
 15 year.

16 DIR. RIFKIN: Okay. So we
 17 haven't addressed the question of the \$3
 18 million, whatever it is that --

19 DIR. SULLIVAN: That's part of
 20 the 3 million. That 900 is part of the 3.
 21 So I think there's a little bit better than
 22 2.2 million that continues to be an issue; am
 23 I right?

24 MR. CONSTABLE: That's
 25 correct.

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1 DIR. SULLIVAN: And Jim Bolduc
 2 and James Michel, his counterpart at MDC, are
 3 working very, very closely together in terms
 4 of resolving those issues. I think the idea
 5 there, Howard, would be if we can reach some
 6 sort of meeting of the minds and agree on an
 7 amortization period, that would help us in
 8 terms of our ability to then -- you know,
 9 we'll deal with it, and if it's an obligation
 10 we'll pay it, but we'll pay it over time and
 11 we can mitigate tip fees by doing that in
 12 some fashion.

13 DIR. RIFKIN: So the \$3.1
 14 million difference between what they
 15 submitted and what you're recommending
 16 exclusively deals with those two transfer
 17 stations?

18 DIR. SULLIVAN: Exactly.

19 THE CHAIRMAN: Any other
 20 questions? The motion comes with the
 21 recommendation of the finance committee.
 22 All those in favor?
 23 Opposed?
 24 Abstained?
 25 So moved.

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1 Andy.

2 DIR. SULLIVAN: This is our
 3 last item, and that was a resolution with
 4 respect to financial advisory services.
 5 "Resolved: That the president
 6 and chief financial officer be authorized to
 7 extend a contract to Public Financial
 8 Management (PFM) to assist the finance
 9 division staff with work on a variety of
 10 projects, including Mid-Connecticut and
 11 Southeast issues on an as-needed basis. The
 12 contract would extend to October 31, 2003.
 13 Currently, finance division staff will
 14 solicit proposals, complete selection, and
 15 recommend a financial advisor prior to
 16 October 31, 2003, in order to ensure
 17 continuity of financial advisory services."
 18 This was worked on through the
 19 finance committee last week, and I'd like
 20 Bettina to speak.

21 DIR. O'BRIEN: I'll second.

22 MS. BRONISZ: Last fall, if
 23 you recall, this board approved sending a
 24 contract to PFM for the period of October to
 25 June 30, 2003, and that was specifically with

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1 regard to their work in doing the refunding
 2 and cash-flow models associated with the
 3 Southeast project proposed bond refunding.
 4 That project has run into some snags. Their
 5 contract expires this month. And if you'd
 6 seek to just extend it for a few more months
 7 until the issues with the Southeast project
 8 refunding are resolved. As Andy said,
 9 usually Financial Advisory Services, we hire
 10 a firm for a three-year period of time. We
 11 intend to do that this summer so that we will
 12 have a full-time financial advisor on board
 13 for a three-year term.

14 DIR. O'BRIEN: And just for
 15 clarification, the discussion last week was
 16 although October 31st is the deadline, the
 17 intent of yourselves and Jim and Tom were to
 18 present to the finance committee and the
 19 board in October so it could be implemented
 20 by that date. It's not that you're going to
 21 do it by that date.

22 MS. BRONISZ: Well, we have
 23 prior to October 31st. Our intent is that we
 24 will have that --

25 DIR. O'BRIEN: It will be at

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1 the finance committee and the board no later
 2 than the October meetings?

3 MS. BRONISZ: That is correct.

4 DIR. SULLIVAN: Although we're
 5 asking for a resolution, this is not one of
 6 the critical advisory services. As I
 7 recollect from conversations with you and
 8 then later with Jim, we have not had a lot of
 9 interface with the advisor at this point, at
 10 least in the year that we've been as a board.
 11 Not to diminish their importance, I clearly
 12 feel that it's very important that we have
 13 the appropriate financial advisory group
 14 working with us. And maybe it's not their
 15 fault, it's our fault. I mean, part of it is
 16 you have to ask for the assistance that you
 17 think you need. And there may be other
 18 opportunities as we move into 2004 and we
 19 talk through some of the other issues
 20 surrounding our mitigation plan on our loan
 21 and all of those matters. Okay.

22 THE CHAIRMAN: So we have a
 23 motion made, seconded for discussion.
 24 Anything further?
 25 All those in favor?

1 Opposed?
2 Abstained?
3 All right, unless the Chair
4 has missed something here, we've gone through
5 everything. We'll go ahead into executive
6 session.
7 DIR. O'BRIEN: So moved.
8 DIR. CASSANO: Second.
9 DIR. O'BRIEN: For the
10 purposes stated in the agenda.
11 (Whereupon, an executive
12 session was held at 12:10 o'clock p.m.)
13 (Off the record discussion,
14 whereupon, no votes were taken in executive
15 session.
16 (The Board passed the third
17 resolution to pay Anderson Kill and Olick
18 legal fees, and the vote was abstained by
19 Director Knopp.
20 (Director Rifkin made a motion
21 to adjourn and Director O'Brien seconded it.)
22 (Whereupon, the above
23 proceedings were adjourned.)
24
25

TAB 2

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED FIFTY-NINTH MEETING

JUNE 30, 2003

A Special Conference Call meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Monday, June 30, 2003 at the 100 Constitution Plaza, Hartford. Those present were:

Chairman Michael A. Pace

Directors: Benson Cohn
Theodore Martland
Stephen Cassano
John Mengacci (delegate for Director Ryan)
Mark Lauretti (part of the meeting)
Andrew Sullivan
Catherine Boone
Alex Knopp
Ray O'Brien

Present from the CRRA staff:

James Bolduc, Chief Financial Officer
Bettina Bronisz, Assistant Treasurer & Director of Finance
Thomas Kirk, President
Diane Spence, Secretary
Ann Stravalle-Schmidt, Director of Legal Services
Christopher Fancher, Facilities Engineer

Others in attendance were: Mark Cordeiro of PLM and Peter Boucher of H&S.

Chairman Pace called the meeting to order at 4:01 p.m. and noted that a quorum was present.

AUTHORIZATION REGARDING AN ENERGY PURCHASE AGREEMENT AND ESCROW AGREEMENT

Chairman Pace requested a motion on the referenced topic. Director Martland made the following motion:

RESOLVED: The Chairman or President is authorized to enter into an Energy Purchase Agreement with Select Energy, Inc. substantially in accordance with the terms and conditions discussed at this meeting.

FURTHER RESOLVED: The Chairman or President is authorized to enter into an Escrow Agreement with Select Energy, Inc. and U.S. Bank National Association substantially in accordance with the terms and conditions discussed at this meeting.

Vice Chairman Cassano seconded the motion.

Chairman Pace requested a motion to amend the resolution as discussed. Director O'Brien made an amendment to the resolution to read:

RESOLVED: The Chairman or President is authorized to enter into an Energy Purchase Agreement with Select Energy, Inc. substantially in accordance with the terms and conditions discussed at this meeting.

FURTHER RESOLVED: Upon release or dissolution of the Escrow Fund, the monies will be placed in a separate holding account pending designation or other distribution by the Board of Directors.

FURTHER RESOLVED: The Chairman or President is authorized to enter into an Escrow Agreement with Select Energy, Inc. and U.S. Bank National Association substantially in accordance with the terms and conditions discussed at this meeting.

Director Sullivan seconded the amendment to the motion which was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		

AUTHORIZATION REGARDING THE ESTABLISHMENT OF AN ESCROW FUND FOR THE BENEFIT OF THE ENERGY PURCHASE AGREEMENT

Chairman Pace requested a motion on the referenced item. Director O'Brien made the following motion:

WHEREAS: it is a precondition to the execution of an Energy Purchase Agreement (the "EPA") between Connecticut Resources Recovery Authority ("CRRA") and Select Energy, Inc., that an escrow fund in the amount of ONE MILLION DOLLARS (\$1,000,000.00; the "Escrow Fund") be established; and

WHEREAS: CRRA wishes to establish the Escrow Fund in order to execute the EPA.

NOW THEREFORE, be it

RESOLVED: that the existing reserve balances in the Mid-Connecticut Power Block Facility Maintenance Fund and the Mid-Connecticut Transfer Station Maintenance Fund (collectively, the "Maintenance Funds") be reclassified from Unrestricted Designated Board Funds to Unrestricted Undesignated in the amounts as follows:

Mid-Connecticut

PBF Maintenance Fund	\$500,000	(approximate entire balance)
Transfer Station Maintenance Fund	\$466,000	(approximate entire balance)

And it is

FURTHER RESOLVED: That the Maintenance Funds be dissolved, and the amounts in the Maintenance Funds be allocated to the Escrow Fund, and it is

FURTHER RESOLVED: that current cash be allocated in an amount sufficient to fully fund the Escrow Fund (the "Current Cash"), and it is

FURTHER RESOLVED: that U.S. Bank National Association serve as escrow agent (the "Escrow Agent") for the Escrow Fund, and it is

FURTHER RESOLVED: That the CRRA President and other CRRA officers acting within their designated authority be, and hereby are, authorized to perform all necessary tasks for the transfer of the Maintenance Funds and the Current Cash to the Escrow Agent for the establishment of the Escrow Fund, and it is

FURTHER RESOLVED: That the CRRA President may, pursuant to Conn. Gen. Stat. § 22a-277(c), delegate any authority granted to him by these resolutions to the CRRA Chief Financial Officer.

Director Martland seconded the motion which was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		

AUTHORIZATION REGARDING AN ENERGY PURCHASE AGREEMENT AND ESCROW AGREEMENT (CON'T)

Chairman Pace requested a vote on the motion previously made by Director Martland and seconded by Vice Chairman Cassano, as amended. The motion was approved unanimously by roll call.

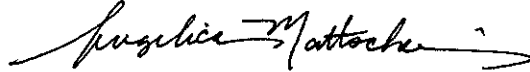
Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Mark Lauretti			
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn made by Andrew Sullivan and seconded by Director O'Brien was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 4:36 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Angelica Mattschei". The signature is written in black ink and has a long, sweeping tail that extends to the right.

Angelica Mattschei
Corporate Secretary to the Board

TAB 3

**MID CONNECTICUT PROJECT
SOURCE AND USE OF CASH FUNDS**

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Lockbox Receipts:

Represent tip fee payments. Monthly estimates assume historical tonnage amount at stated tip fee assumptions:
Fiscal Year 2003 Tip fee is \$57.00 per ton.
Fiscal Year 2004 Tip fee is \$63.75 per ton.

Energy Payments:

Current energy contract rates for electricity produced:
January 1, 2002 - December 31, 2002: \$0.031 per kilowatt hour
January 1, 2003 - June 30, 2003: \$0.032 per kilowatt hour
January 1, 2004 - December 31, 2004: \$0.033 per kilowatt hour

Debt Service Reserve Fund Adjustment:

Each year, the Trustee reviews the funding requirements of the Debt Service Reserve Funds. The Authority's 1996 Series A and 1997 Series A Bonds are backed by the State's Special Capital Reserve Fund (SCRF) which has a funding requirement of Maximum Annual Debt Service (MADS). Based on interest earnings and the MADS amount, the Trustee may determine that the Debt Service Reserve Fund is over-funded that will release any excess funds into the Revenue Fund.
Estimate for FY04 based on \$56,400 excess plus \$443,600 interest earnings assumed at average STIF rate of 1.75% on outstanding SCRF balance.

Expected Deposit - CL&P:

The settlement of electricity payment for the period 12/12/02 - 1/28/03 in the amount of \$1.6 million was paid on February 11, 2003.

The collection of the past due electricity bill from Enron/CL&P for the period 12/3/01 - 12/12/02, in the amount of \$7.8 million was paid on March 4, 2003.

Debt Service - State Supplemental Financing:

Assumes monthly P & I repayment of amount borrowed each month at average rate of 4.00% in FY 04.

Energy Payments:

July 1, 2003 - December 31, 2003: Estimate of higher electric revenues for first 250,000 kilowatt hours based on Board-approved EPA contract

Operating Expenses:

July 2003 adjusted for \$1 million EPA escrow deposit; \$961,000 MDC medical payment; and \$600,000 legal payments

Transfers from Reserves:

\$1 million from Board-authorized dissolution of Mid-Conn. PBF Maintenance & Transfer Station Maintenance Funds

Identified Reserve Balance Availability Adjustment:

May 2003 adjusted for insurance reallocation to Jets reserve (\$477,311)

Key Assumptions:

Major Revisions:

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**MID CONNECTICUT PROJECT
SOURCE AND USE OF CASH FUNDS**

FY03

	July	August	September	October	November	December	January	February	March	April	May	June
BEGINNING CASH BALANCE:	\$0	\$510	\$0	\$0	\$0	\$0	\$2,763,221	\$5,306,604	\$576,173	\$6,378,841	\$4,728,345	\$3,443,184
SOURCES OF FUNDS:												
Lockbox	6,050,000	4,380,000	3,440,000	5,775,000	2,590,000	7,535,000	7,270,000	2,700,000	3,773,955	3,585,000	4,245,000	4,334,844
Energy payments	1,202,362	0	0	0	0	0	0	72,390	972,848	1,201,220	1,270,477	1,308,951
Interest	1,292	3,332	696	684	1,148	275	5,117	5,919	3,240	9,397	7,771	5,478
Trustee: Debt Service Reserve Fund Adjustment	0	0	0	0	0	0	584,917	0	0	0	0	0
Trustee: Deposit - Excess O&M and R&R Funds *	0	0	0	0	0	3,583,153	0	0	0	0	0	0
Deposit - Escrowed CL&P Payment	0	0	0	0	0	0	0	1,681,090	7,895,910	0	0	0
Total	\$ 7,253,654	\$ 4,383,332	\$ 3,440,696	\$ 5,775,684	\$ 2,591,148	\$ 11,118,428	\$ 7,860,034	\$ 4,459,399	\$ 12,645,954	\$ 4,795,617	\$ 5,523,248	\$ 5,649,273
USES OF FUNDS:												
Covanta invoice	1,181,894	1,232,547	1,230,975	1,219,568	1,207,928	1,414,253	1,237,149	1,289,752	1,201,679	1,228,685	1,221,611	1,222,342
Operating Expenses ⁽¹⁾	4,910,334	3,839,962	2,626,747	5,211,158	4,161,350	4,769,806	1,908,354	5,728,928	3,470,458	3,046,279	3,415,649	2,885,089
Debt service - Existing	2,175,916	2,175,916	2,175,916	2,175,916	1,967,802	2,171,149	2,171,149	2,171,149	2,171,149	2,171,149	2,171,149	2,171,149
Debt service - State Supplemental Financing	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$ 8,268,144	\$ 7,248,426	\$ 6,033,637	\$ 8,606,642	\$ 7,337,080	\$ 8,355,208	\$ 5,316,652	\$ 9,189,829	\$ 6,843,285	\$ 6,446,113	\$ 6,808,409	\$ 6,278,580
Excess/(Deficit) in current month:	(1,014,490)	(2,865,093)	(2,592,942)	(2,830,958)	(4,745,932)	2,763,221	2,543,383	(4,730,430)	5,802,668	(1,650,496)	(1,285,161)	(629,308)
SUBTOTAL CASH BALANCE	\$ (1,014,490)	\$ (2,864,583)	\$ (2,592,942)	\$ (2,830,958)	\$ (4,745,932)	\$ 2,763,221	\$ 5,306,604	\$ 576,173	\$ 6,378,841	\$ 4,728,345	\$ 3,443,184	\$ 2,813,876
TRANSFERS FROM RESERVES ⁽²⁾	1,015,000	2,864,583	2,592,942	2,830,958	4,745,932	0	0	0	0	0	0	0
STATE SUPPLEMENTAL FINANCING ⁽³⁾⁽⁴⁾	0	0	0	0	0	0	0	0	0	0	0	2,000,000
ENDING CASH BALANCE	\$ 510	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,763,221	\$ 5,306,604	\$ 576,173	\$ 6,378,841	\$ 4,728,345	\$ 3,443,184	\$ 4,813,876
IDENTIFIED RESERVE BALANCE	\$14,962,696	\$13,201,140	\$11,610,878	\$8,977,331	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$2,254,068	\$2,254,068
CUMULATIVE SUPPLEMENTAL FINANCINGS											\$0	\$2,000,000

* One-time adjustment by Trustee to release excess amounts in O&M and R&R Funds.

⁽¹⁾ Includes PILOT payments of \$1.7 million each January and July

⁽²⁾ Includes \$1 million transfer from Funds dissolution in July FY04

⁽³⁾ State Loan will only support monthly debt service

⁽⁴⁾ Borrowing from State Loan will be at maximum level in months preceding PILOT payments in order to alleviate cashflow drain.

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**MID CONNECTICUT PROJECT
SOURCE AND USE OF CASH FUNDS**

	ESTIMATED											
	July	August	September	October	November	December	January	February	March	April	May	June
BEGINNING CASH BALANCE:	\$4,813,876	\$3,171,149	\$1,942,649	\$1,693,149	\$914,649	\$202,149	\$2,169,000	\$2,650,900	\$414,400	\$635,876	\$0	\$0
SOURCES OF FUNDS:												
Lockbox	4,714,000	5,211,000	5,508,000	4,892,000	5,430,000	5,011,000	4,853,000	5,038,000	4,294,000	4,760,000	5,472,000	5,715,000
Energy payments	1,215,130	1,848,000	1,909,000	1,640,000	1,676,000	1,669,000	1,913,000	423,000	963,000	1,421,000	1,332,000	1,274,000
Interest	5,000	500	500	500	500	500	500	500	500	500	500	500
Trustee: Debt Service Reserve Fund Adjustment	0	0	0	0	0	0	556,400	0	0	0	0	0
Trustee: Deposit - Excess O&M and R&R Funds *	0	0	0	0	0	0	0	0	0	0	0	0
Deposit - Escrowed CL&P Payment	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$ 5,934,130	\$ 7,059,500	\$ 7,417,500	\$ 6,532,500	\$ 7,106,500	\$ 6,680,500	\$ 7,322,900	\$ 5,461,500	\$ 5,257,500	\$ 6,181,500	\$ 6,804,500	\$ 6,989,500
USES OF FUNDS:												
Covanta invoice	1,220,197	1,183,000	1,197,000	1,160,000	1,191,000	1,172,000	1,162,000	1,175,000	1,126,000	1,151,000	1,195,000	1,213,000
Operating Expenses (1)	8,463,501	4,918,000	4,260,000	3,927,000	4,396,000	3,980,000	5,596,000	4,247,000	3,599,000	3,859,000	4,415,000	4,364,000
Debt service - Existing	2,171,149	2,171,000	2,171,000	2,171,000	2,171,000	2,169,000	2,166,000	2,166,000	2,166,000	2,166,000	2,166,000	2,166,000
Debt service - State Supplemental Financing	0	16,000	39,000	53,000	61,000	73,000	86,000	110,000	134,000	149,000	169,000	182,000
Total	\$11,854,847	\$ 8,288,000	\$ 7,667,000	\$ 7,311,000	\$ 7,819,000	\$ 7,394,000	\$ 9,010,000	\$ 7,698,000	\$ 7,025,000	\$ 7,325,000	\$ 7,945,000	\$ 7,925,000
Excess/(Deficit) in current month:	(5,920,717)	(1,228,500)	(249,500)	(778,500)	(712,500)	(713,500)	(1,687,100)	(2,236,500)	(1,767,500)	(1,143,500)	(1,140,500)	(935,500)
SUBTOTAL CASH BALANCE	(\$1,106,840)	\$1,942,649	\$1,693,149	\$914,649	\$202,149	(\$511,351)	\$481,900	\$414,400	(\$1,353,100)	(\$507,624)	(\$1,140,500)	(\$935,500)
TRANSFERS FROM RESERVES (2)	2,106,840	0	0	0	0	511,351	0	0	635,876	0	0	0
STATE SUPPLEMENTAL FINANCING (3)(4)	2,171,149	0	0	0	0	2,169,000	2,169,000	0	1,353,100	507,624	1,140,500	2,166,000
ENDING CASH BALANCE	\$3,171,149	\$1,942,649	\$1,693,149	\$914,649	\$202,149	\$2,169,000	\$2,650,900	\$414,400	\$635,876	\$0	\$0	\$1,230,500
IDENTIFIED RESERVE BALANCE	\$1,147,227	\$1,147,227	\$1,147,227	\$1,147,227	\$1,147,227	\$635,876	\$635,876	\$635,876	\$0	\$0	\$0	\$0
CUMULATIVE SUPPLEMENTAL FINANCINGS	\$4,171,149	\$4,171,149	\$4,171,149	\$4,171,149	\$4,171,149	\$6,340,149	\$8,509,149	\$8,509,149	\$9,862,249	\$10,369,873	\$11,510,373	\$13,676,373

* One-time adjustment by Trustee to release excess amounts in O&M and R&R Funds.
 (1) Includes PILOT payments of \$1.7 million each January and July
 (2) Includes \$1 million transfer from Funds dissolution in July FY04
 (3) State Loan will only support monthly debt service
 (4) Borrowing from State Loan will be at maximum level in months preceding PILOT payments in order to alleviate cashflow drain.

TAB 4

**RESOLUTION REGARDING THE CREATION AND
DISSOLUTION OF A RECYCLING RESERVE**

RESOLVED: that the Regional Recycling Center Paper Equipment Replacement Reserve for the Mid-Connecticut Project be reclassified from Restricted to Board Designated (balance as of May 31, 2003 was \$1,729,509).

FURTHER RESOLVED: That the Regional Recycling Center Paper Equipment Replacement Reserve be renamed Recycling Reserve.

FURTHER RESOLVED: That the Regional Recycling Center Paper Equipment Replacement Reserve be dissolved.

Connecticut Resources Recovery Authority Recycling Reserve

July 10, 2003

The language below was provided to the Finance Committee at their July 10, 2003 meeting. The Finance Committee approved the recommendation to submit the attached resolution for adoption by the CRRA Board of Directors at their July 17, 2003 meeting.

In March 2003, the Agreement between CRRA and Capital Recycling of Connecticut (CROC) terminated. Pursuant to the Agreement CRRA had to maintain and contribute funds to a Regional Recycling Center Paper Equipment Replacement Reserve (the "Reserve") for potential future capital projects. The Agreement also stipulated that any balances remaining in this Reserve after the expiration of the Agreement would belong to CRRA. As of May 31, 2003 the balance in this account was \$1,729,509. A copy of the Individual Reserve Summary is attached.

Since this Reserve was established as a requirement to the Agreement it was designated as Restricted. As a result of the expiration of the Agreement this Reserve now needs to be re-designated. The recommendation is to rename the Reserve, the "Recycling Reserve" and have it become a Board Designated reserve. A draft resolution is attached for the Finance Committee.

Connecticut Resources Recovery Authority

July 2, 2003

Account: REGIONAL RECYCLING CENTER EQUIPMENT
REPLACEMENT (PAPER)

Project: Mid-Connecticut

Purpose: To reserve funds necessary for possible capital repair or replacement.

Fund Basis: Contract states that CRRA shall contribute \$125,000 on an annual basis to this reserve. Information as to how the contribution amount was determined could not be found.

Fund Source: All documentation found indicates that funding of this reserve has occurred through the operating budget.

Fund Amount As Of May 31, 2003: \$1,729,509

Supporting Documentation:

Fund required under an existing agreement with Capital Recycling of Connecticut Inc. dated November 23, 1990. Contract expired February 28, 2003. The CRRA Board of Directors approved this contract on September 18, 1990. The following is Section 10.4 of the agreement:

Section 10.4 Capitalized Renewal and Replacement Fund

CRRA shall establish a separate bank account for the purpose of funds necessary for possible capital renewal or replacement. On the last day of each Operating Year, CRRA shall deposit in such account the amount of One Hundred Twenty Five Thousand Dollars (\$125,000).

Unless a second baler has been installed pursuant to subsections 10.3 (a) or 10.3 (b) during the initial five years of this Agreement, the Company shall not be entitled to draw upon such account for repair and replacement of Facility equipment except in exceptional circumstances with the permission of CRRA.

Once a second baler has been installed or during the remaining term of this Agreement, the Company shall be entitled to draw upon such account to provide necessary equipment replacements and repairs upon ten (10) Days prior written notice to CRRA and upon CRRA's consent, which shall not be unreasonable withheld. Such written notice shall include the following, at a minimum: items to be replaced and repaired, the cause of equipment failure, cost of replacement or repair, including Cost Substantiation; and the new useful life of any replaced or repaired item. CRRA shall be entitled to draw upon such account upon ten (10) Days written notice to the Company to make reasonable expenditures for the renewal, repair or replacement of any and all stationary or immobile equipment purchased and installed at the Facility. Upon termination of this Agreement, all funds remaining in the account shall revert to CRRA.

Recommendation:

Perform a comprehensive review of this reserve and its relationship to the long-term strategic plan of the recycling facilities and prepare a recommendation for the annual reserve review process.

Connecticut Resources Recovery Authority

July 2, 2003

Account: RECYCLING RESERVE

Project: Mid-Connecticut

Purpose: To reserve funds necessary for future capital repairs and/or replacements or any other recycling activities the Authority may pursue.

Fund Basis: An adequate fund balance will be determined during the October reserve review.

Fund Source: Transfer entire balance from the Regional Recycling Center Paper Equipment Reserve.

Fund Amount As Of May 31, 2003: \$0.00

Supporting Documentation: Support documents will be created during the October reserve review.

Connecticut Resources Recovery Authority
Schedule of Short Term Investment Funds
 As Of May 31, 2003

Account	General Administration	Mid-Connecticut Project	Bridgeport Project	Wallingford Project	Southeastern Project	Total
Restricted						
Regional Recycling Center Equipment (Paper)		\$1,729,509				\$1,729,509
Regional Recycling Center Equipment (Container)		\$582,655				\$582,655
Tip Fee Stabilization Account				\$6,680,219		\$6,680,219
Jets / EGF Operating Fund		\$20,000,000				\$20,000,000
MDC Arbitration Escrow		\$3,217,315				\$3,217,315
Total Restricted	\$0	\$25,529,479	\$0	\$6,680,219	\$0	\$32,209,698
Unrestricted						
Designated						
Board						
Landfill Closure		\$6,983,333	\$200,215			\$7,183,548
Landfill Post-Closure		\$0	\$2,322,132	\$4,427,509	\$2,167,713	\$8,917,354
Landfill Post-Closure (Ellington)		\$1,225,035				\$1,225,035
Risk Fund		\$4,753,942	\$2,540,823	\$1,045,942	\$251,691	\$8,592,398
Waste Processing Facility Modification Reserve		\$3,347,924				\$3,347,924
Landfill Replacement		\$2,377,473				\$0
Rolling Stock Reserve						\$2,377,473
Future Use Reserve			\$579,808			\$579,808
Power Block Facility Maintenance		\$500,000				\$500,000
Transfer Station Maintenance		\$463,916				\$463,916
Health Fund	\$82,612					\$82,612
Recycling Trust						\$50,000
Budget Process						\$50,000
Municipal Replacement Reserve						\$123,592
Total Unrestricted	\$82,612	\$19,651,623	\$5,816,570	\$5,473,451	\$2,419,404	\$33,443,660
Undesignated						
Operating						
Operating (Jets/EGF)	(\$598,822)	\$3,192,801	\$691,962	\$13,638,637	\$3,259,650	\$20,184,228
Total	(\$516,210)	\$48,438,992	\$6,508,532	\$25,792,307	\$5,679,054	\$85,902,675

TAB 5

Resolution Regarding A Connecticut Market Waste Flow and Management Study

RESOLVED: The President is authorized to enter into a Connecticut Market Waste Flow and Management Study with HRP Associates, Inc., in accordance with the terms and conditions discussed at this meeting.

Connecticut Resources Recovery Authority
Contract Summary

Presented to CRRA Board of Directors: July 17, 2003

Vendor: HRP Associates, Inc.

Contract Type: Consulting Request for Services

Facility(ies) Mid-Connecticut, Bridgeport and Wallingford Projects

Term, Original Contract: This Request for Services is made an amendment to the three-year Engineering Services Agreement with HRP. Term of the Agreement is July 1, 2001 – June 30, 2004

Term, Amendment: 90-days from the date authorization is received from CRRA to proceed with the market study

Fee: Not to exceed price of \$55,000

Budget Allocation: Mid-Connecticut Project, "Other Consulting Services" budget line item: \$48,000
Bridgeport Project, "Other Consulting Services" budget line item: \$5,000
Wallingford Project, "Other Consulting Services budget line item: \$2,000

Comments: CRRA invited three firms with three-year engineering contracts to provide written proposals and quotes for this research project. The firms and the quotes provided by each firm were:

- Malcolm Pirnie, Inc. - \$69,500
- Camp, Dresser & McKee, Inc. - \$49,500
- HRP Associates, Inc. - \$51,160

Upon review of the proposals submitted by the three firms, CRRA determined that HRP Associates, while not the lowest bid, had the most responsive written proposal. Specifically, HRP had given a great deal of thought to the final data base design and how they would provide various data query functions to make what will be a huge data base "user friendly".

This study/market research will provide CRRA with detailed waste flow and waste management information (municipal solid waste, recycling, and bulky waste) for all 169 Connecticut municipalities. Some of the information that will be captured for each city and

town includes: volume of the various waste streams (both residential and commercial) haulers used and doing business in each community; intermediate/transfer station facilities used, end facilities used (in-state and out-of-state), tip and/or disposal fees paid, method of waste control, if any (contracts, permits, licensing, other), term of contracts with disposal facilities, etc.

This market research will be invaluable to CRRA as it 1) works to manage waste flows (including recyclables) to the Mid-Connecticut Project when tip fees go up above market rates, 2) develops marketing strategies to continue the operation of CRRA's various facilities past the so-called end of each project (Bridgeport in 2008, Wallingford in 2010, and Mid-Connecticut in 2012).

July 17, 2003

Mr. Walter J. Gancarz, P.E.
Chief Executive Officer
HRP Associates, Inc.
167 New Britain Avenue
Planville, CT 06062

RE: Request for Services for Waste Flow Market Research and Data Base Preparation

Dear Mr. Gancarz:

This request authorizes HRP Associates, Inc. to provide the Services described below in accordance with the terms and conditions of the Engineering Services Agreement dated July 1, 2001.

The Scope of Services, Estimated Time of Performance, and Estimated Cost described below will become part of the will be incorporated therein, as an amendment, upon your acceptance of this request. The Scope of Services is the product of consultation between CRRA and HRP Associates and the Estimated Time of Performance and Estimated Costs have been provided by HRP Associates and deemed acceptable to CRRA.

PROJECT BACKGROUND

The Connecticut Resources Recovery Authority ("CRRA") has taken the initial steps in the development of a comprehensive database for information on Connecticut municipality generation and management of municipal solid waste (MSW), bulky waste, and recyclables. This database is currently in the form of Excel worksheets. The worksheets focus on information about Connecticut's 169 municipalities, how they control waste and their waste volume and shipments.

ITEM 1 - SCOPE OF SERVICES

Task 1: Data Gathering

A. HRP Associates, Inc., (the "Consultant") shall obtain the following information for the cities and towns listed in Attachment II:

- Contract Information
 1. Facility/Project
 2. Effective Date
 3. Term/Expiration Date

4. Minimum Commitment

- Waste Shipment Information (Town or Facility provided data as opposed to the CTDEP data provided by CRRA)
 1. Origin
 2. Type
 3. Haulers
 4. Intermediate Facility (Name, Amount and Price)
 5. End Facility (Name, Amount, Price)

B. The Consultant shall obtain the following information for the cities and towns listed in Attachment I for the Bridgeport and Southeast facilities:

- Partial Waste Shipment Information
 1. Haulers

C. The Consultant will obtain the following information for all towns listed in Attachment I and Attachment II:

- Hauler Information
 1. Town Fleet
 2. Method of Control (permitting, contracts, licensing, etc.)

With respect to the "Method of Control" portion of the Hauler Information, the Consultant shall provide a narrative description of how each of the 169 cities and towns in Connecticut control where its haulers take the municipality's waste. CRRA wants to know whether the control is by contract, licensing, permitting or other device and the extent to which the control affects MSW, bulky waste and recyclables. CRRA wants to know the differences in how towns manage/control residential versus commercial waste collections within their boundaries as well as how each town defines commercial waste

With respect to the Waste Shipment Information, the CTDEP data that CRRA has indicates shipments to a number of transfer stations with no information on where the waste was shipped from the transfer station. The Consultant shall obtain this information.

Task 2: Meetings

Consultant shall participate in one (1) kick-off meeting, monthly progress meetings (estimated to be two (2) progress meetings) and one (1) project completion meeting.

CRRA OBLIGATIONS

CRRA will provide the following support services for this project:

- CRRA will write and mail, at CRRA's cost, a project "letter of introduction" signed by CRRA's President. This letter will be mailed to all 169 municipal chief elected officials,

or town managers, and the department of public works directors asking for the municipalities' cooperation in providing HRP the waste management information it is seeking.

- CRRA has or will provide for all 169 Connecticut cities and towns presented in Attachments I and II.

- Population
- Total MSW Shipped
- Tons MSW/Capita
- Primary RRF
- Contact Information
 1. Chief Elected Official
 2. Chief Administrative Official
 3. Primary Solid Waste Contact
- Waste Shipment Information For Shipments to CRRA Facilities
 1. Origin
 2. Type
 3. Haulers (Mid-Connecticut and Wallingford only)
 4. Intermediate Facility (Name, Amount and Price)
 5. End Facility (Name, Amount and Price)

CRRA will also provide the following additional information for the cities and towns listed in Attachment I only, (communities serviced by CRRA facilities):

- Contract Information
 1. Facility/Project
 2. Effective Date
 3. Term/Expiration Date
 4. Minimum Commitment

ITEM II - ESTIMATED TIME OF PERFORMANCE

The estimated time of performance to complete the entire research project is 90-days from the date of authorization from CRRA to proceed.

ITEM III - ESTIMATED COST

The Consultant agrees to perform all of the Services including those described in its Proposal dated June 18, 2003 for a not to exceed cost of \$55,000. The specific Fee Schedule provided by the Consultant is attached to RFS.

This cost is not to be exceeded without CRRA's prior written consent. CRRA shall not pay for any services rendered or expenses incurred by Consultant in excess of those included in this Request unless specifically authorized in advance and in writing by CRRA.

Very truly yours

CONNECTICUT RESOURCES RECOVERY AUTHORITY

By: _____

Thomas D. Kirk
Its President
Duly Authorized

Accepted under the terms of the Engineering
Services Agreement dated July 1, 2001

HRP ASSOCIATES, INC.

By: _____

Title: _____

ATTACHMENT I
CRRA PROJECT MEMBER AND CONTRACT TOWNS SERVED BY CRRA
FACILITIES

Mid-Connecticut Project

Beacon Falls
 Bethlehem
 Canton
 Chester
 Clinton
 Colebrook
 Deep River
 East Granby
 East Hampton
 East Hartford
 Ellington
 Enfield
 Essex
 Farmington
 Glastonbury
 Goshen
 Granby
 Hartford
 Harwinton
 Killingworth
 Litchfield
 Lyme
 Middlebury
 Naugatuck
 Newington
 North Branford
 Old Lyme
 Old Saybrook
 Oxford
 RRDD#
 New Hartford
 Barkhamsted
 Winchester
 Rocky Hill
 Simsbury
 South Windsor
 Southbury
 Thomaston
 Torrington
 Vernon

Mid-Connecticut cont.

Watertown
 West Hartford
 Westbrook
 Wethersfield
 Woodbury
Mid-Conn Contract
 Avon
 Bloomfield
 Bolton
 Canaan
 Cornwall
 Coventry
 Cromwell
 Durham
 East Windsor
 Guilford
 Haddam
 Hebron
 Madison
 Manchester
 Marlborough
 Middlefield
 Norfolk
 North Canaan
 Roxbury
 Salisbury
 Sharon
 Suffield
 Tolland
 Waterbury
 Windsor Locks
Southeast Project Towns
 East Lyme
 Griswold
 Groton
 Ledyard
 Montville
 New London
 North Stonington

Southeast cont.

Norwich
 Preston
 Sprague
 Stonington
 Waterford
Southeast Contract
 Killingly
 Mansfield
 Salem
Bridgeport Project Towns
 Bethany
 Bridgeport
 Darien
 East Haven
 Easton
 Fairfield
 Greenwich
 Milford
 Monroe
 Norwalk
 Orange
 Shelton
 Stratford
 Trumbull
 Weston
 Westport
 Wilton
 Woodbridge
Wallingford Project Towns
 Cheshire
 Hamden
 Meriden
 North Haven
 Wallingford

ATTACHMENT II
OTHER CONNECTICUT COMMUNITIES NOT SERVED BY CRRA FACILITIES

Andover	Scotland
Ansonia	Seymour
Ashford	Sherman
Berlin	Somers
Bethel	Southington
Bozrah	Stafford
Branford	Sterling
Bridgewater	Thompson
Bristol	Union
Brookfield	Voluntown
Brooklyn	Warren
Bulington	Washington
Canterbury	West Haven
Chaplin	Willington
Colchester	Wolcott
Columbia	Windham
Danbury	Windsor
Derby	Woodstock
Eastford	Stamford
East Haddam	
Franklin	
Hampton	
Hartland	
Kent	
Lebanon	
Lisbon	
Middletown	
Morris	
New Britain	
New Canaan	
New Fairfield	
New Haven	
New Milford	
Newtown	
Plainfield	
Plainville	
Plymouth	
Pomfret	
Portland	
Prospect	
Putnam	
Redding	
Ridgefield	

TAB 6

**RESOLUTION REGARDING A FACILITIES MODIFICATION AGREEMENT
TO MODIFY THE EXISTING REGIONAL RECYCLING CENTER
LOCATED IN HARTFORD, CT**

Resolved: The President is authorized to enter into an Agreement with Central Construction Industries, L.L.C. to modify the existing Regional Recycling Center located in Hartford, CT substantially as presented at this meeting.

**Connecticut Resources Recovery Authority
Contract Summary for Contract
Entitled**

Facilities Modification Agreement

Presented to CRRA Board of Directors on: July 17, 2003

Vendor/Contractor(s): Central Construction Industries, L.L.C.

Effective date: Upon Execution

Contract Type/Subject: Construction

Facility (ies) Affected: Hartford Regional Recycling Center

Original Contract: N/A

Term: 75 days from date of Notice to Proceed

Contract Dollar: \$227,883.00

Amendments(s): N/A

Term Extensions: N/A

Budget Allocation: Funds to be provided from Mid-Connecticut Recycling Reserves Fund

Scope of Services: The purpose of this construction activity is to consolidate both the commingled container and paper operations on the site of the Regional Recycling Center located at 211 Murphy Road, Hartford, Connecticut. The northern end of the Container Recycling Facility will be modified to accommodate the receiving, handling and shipping of recyclable paper and fiber. The work includes the demolition of several interior columns and removal of approximately 8,700 S.F. of bituminous concrete pavement. Four new columns and two new beams will be installed. 8" concrete floor slab will be cast-in-place as well as all other improvements required for the project.

Connecticut Resources Recovery Authority Hartford Regional Recycling Center Facilities Modification Agreement

July 17, 2003

Executive Summary

CRRA currently processes recyclable materials at 123 and 211 Murphy Road in Hartford, CT. The facility located at 211 Murphy Road processes commingled containers and the facility located at 123 Murphy Road processes paper. CRRA now desires to consolidate both the commingled container and residential paper operations on the site located at 211 Murphy Road. On June 26, 2003 CRRA received competitive bids for the modification of facilities at the Regional Recycling Center located at 211 Murphy Road, Hartford, Connecticut to accommodate the receiving, handling and shipping of recyclable paper and fiber.

CRRA has submitted a permit modification application to DEP seeking to modify the solid waste permit associated with 211 Murphy Road authorizing the management of paper. The physical modifications to 211 Murphy Road, for which CRRA recently solicited the proposals discussed below, require approval by the Connecticut Department of Environmental Protection (DEP) as part of the permit modification. Based on discussion during a meeting held with DEP in early July, CRRA expects DEP to issue a tentative determination for this permit modification by the end of July 2003, which will be followed by issuance of a Permit-to-Construct 30 days later. CRRA will not initiate any construction activities until DEP issues the Permit-to-Construct for this activity.

Discussion

The scope of work for the project is as follows:

Furnish all materials, labor, equipment and incidentals thereto for the modification of facilities at the Regional Recycling Center located at 211 Murphy Road, Hartford, Connecticut. The work will include, but not be limited to the following items:

- Install temporary precast concrete barrier curb to protect the working area.
- Install temporary shoring/bracing/supports at the existing plate girder as indicated on plans.
- Remove six (6) interior columns.
- Excavate for proposed foundation and existing foundation extension.
- Install four (4) new interior columns.
- Install two (2) new metal W24X176 beams.

- Remove metal guardrail. Saw cut existing bituminous concrete pavement and remove in the areas indicated.
- Prepare, grade, reset metal beam rail and cast-in-place approximately 8,700 square feet of 8" concrete floor slab.
- Cast-in-place 2' diameter concrete caisson and install 2'X2'X4' concrete block push wall.
- Remove 20'X24' roof canopy including fascia and gutter.
- Install a new 6" gutter and connect to an existing 10" roof drain with 4" PVC pipe.
- Install two-20' long Precast Concrete Barrier Curb PCBC).
- Install 10' high chain link fence (CLF) over the PCBC.
- Coordinate all construction activities with Owner in advance to minimize impact on Owner's operations.
- Clean-up, disposal of waste, and debris, and restoration of work site to original condition and to satisfaction of Owner and Engineer.

There were nine responsive bids to the bid package. All firms that submitted a bid are Connecticut based firms. Listed below are the bids received for the project:

<u>Bidder</u>	<u>Lump Sum Bid</u>
1) Central Construction Industries, LLC	\$227,883.00
2) O&G Industries, Inc.	\$233,535.00
3) Rotha Contracting Company, Inc	\$242,000.00
4) Manafort Brothers, Inc.	\$254,317.00
5) Blakeslee Arpaia Chapman, Inc.	\$287,800.00
6) Old Colony Construction, LLC	\$291,000.00
7) Xenelis Construction Company, Inc.	\$292,000.00
8) Mancini Construction Company, Inc.	\$299,000.00
9) Arborio Corporation	\$314,750.00

CRRA staff met with the low bidder on the project, Central Construction Industries, LLC and examined their references. Per our discussions with them, CRRA staff is satisfied that they can complete the work as specified in the Contract Documents.

At this time, Board approval is sought to authorize the President to enter into a contract with Central Construction Industries, LLC for facility modifications to the Regional Recycling Center located at 211 Murphy Road, Hartford, CT.

FACILITIES MODIFICATION AGREEMENT

THIS FACILITIES MODIFICATION AGREEMENT (the "Agreement") is made and entered into as of this ___ day of _____, 2003 ("Effective Date"), by and between the **CONNECTICUT RESOURCES RECOVERY AUTHORITY**, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, and having its principal offices at 100 Constitution Plaza, 17th Floor, Hartford, Connecticut 06103-1722 (hereinafter "CRRA" or "Owner") and Central Construction Industries, L.L.C., a Connecticut Limited Liability Company, having its principal offices at 30 Harris Street, Putnam, Connecticut 06260 (hereinafter "Contractor").

PRELIMINARY STATEMENT

The Connecticut Resources Recovery Authority ("CRRA") owns a certain parcel of real property located at 211 Murphy Road in Hartford, Connecticut (the "Property") upon which Property CRRA operates a Regional Recycling Center ("Recycling Center"). CRRA now desires to enter into this Agreement with Contractor to have Contractor make certain improvements to the Recycling Center to make modifications to the facility of the Recycling Center.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

ARTICLE 1 DEFINITIONS

Section 1.01 - Specific Terms. As used in this Agreement and in other Contract Documents (as defined herein) the following terms shall have the meanings as set forth below:

- (a) Addenda - written or graphic documents issued prior to the bid due date which clarify, correct or change any or all of the Contract Documents.
- (b) Acceptance Date - the date on which CRRA determines that the Work (as defined herein) has been completed by Contractor in accordance with the Contract Documents.
- (c) Bid Security - the security required by Section 5 of the Instructions To Bidders, and submitted with each bid.
- (d) Contract Documents - this Agreement (including all exhibits attached hereto), Notice To Contractors - Invitation To Bid, Instructions To Bidders, Addenda, Contractor's bid (including the Bid Security and all other documentation

accompanying such bid, all other documentation submitted in connection with such bid, and all post-bid documentation submitted prior to the Notice Of Award, Notice To Proceed (as defined herein), the Bonds (as defined herein), the Plans (as defined herein), any written amendments to any of the Contract Documents and any change order issued pursuant to Section 2.07 hereof.

- (e) Contract Time - the number of days or the date, as set forth in **Exhibit D** of this Agreement, to perform and complete the Work and have such Work ready for CRRA's acceptance.
- (f) Effective Date - the date set forth above in this Agreement.
- (g) Engineer - shall mean URS Corporation AES or any successor engineering firm thereto selected by CRRA to act as its representative in various matters concerning the Project.
- (h) Laws and Regulations - any and all applicable current or future laws, rules, regulations, ordinances, codes, orders and permits of any and all federal, state and local governmental and quasi-governmental bodies, agencies, authorities and courts having jurisdiction.
- (i) Notice Of Award - written notification from CRRA to the apparent successful bidder which states that CRRA has accepted such bidder's bid and sets forth the remaining conditions that must be fulfilled by such bidder before CRRA executes the Agreement.
- (j) Owner's Designee or Owner's Representative - shall mean Engineer.
- (k) Project - shall mean all the Work associated with this Agreement.
- (l) Site - those areas of the Property upon which the Work is to be performed, furnished and completed by Contractor in accordance with the Contract Documents.

ARTICLE 2

SCOPE OF WORK

Section 2.01 – Contractor's Responsibilities. Contractor shall: (i) demolish six (6) interior columns and remove approximately 8,700 square feet of bituminous pavement, install four (4) new columns, two (2) new metal beams and cast-in-place an 8" concrete floor slab as well as all other improvements required for the project, all in accordance with and as required by the Contract Documents, including but not limited to, the plans set forth in **Exhibit A** attached hereto and made a part hereof (the "Plans" or "Contract Drawings"), the general requirements set forth in **Exhibit B** attached hereto and made a part hereof (the "General Requirements"), and the technical specifications set forth in **Exhibit C** attached hereto and made a part hereof (the "Technical Specifications" or "Specifications"); (ii) furnish all labor, materials, supplies, tools, equipment and

other facilities and necessary appurtenances or property for or incidental to the Project and the performance and completion of the Work (as hereinafter defined); and (iii) restore any part of the Property, the improvements thereon, including but not limited to any access roads, or the Work (as hereinafter defined) that require restoration pursuant to the terms and conditions of Section 4.04 hereof (hereinafter collectively referred to as the "Work").

Section 2.02 - Performance and Completion of Work. All Work shall be performed and completed by Contractor in a good workmanlike manner consistent and in accordance with: (i) any and all instructions, guidance and directions provided by CRRA or Engineer to Contractor; (ii) the Contract Documents; (iii) sound construction and installation practices; (iv) the highest industry standards applicable to Contractor and its performance of the Work hereunder; (v) the schedule for the Work set forth in **Exhibit D** attached hereto and made a part hereof; and (vi) all Laws and Regulations (hereinafter collectively referred to as the "Standards"). Contractor shall obtain any locally required building or other permits required for the Work, and Contractor shall also assist and fully cooperate with CRRA in obtaining any other applicable permits necessary to begin and complete the Work.

Section 2.03 - CRRA's Responsibilities. CRRA and/or its Engineer shall be responsible for administering this Agreement, accepting the Work that is performed and completed by Contractor in accordance with the Contract Documents, and receiving and paying invoices for such Work.

Section 2.04 - Direction of Work. CRRA and/or its Engineer may, where necessary or desired, provide Contractor with instructions, guidance and directions in connection with Contractor's performance of the Work hereunder. CRRA reserves the right to determine whether Contractor will, upon completion of any phase of the Work, proceed to any or all remaining phases of the Work. If CRRA determines that Contractor shall not proceed with the remaining Work, CRRA shall terminate this Agreement in accordance with Section 4.03 hereof.

Section 2.05 - CRRA's Inspection Rights. Contractor's performance of the Work hereunder as well as Contractor's work products resulting from such performance are subject to inspection by CRRA. Inspections may be conducted at any time by CRRA. In the event of an inspection, Contractor shall provide to CRRA any documents or other materials that may be necessary in order for CRRA to conduct the inspection. If after any such inspection CRRA is unsatisfied with Contractor's performance of the Work hereunder or any of the work products resulting therefrom, Contractor shall, at the direction of CRRA, render such performance or work products satisfactory to CRRA at no additional cost or expense to CRRA and without any extension of or addition to any Contract Time for the remaining Work. For purpose of this Section 2.05, CRRA shall mean CRRA and/or its authorized agents, including but not limited to Engineer.

Section 2.06 - Access. CRRA hereby grants to Contractor, during the Recycling Center's normal hours of operation, access to only those areas of the Property necessary for Contractor to perform the Work hereunder, provided that: (i) Contractor shall not interfere with any other operations or activities being conducted on the Property by either CRRA or any other person or entity; (ii) Contractor directly coordinates with CRRA on such access and Contractor's storage of any equipment or materials on the Property; and (iii) Contractor is in compliance with all of the terms and conditions of this Agreement. CRRA reserves the right to revoke the access granted to Contractor herein if Contractor fails to comply with any of the foregoing conditions of access.

Section 2.07 - Change in Scope of Work. In the event that CRRA determines during the term of this Agreement that any revisions, modifications or changes are necessary to the scope of Work as set forth in Section 2.01 hereof, then pursuant to CRRA's request, Contractor shall promptly commence and perform the work required for such revisions, modifications or changes, which work shall be performed in accordance with the Standards unless otherwise specifically agreed to in writing by CRRA and Contractor. If any adjustment(s) to the Contract Price and/or the Contract Time is required as a result of such revisions, modifications or changes, CRRA and Contractor shall mutually agree in writing on the amount of such adjustment(s) provided that the schedule of values (including the unit prices set forth therein) approved by CRRA for the Project, to the extent applicable, shall be used to determine the appropriate increase or decrease in the quantity or cost of the materials or Work necessitated by such revisions, modifications or changes. Contractor shall promptly commence and perform any work required by such revisions, modifications or changes even if CRRA and Contractor cannot agree on the amount of such adjustment(s). If Contractor determines that a change in scope is necessary to complete the Work, Contractor shall notify CRRA in writing within three (3) business days.

ARTICLE 3

COMPENSATION AND PAYMENT

Section 3.01 - Compensation. The total amount of compensation to be paid to Contractor by CRRA for the Work hereunder shall not exceed Two Hundred Twenty-Seven Thousand Eight Hundred Eighty Three and 00/100 Dollars (the "Contract Price"), which Contract Price shall be payable as set forth in Section 3.02 below. Contractor acknowledges and agrees that the Contract Price constitutes the full compensation to Contractor for the Work to be performed by Contractor hereunder and includes all expenses and costs to be incurred by Contractor in performing such Work.

Section 3.02 - Payment Procedure. Within ten (10) days after the end of each month during the term hereof Contractor shall submit to CRRA a written request for payment for all the Work completed by Contractor during such month. Each written request for payment shall be submitted on AIA Forms G702 and G703 and in accordance with the General Requirements, and each such request shall include the name of the Project, the contract number, and all of the other information and documentation required by the General Requirements. If CRRA determines in its sole and absolute discretion that the Work for which Contractor is requesting payment has been properly performed and completed in conformance with the Standards, Contractor is not in default hereunder and CRRA does not dispute the amount of the payment requested, then CRRA shall pay Contractor ninety-five (95%) percent of the amount requested (the "Authorized Percentage Sum") within thirty (30) days after CRRA's receipt of such written request, and CRRA shall withhold the remaining five (5%) percent of such amount as retainage ("Retainage"). If, however, CRRA determines that any of the Work for which Contractor has requested payment is not in conformance with the Standards, then CRRA may in its sole and absolute discretion also withhold all or a portion of the Authorized Percentage Sum, and Contractor shall, if requested by CRRA, immediately take, at Contractor's sole cost and expense, all action necessary to render such Work in conformance with the Standards. CRRA shall have no obligation under this Agreement to pay for any Work that CRRA determines has not been performed and/or completed in conformance with the Standards.

Within ten (10) days after the Acceptance Date, Contractor shall submit to CRRA a written request for payment of all Retainage, and, provided Contractor is not in default hereunder and CRRA does not dispute the amount of such requested payment, CRRA shall pay Contractor such Retainage within thirty (30) days after CRRA's receipt of such written request. CRRA shall have no obligation to pay Contractor any amounts due Contractor under this Agreement if Contractor is in default hereunder.

Section 3.03 - Accounting Obligations. Contractor shall maintain books and accounts of the costs incurred by Contractor in performing the Work pursuant to this Agreement by contract number and in accordance with generally accepted accounting principles and practices. CRRA, during normal business hours, for the duration of this Agreement, shall have access to such books and accounts to the extent required to verify such costs incurred.

ARTICLE 4 **TERM OF AGREEMENT**

Section 4.01 - Term. The term of this Agreement shall commence upon the Effective Date and shall terminate, unless otherwise terminated or extended in accordance with the terms and provisions hereof, on the first anniversary of the Acceptance Date.

Section 4.02 - Time is of the Essence. CRRA and Contractor hereby acknowledge and agree that time is of the essence with respect to Contractor's performance of the Work hereunder. Accordingly, upon CRRA's issuance to Contractor of a notice to proceed with the Work (the "Notice To Proceed"), which Notice To Proceed shall be issued after the parties hereto receive all of the local, state and federal permits required for the Work hereunder, Contractor shall immediately commence performance of the Work and continue to perform the same during the term of this Agreement in accordance with the schedule set forth in attached **Exhibit D** in order to complete all of the Work and have such Work ready for CRRA's acceptance by the seventy-fifth (75th) day following the issuance of such Notice To Proceed (the "Completion Date"). CRRA and Contractor recognize the difficulties involved in proving actual damages and losses suffered by CRRA if the Work is not completed and ready for CRRA's acceptance by the Completion Date. Accordingly, instead of requiring any such proof, CRRA and Contractor agree that as liquidated damages for any such delay in completion or readiness for acceptance (but not as a penalty) Contractor shall pay CRRA five hundred and 00/100 (\$500.00) dollars for each calendar day beyond the Completion Date that Contractor fails to complete all of the Work or have the same ready for CRRA's acceptance until all such Work is completed by Contractor and readied by Contractor for acceptance by CRRA. **The parties further agree that liquidated damages in this Section 4.02 are reasonable and have been agreed upon and intended by the parties because the damages expected under this Section are uncertain and difficult to prove.**

Section 4.03 Termination. CRRA may terminate this Agreement at any time by providing Contractor with ten (10) days' prior written notice of such termination. Upon receipt of such written notice from CRRA, Contractor shall immediately cease performance of all Work, unless otherwise directed in writing by CRRA. In the event that CRRA fails to pay Contractor any payments required to be paid hereunder in accordance with Article 3 hereof, then Contractor may terminate

this Agreement by providing CRRA with thirty (30) days' prior written notice of such termination. Prior to any termination of this Agreement, Contractor shall remove all of its personnel and equipment from the Property, restore any part of the Property, any of the improvements located or to be located thereon, including but not limited to any access roads, or any of the Work that requires restoration pursuant to the terms and conditions of Section 4.04 hereof. Upon termination of this Agreement pursuant to this Section 4.03, (a) CRRA shall pay Contractor for all Work performed and completed by Contractor prior to the termination date, provided: (i) such Work has been performed and completed by Contractor in conformance with the Standards, (ii) payment for such Work has not been previously made or is not disputed by CRRA, (iii) Contractor is not in default hereunder and (iv) Contractor has performed and completed all its obligations under this Section 4.03 and Section 4.04 hereof to CRRA's satisfaction, and (b) CRRA shall have no further liability hereunder. Except for the payment that may be required pursuant to the preceding sentence, CRRA shall not be liable to Contractor in any other manner whatsoever in the event CRRA exercises its right to terminate this Agreement.

Section 4.04 - Restoration. Unless otherwise directed in writing by CRRA, Contractor shall: (i) restore any part of the Property or any of the improvements located or to be located thereon, other than those areas of the Property or such improvements improved by Contractor pursuant to this Agreement, disturbed or damaged by Contractor or any of its directors, officers, employees, agents, subcontractors or materialmen to the same condition existing immediately prior to such disturbance or damage; and (ii) restore or repair any completed Work so disturbed or damaged to the condition required by the Contract Documents for acceptance of such Work by CRRA.

ARTICLE 5

INDEMNIFICATION

Section 5.01. - Contractor's Indemnity. Contractor shall at all times defend, indemnify and hold harmless CRRA and its board of directors, officers, agents and employees from and against any and all claims, damages, losses, judgments, liability, workers' compensation payments and expenses (including but not limited to attorneys' fees) arising out of injuries to the person (including death), damage to property or any other damages alleged to have been sustained by: (a) CRRA or any of its directors, officers, agents, employees or other contractors, or (b) Contractor or any of its directors, officers, agents, employees, subcontractors or materialmen, or (c) any other person, to the extent any such injuries, damage or damages are caused or alleged to have been caused in whole or in part by the acts, omissions or negligence of Contractor or any of its directors, officers, agents, employees, subcontractors or materialmen. Contractor further undertakes to reimburse CRRA for damage to property of CRRA caused by Contractor or any of its directors, officers, agents, employees, subcontractors or materialmen, or by faulty, defective or unsuitable material or equipment used by it or any of them. The existence of insurance shall in no way limit the scope of this indemnification. Contractor's obligations under this Section 5.01 shall survive the termination or expiration of this Agreement.

Section 5.02 - Workmanship and Materials Warranty; Other Warranties and Guarantees.

For a period of one (1) year following the Acceptance Date (the "Warranty Period"), Contractor warrants the workmanship, equipment, and materials, furnished under this Agreement for the Project against defects. If during or at the end of the Warranty Period CRRA determines that any of such workmanship, equipment or materials is or has become defective, Contractor shall, at its own cost and expense, promptly repair or replace such defective workmanship, equipment or materials in order to render the same to the same condition as warranted above. Any repairs to or replacements of such workmanship, equipment or materials required under this Section 5.02 must be approved by CRRA before Contractor may commence performance of such repairs or replacements, and all such repairs or replacements shall be performed by Contractor in accordance with all applicable Standards. In connection therewith Contractor shall obtain all warranties and guarantees for all material and equipment furnished hereunder by Contractor that are assignable to CRRA. Contractor shall assign such warranties and guarantees to CRRA upon the Acceptance Date. Contractor's obligations under this Section 5.02 shall survive the termination or expiration of this Agreement.

ARTICLE 6
INSURANCE

Section 6.01 - Required Insurance. Contractor shall procure and maintain, at its own cost and expense, throughout the term of this Agreement and any extension thereof, the following insurance, including any required endorsements thereto and amendments thereof:

- (a) Commercial general liability insurance alone or in combination with commercial umbrella insurance with a limit of five million (\$5,000,000.00) dollars each occurrence covering liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insurance contract (including the tort liability of another assumed in a business contract);
- (b) Business automobile liability insurance alone or in combination with commercial umbrella insurance covering any auto (including owned, hired, and non-owned autos), with a limit of not less than one million (\$1,000,000.00) dollars each accident;
- (c) Workers' compensation with statutory limits and employers' liability limits of not less than five hundred thousand (\$500,000.00) dollars for each accident for bodily injury by accident or five hundred thousand (\$500,000.00) dollars for each employee for bodily injury by disease.
- (d) Contractor' property and equipment insurance covering all property and equipment to be used in connection with the Work hereunder in an amount equal to one hundred (100%) percent of actual cash value.

Section 6.02 - Certificates. Within ten (10) days after CRRA issues the Notice Of Award, Contractor shall submit to CRRA a certificate or certificates for each required insurance referenced in Section 6.01 above certifying that such insurance is in full force and effect and setting forth the information required by Section 6.03 below. Additionally, Contractor shall furnish to CRRA within thirty (30) days before the expiration date of the coverage of each required insurance set forth in Section 6.01 above, a certificate or certificates containing the information required by Section 6.03 below and certifying that such insurance has been renewed and remains in full force and effect.

Section 6.03 - Specific Requirements. All policies for each insurance required hereunder shall: (i) name CRRA as an additional insured (this requirement shall not apply to workers' compensation insurance, employers' liability insurance, or Contractor's property and equipment insurance); (ii) include a standard severability of interest clause; (iii) provide for not less than thirty (30) days' prior written notice to CRRA by registered or certified mail of any cancellation, restrictive amendment, non-renewal or change in coverage; (iv) contain a waiver of subrogation holding CRRA free and harmless from all subrogation rights of the insurer; and (v) provide that such required insurance hereunder is the primary insurance and that any other similar insurance that CRRA may have shall be deemed in excess of such primary insurance.

Section 6.04 - Issuing Companies. All policies for each insurance required hereunder shall be issued by insurance companies that are either licensed by the State of Connecticut and have a Best's Key Rating Guide of A- VII or better, or otherwise deemed acceptable by CRRA in its sole discretion.

Section 6.05 - Contractor's Subcontractors. Contractor shall either have its subcontractors covered under the insurance required hereunder, or require such subcontractors to procure and maintain the insurance that Contractor is required to procure and maintain under this Agreement.

Section 6.06 - No Limitation on Liability. No provision of this Article 6 shall be construed or deemed to limit Contractor's obligations under this Agreement to pay damages or other costs and expenses.

Section 6.07 - Other Conditions. CRRA shall not, because of accepting, rejecting, approving, or receiving any certificate of insurance required hereunder, incur any liability for: (i) the existence, non-existence, form or legal sufficiency of the insurance described on such certificate, (ii) the solvency of any insurer, or (iii) the payment of losses.

ARTICLE 7 **MISCELLANEOUS**

Section 7.01 - Non-Discrimination. Contractor agrees to the following; (1) Contractor agrees and warrants that in the performance of the Work for CRRA Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by Contractor that such

disability prevents performance of the Work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. Contractor further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by Contractor that such disability prevents performance of the Work involved; (2) Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Connecticut Commission on Human Rights and Opportunities (The "Commission"); (3) Contractor agrees to provide each labor union or representative of workers with which Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union, workers' representative and vendor of Contractor's commitments under Sections 4a-60 and 4a-60a of the Connecticut General Statutes and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) Contractor agrees to comply with each applicable provision of Sections 4a-60, 4a-60a, 46a-68e, and 46a-68f, inclusive, of the Connecticut General Statutes and with each regulation or relevant order issued by the Commission pursuant to Sections 46a-56, 46a-68e, and 46a-68f of the Connecticut General Statutes; and (5) Contractor agrees to provide the Commission with such information requested by the Commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of Contractor as related to the applicable provisions of Sections 4a-60, 4a-60a and 46a-56 of the Connecticut General Statutes. If this Agreement is a public works contract, Contractor agrees and warrants that it will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials in such public works project.

Section 7.02 - Books and Records. Contractor shall maintain proper books and records containing complete and correct information on all Work performed by Contractor pursuant to this Agreement in accordance with generally accepted accounting principles and practices. CRRA has the right to inspect and review all such books and records during Contractor's business hours.

Section 7.03 - Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto and concerning the subject matter hereof, and supersedes any previous agreements, written or oral, between the parties hereto and concerning the subject matter hereof.

Section 7.04 - Governing Law. This Agreement shall be governed by, and construed, interpreted and enforced in accordance with the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut.

Section 7.05 - Assignment. This Agreement may not be assigned in whole or in part by either party without the prior written consent of the other party or such assignment shall be void.

Section 7.06 - No Waiver. Failure to enforce any provision of this Agreement or to require at any time performance of any provision hereof shall not be construed to be a waiver of such provision, or to affect the validity of this Agreement or the right of any party to enforce each and every

provision in accordance with the terms hereof. No waiver of any provision of this Agreement shall affect the right of CRRA or Contractor thereafter to enforce such provision or to exercise any right or remedy, available to it in the event of any other default involving such provision or any other provision. Making payment or performing pursuant to this Agreement during the existence of a dispute shall not be deemed to be and shall not constitute a waiver of any claims or defenses of the party so paying or performing.

Section. 7.07 - Modification. This Agreement may not be amended, modified or supplemented except by a writing signed by the parties hereto that specifically refers to this Agreement. Any oral representations or letters by the parties or accommodations shall not create a pattern or practice or course of dealing contrary to the written terms of this agreement unless this Agreement is formally amended, modified, or supplemented.

Section 7.08 - Status of Contractor. CRRA and Contractor acknowledge and agree that Contractor is acting as an independent contractor in performing any Work for CRRA hereunder and that Contractor shall perform such Work in its own manner and method subject to the terms of this Agreement. Nothing in this Agreement shall be construed or interpreted as creating a partnership, a joint venture, an agency, a master-servant relationship, an employer-employee relationship or any other relationship between CRRA and Contractor other than that of an owner and an independent contractor. Contractor is expressly forbidden from transacting any business in the name of or on account of CRRA, and Contractor has no power or authority to assume or create any obligation or responsibility for or on behalf of CRRA in any manner whatsoever.

Section 7.9 - Subcontractors. Contractor shall consult with CRRA before hiring any subcontractors to perform any Work hereunder. Contractor shall require all of its subcontractors to abide by the terms and conditions of this Agreement. Moreover, Contractor's subcontracts with such subcontractors shall specifically provide that, in the event of a default by Contractor thereunder or under this Agreement, CRRA may directly enforce such sub contracts and make payments thereunder. Contractor shall provide CRRA with all contracts, amendments, books, records, accounts, correspondence and other materials necessary to enforce such subcontracts. Also Contractor's subcontracts with its subcontractors shall specifically include CRRA as a third party beneficiary and shall provide that such subcontractors shall not be excused from any of their obligations under such subcontracts by reason of any claims, setoffs, or other rights whatsoever that they may have with or against Contractor other than through such subcontracts.

Section 7.10 - Contractor's Employees. All persons employed by Contractor shall be subject and responsible solely to the direction of Contractor and shall not be deemed to be employees of CRRA.

Section 7.11 - Mechanic's Liens. Contractor shall claim no interest in the Property or any equipment, fixtures or improvements located or to be located thereon, including but not limited to the Recycling Center or any part thereof. Contractor shall not file any mechanic's liens or other liens or security interests against CRRA or any of its properties, including but not limited to the Property. Contractor shall defend, indemnify and hold harmless CRRA against all costs associated with the filing of such liens or interests by Contractor or any of its subcontractors or materialmen. Before any subcontractor or materialman of Contractor commences any Work hereunder,

Contractor shall deliver to CRRA an original waiver of mechanic's liens properly executed by such subcontractor or materialman. If any mechanic's lien is filed against CRRA or any of its properties in connection with the Work hereunder, Contractor shall cause the same to be canceled and discharged of record within fifteen (15) days after the filing of such lien and, if Contractor fails to do so, CRRA may, at its option but without any obligation to do so, make any payment necessary to obtain such cancellation or discharge and the cost thereof, at CRRA's election, shall be either deducted from any payment due to Contractor hereunder or reimbursed to CRRA promptly upon demand by CRRA to Contractor.

Section 7.12 - Bonds. Within ten (10) days after CRRA issues the Notice Of Award, Contractor shall furnish CRRA with construction performance and payment bonds each in the full amount of Two Hundred Twenty-Seven Thousand Eight Hundred Eighty Three and 00/100 Dollars (the "Bonds"). The Bonds shall be in and drawn on the forms set forth in **Exhibits E and F** attached hereto and made a part hereof, and such Bonds shall be issued and executed by a surety company or surety companies acceptable to CRRA. If the surety on any of the Bonds furnished by Contractor is declared a bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the above requirements, Contractor shall immediately substitute another bond and surety, subject to the requirements set forth in this Section 7.12.

Section 7.13 - Withholding Taxes and Other Payments. No FICA (social security) payroll tax, state or federal income tax, federal unemployment tax or insurance payments, state disability tax or insurance payments or state unemployment tax or insurance payments shall be paid or deposited by CRRA with respect to Contractor, nor be withheld from payment to Contractor by CRRA. No workers' compensation insurance has been or will be obtained by CRRA on account of the Work to be performed hereunder by Contractor, or any of Contractor's employees or subcontractors. Contractor shall be responsible for paying or providing for all of the taxes, insurance and other payments described or similar to those described in this Section 7.13 and Contractor hereby agrees to indemnify CRRA and hold CRRA harmless against any and all such taxes, insurance or payments, or similar costs which CRRA may be required to pay in the event that Contractor's status hereunder is determined to be other than that of an independent contractor.

Section 7.14 - Sales and Use Tax Exemption. Under Section 12-426-18 of the Regulations of Connecticut State Agencies, Contractor is permitted to purchase materials and supplies, which are to be physically incorporated into and become a permanent part of the Recycling Center (including all ancillary improvements thereto), without payment of Connecticut sales and use tax. In addition, pursuant to Section 12-412 (92) of the Connecticut General Statutes the sales of any services or tangible personal property to be incorporated into the Recycling Center (including all ancillary improvements thereto) or consumed in the operation thereof are exempt from Connecticut sales and use tax. CRRA is also exempt from the payment of sales and use tax under Section 22a-270 of the Connecticut General Statutes. Accordingly, Contractor hereby represents that no such tax is included in the Contract Price, and Contractor shall not charge or pass through any such tax to CRRA.

Section 7.15 - Proprietary Information. Contractor shall not use, publish, distribute, sell or divulge any information obtained from CRRA by virtue of this Agreement for Contractor's own purposes or for the benefit of any person, firm, corporation or other entity (other than CRRA) without the prior written consent of CRRA. Any report or other work product prepared by Contractor in connection with the performance of the Work hereunder shall be owned solely and exclusively by CRRA and cannot be used by Contractor for any purpose beyond the scope of this Agreement without the prior written consent of CRRA.

Section 7.16 - Site and Subsurface Conditions. All information and data shown or indicated in the Contract Documents with respect to underground facilities, surface conditions, subsurface conditions or other conditions at or contiguous to the Site are furnished for information only and CRRA does not assume any responsibility for the accuracy or completeness of such information and data. Contractor acknowledges and agrees that CRRA does not assume any responsibility for such information and data and that Contractor is solely responsible for investigating and satisfying itself as to all actual and existing Site conditions, including but not limited to surface conditions, subsurface conditions and underground facilities. Contractor has carefully studied all such information and data and Contractor has obtained and carefully studied (or assumes responsibility for having done so) all such additional or supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (including but not limited to surface conditions, subsurface conditions and underground facilities) at or contiguous to the Site and all other conditions or factors which may affect cost, progress, performance, furnishing or completion of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction or performance of the Work to be employed by Contractor and safety precautions and programs incident thereto. Contractor does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for Contractor to conclusively determine, and Contractor has so determined, that the Work can be performed, furnished and completed in accordance with the Contract Time, the Contract Price and the other terms and conditions of the Contract Documents. In the event that the information or data shown or indicated in the Contract Documents with respect to underground facilities or surface, subsurface or other conditions at or contiguous to the Site differs from conditions encountered by Contractor during performance of the Work, there shall be no increase in the Contract Price and/or no extension of the Contract Time as a result of such differing conditions, unless CRRA, in its sole and absolute discretion, agrees in writing to such increase and/or extension.

Section 7.17 - Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed via certified first class mail return receipt requested postage prepaid or overnight express mail service to the pertinent address below.

(a) If to CRRA:

Connecticut Resources Recovery Authority
100 Constitution Plaza - 17th Floor
Hartford, Connecticut 06103-1722
Attention: President

With a copy to:

Connecticut Resources Recovery Authority
100 Constitution Plaza – 17th Floor
Hartford, Connecticut 06103-1722
Attention: Michael Tracey

(b) If to Contractor:

Central Construction Industries, LLC
30 Harris Street
Putnam, CT 06260
Attention: Bruce Richards

Section 7.18 - Prevailing Wages. Contractor hereby represents that the Contractors Wage Certification Form, as executed by Contractor and attached hereto as **Exhibit G** and made a part hereof, has been submitted to the State of Connecticut's Department of Labor. Contractor shall pay wages on an hourly basis to any mechanic, laborer or workman employed upon the Work herein and the amount of payment or contribution paid or payable on behalf of each such employee to an employee welfare fund, as defined in Section 31-53(h) of the Connecticut General Statutes, at rates equal to the rates customary or prevailing for the same work in the same trade or occupation in the town in which the Work is being conducted, which rates are more specifically set forth in **Exhibit H** attached hereto and made a part hereof. If Contractor is not obligated by agreement to make payment or contribution on behalf of such employees to any such employee welfare fund, Contractor shall pay to each employee as part of his or her wages the amount of payment or contribution for his or her classification on each pay day. Contractor shall keep, maintain and preserve records relating to the wages and hours worked by each employee and a schedule of the occupation or work classification at which each mechanic, laborer or workman on the Project is employed during each work day and week in such manner and form as the labor commissioner establishes to assure the proper payments due to such employees or employee welfare funds under Sections 31-53 and 31-54 of the Connecticut General Statutes. Pursuant to Section 31-53(f) of the Connecticut General Statutes Contractor shall complete and submit to CRRA on a weekly basis during the term of this Agreement and any extension thereof the payroll certification forms set forth in **Exhibit I** attached hereto and made a part hereof. Contractor hereby represents and covenants that it is not now, and has not been for at least three (3) years previous to the Effective Date, listed by the labor commissioner as a person who has violated laws and regulations relating to prevailing wages.

Section 7.19 - Benefit and Burden. This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

Section 7.20 - Severability. CRRA and Contractor hereby understand and agree that if any part, term or provision of this Agreement is held by any court to be invalid, illegal or in conflict with any applicable law, the validity of the remaining portions of this Agreement shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular part, term or provision held to be invalid, illegal or in conflict with any applicable law.

Section 7.21 - Usage. Whenever nouns or pronouns are used in this Agreement, the singular shall mean the plural, the plural shall mean the singular, and any gender shall mean all genders or any other gender, as the context may require. The words "herein", "hereof" and "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular Article, Section or Subsection unless the particular Article, Section, or) subsection is specifically referenced.

Section 7.22 - Captions. The captions contained in this Agreement have been inserted for convenience only and shall not affect/or be effective to interpret, change or restrict the terms/or provisions of this Agreement.

Section 7.23 - Counterparts. This Agreement may be executed in any number of counterparts by the parties hereto. Each such counterpart so executed shall be deemed to be an original and all such executed counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first written above.

CONNECTICUT RESOURCES RECOVERY AUTHORITY

By _____
Duly authorized

CONTRACTOR

By _____
Its _____
Duly authorized

EXHIBIT A

PLANS

The following plans are hereby incorporated by referenced and made a part of this Agreement as if such plans had been attached in their entirety to this Agreement:

“Connecticut Resources Recovery Authority Mid-Connecticut Project Consolidation of Container and Paper Operations at Regional Recycling Center 211 Murphy Road, Hartford, Connecticut, May 2003, CRRA Contract No. 034192, URS Corporation AES Sheet No. Cover Sheet, S001, S002, S003 and CRRA DWG A-1, Miscellaneous Details, Canopy Section”.

EXHIBIT B

GENERAL REQUIREMENTS

<u>Section</u>	<u>Title</u>
01010	Summary of Work
01025	Measurement and Payment
01300	Submittals
01310	Progress Schedule
01400	Quality Control (QC)
01500	Construction Facilities
01560	Temporary Controls
01700	Contract Closeout
01740	Warranties and Bonds

EXHIBIT C

TECHNICAL SPECIFICATIONS

<u>Section</u>	<u>Title</u>
02060	Building Demolition
02220	Structural Excavation
02230	Earthwork Protection
02240	Structural Fill
03300	Cast-In-Place Concrete
05120	Structural Steel

EXHIBIT D

PROJECT SCHEDULE

Completion Date: A total of seventy-five (75) days are allowed to complete the Work and have such Work ready for acceptance by CRRA. Contractor shall commence performance of the Work upon CRRA's issuance to Contractor of the Notice To Proceed pursuant to Section 4.02 of the Agreement.

TAB 7

**RESOLUTION AUTHORIZING THE APPROVAL OF THE CONNECTICUT
RESOURCES RECOVERY AUTHORITY ETHICS POLICY**

RESOLVED: That the Board hereby affirmatively approves and endorses the new Connecticut Resources Recovery Authority Ethics Policy document as presented and discussed at this meeting.

Enclosed please find the following documents:

1. A Resolution for the CRRA Board to approve the revised CRRA Ethics Policy.
2. Final version of the revised CRRA Ethics Policy that was created by the Policy & Procurement Committee. This final version may be considered for adoption by the full CRRA Board at its July 17, 2003, Board Meeting.
3. A red-lined version of the revised Ethics Policy that highlights the comments/revisions suggested by the State of Connecticut Ethics Commission.
4. A copy of the new CRRA Bylaws that were approved by the CRRA Board at its June, 2003, Board meeting and became effective on June 20, 2003.

AMENDED AND RESTATED

CONNECTICUT RESOURCES RECOVERY AUTHORITY

ETHICS POLICY

APPROVED BY CRRA BOARD OF DIRECTORS _____, 2003

EFFECTIVE _____, 2003

PREAMBLE

The Connecticut Resources Recovery Authority ("CRRA") hereby adopts this Ethics Policy ("Policy") replacing the April 29, 1988 revision. CRRA supports the spirit and letter of law of the Connecticut Code of Ethics for Public Officials as embodied in Connecticut General Statutes §§1-79 et seq. ("Code"). Any violation of their Policy and/or the Code may result in disciplinary action and a termination as set forth in CRRA's Personnel Policy.

Section 1. Definitions

This Policy adopts the definitions in Connecticut General Statutes §1-79. The following terms, when used in this Policy, shall have the following meanings unless the context otherwise requires:

- (a) "Board" means the entire membership of CRRA's Board of Directors as constituted pursuant to in Connecticut General Statutes § 22a-261 of the Connecticut General Statutes, as revised, including Ad Hoc Members;
- (b) "Chairman" means the chairman of the CRRA appointed by the Governor pursuant to subsection (c) of Connecticut General Statutes § 22a-261 of the Connecticut General Statutes;
- (c) "Employee" means any employee, whether full or part-time of CRRA;
- (d) "Gift" means that as set forth in Connecticut General Statutes § 1-79(e) as well as a payment, subscription, advance, forbearance, rendering of services, deposit of money, or anything of value unless consideration of equal or greater value is given in return. "Gift" shall not include those exceptions set forth in Connecticut General Statutes § 1-79(e)(1)-(16);
- (e) "Immediate Family" means any spouse, dependent or independent child, child's spouse, parent, sibling, grandchildren, or step-children;
- (f) "Member" means any designated, appointed ex officio, or ad hoc Member of CRRA's Board of Directors serving pursuant to Connecticut General Statutes § 22a-261 of the Connecticut General Statutes including designees acting as alternates pursuant to subsection (i) of Connecticut General Statutes § 22a-261;
- (g) "Organizational Synergy and Human Resources Committee" means the committee appointed by the Board to review all matters pertaining to compensation, benefits, duties and conduct of CRRA Employees; and .
- (h) "President" means the chief executive officer of CRRA appointed pursuant to subsection (d) of Section 22a-261 of the Connecticut General Statutes.

CRRA will conduct an Ethics training session once a year in concert with the State Ethics Commission.

In the construction of this Policy words of the masculine gender shall mean and include correlative words of the feminine gender and words importing the singular number shall mean and include the plural number or vice versa where appropriate.

The Policy terms or provisions, are to be read in tandem with the Code, to the extent there is any conflict, Connecticut General Statute §1-79 et seq., shall take precedence, except where this Policy is more restrictive.

Section 2. Prohibited Activities for Present Public Officials, Members, and Employees of CRRA

- (a) No Financial Interest. No public official, Member, or Employee shall, while serving as such, have any financial interest in, or engage in, any business, employment, transaction or professional activity, which is in substantial conflict with the proper discharge of his duties, responsibilities or employment with CRRA, or the public interest as prescribed in the laws of the State of Connecticut.
- (b) No Employment. No public official, Member or Employee shall accept other employment which will either impair his independence of judgment as to his responsibilities, official duties, or employment, or require him, or induce him, to disclose confidential information acquired by him in the course of and by reason of his responsibilities, official duties or employment with CRRA.
- (c) No Disclosure. No public official, Member, or Employee shall willfully and knowingly disclose, for financial gain, to any other person, confidential information acquired by him in the course of and by reason of his responsibilities, official duties, or employment with CRRA. No public official, Member, or Employee shall use his position or any confidential information received through his holding such position to obtain financial gain for himself, his Immediate Family or business with which he is associated.
- (d) No Partnerships etc. No public official, Member, or Employee shall agree to accept, or be a member or employee of a partnership, association, professional corporation or sole proprietorship which partnership, association, professional corporation or sole proprietorship agrees to accept any employment, fee or other things of value, or portion thereof, for appearing, agreeing to appear before CRRA.
- (e) No gifts or promises. No person shall offer or give to a public official, Member or Employee, or such public official's, Member's, or Employees', Immediate Family, or a business with which the public official, Member or Employee is associated, *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment based on any understanding that the vote, official action or judgment of the public official, Member, Employee would be or had been influenced thereby.
- (f) No solicitation or acceptance of anything of value. No public official, Member, or Employee, shall solicit or accept *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment based on any understanding that the vote, official action or judgment of the public official, Member or Employee, relating to the business of the CRRA would be or had been influenced thereby.
- (g) No \$100 + Contracts. No public official, Member, or Employee, or individual in his Immediate Family, friend or a business with which he is associated, shall enter

into any contract with CRRA, valued at one hundred dollars (\$100.00) or more, other than a contract of employment as an Employee or pursuant to a court appointment, unless the contract has been awarded through an open and public process, including prior public offer and subsequent public disclosure of all proposals considered and the contract awarded. In no event shall the President or his Immediate Family, friend or business with which he is associated enter into any contract with Connecticut Resources Recovery Authority. Nothing in this subsection shall be construed as applying to any director or Member of CRRA's Board and who receives no compensation other than a per diem payments or reimbursements for actual and/or necessary expenses, or both, unless such Member has authority or control over the subject matter of the contract. Any contract made in violation of this section shall be voidable by a court of competent jurisdiction if suit is commenced within 90 days of the making of the contract.

- (h) No knowing acceptance of *anything of value* from registrants. No public official, Member, or Employee, or individual in his Immediate Family, shall knowingly *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment from a person known to be a registrant or anyone known to be acting on behalf of a registrant.
- (i) No knowing acceptance, directly or indirectly, *anything of value*. No public official, Member, or Employee shall knowingly accept, directly or indirectly, *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment, from any person they know or have reason to know: (1) Is doing business with or seeking to do business with Connecticut Resources Recovery Authority or (2) is engaged in activities which are involved or are regulated Connecticut Resources Recovery Authority.
- (j) Must report. Any person who: (1) is doing business with or seeking to do business with CRRA (2) is engaged in activities which are directly regulated by or involved CRRA and (3) gives a public official, Member, or Employee anything of value which is subject to the reporting requirements pursuant to subsection (e) of Connecticut General Statute § 1-96 shall, not later than ten days thereafter, give such recipient a written report stating the name of the donor, a description of the item or items given, the value of such items, and the cumulative value of all items given to such person during the calendar year.
- (k) No Fees. No public official, Member, or Employee shall accept a fee or honorarium for an article, appearance or speech, or for participation at an event, in their official capacity, provided they might receive payment or reimbursement for necessary expenses for such activity in their official capacity.

If they receive such a payment or reimbursement for lodging or out-of-state travel or both, they shall, within thirty (30) days, file a report of the payment or reimbursement with the State Ethics Commission, unless the federal government or another state government provides the payment or reimbursement. If they do not file such report within such period, either intentionally or due to gross negligence on his part, they shall return the payment or reimbursement. If any

failure to file such report is not intentional or due to gross negligence on the part of the public official, Member, or Employee shall not be subject to any penalty under this chapter.

When a public official, Member, or Employee attends an event in this state in the public official's Member's, or Employee's official capacity and is a principal speaker at such event and receives admission to or food or beverage at such event from the sponsor of the event, such admission or food or beverage shall not be considered a gift and no report shall be required from such official, Member or Employee or from the sponsor of the event.

- (l) No knowing interference, influence, solicitation, or lobbying. No public official, Member or Employee, or any person acting on their behalf, shall willfully and knowingly interfere with, influence, direct or solicit existing or new lobbying contracts, agreements or business relationships for or on behalf of any person.
- (m) No Employment for One Year. No public official, Member, or Employee who participates substantially in the negotiation or award of a contract valued at an amount of fifty thousand dollars (\$50,000) or more, or who supervised the negotiation or award of such a contract, shall accept employment with a party to the contract or negotiation other than the State for a period of one year after the earlier of (A) the date the contract is signed, or (B) the date the public official, Member, or Employee ceases to participate substantially in the negotiation or awarding of the contract.

Section 3. Ownership of bonds issued by the Authority

- (a) No Purchase of CRRA bonds. No bonds issued by CRRA shall be directly purchased by a public official, Member, or Employee of CRRA nor by individuals in their Immediate Family nor by any corporation, partnership or trust for their benefit or that of their spouses or dependent children. The public officials, Members, or Employees shall list, in the financial statement filed pursuant to Connecticut General Statute § 1-83, any bonds issued by CRRA which were acquired prior to their Membership or Employment with CRRA and held in their own name or that of their Immediate Family or any corporation, partnership or trust for their benefit or that of their spouses or dependent children.
- (b) Public officials, Member, and Employees of the CRRA shall disclose to the Chairman pursuant to this Policy and the Code any bonds issued by CRRA which were acquired prior to their employment with the CRRA and held in their own name or that of their spouses, dependent children or any corporation, partnership or trust for their benefit or that of their spouses or dependent children.
- (c) Any public official, Member, or Employee who, in the discharge of his duties or by virtue of his position or through knowledge obtained as a public officer, Member or Employee of CRRA, would be required to, or would be able to, take any action which would affect bonds of CRRA held by him, his Immediate Family or any corporation, partnership or trust for his benefit or that of his spouse or dependent children, shall refrain from taking such action and shall not

participate in deliberations or influence or attempt to influence any decision of the Board, its Members or Employees, which would affect such bonds.

Section 4. Certain activities restricted after leaving CRRA

- (a) Disclosure or Use of Confidential Information by Former Employee. No former public official, Member, or Employee shall disclose or use confidential information acquired in the course of and by reason of his official duties, for financial gain for himself or another person.
- (b) No Representation, other than CRRA. No former public official, Member, or Employee shall represent anyone other than CRRA concerning any particular matter: (1) in which he participated personally and substantially while at CRRA; and (2) in which the State has a substantial interest.
- (c) No Representation for One Year. No former public official, Member or Employee of CRRA shall, for one year after leaving the Board or employment with the CRRA, represent anyone, other than CRRA, for compensation, before the CRRA, concerning any matter in which the CRRA has a substantial interest.
- (d) No Employment for One Year. No former public officials, Member, or Employee who: (1) participated substantially in the negotiation or award of (A) a CRRA contract valued at an amount of fifty thousand dollars (\$50,000.00) or more or (B) a written agreement for the approval of a payroll deduction described in Connecticut General Statute § 3-123g; or (2) who supervised the negotiation of award of such a contract or agreement, shall accept employment with a party to the contract or negotiation other than the State for a period of one year after the earlier (A) the date the contract is signed, or (B) the date the public official, Member, or Employee ceases to participate substantially in the negotiation or award of the contract.

Section 5. Interest in conflict with discharge of duties

A public official, Member, or Employee has an interest which is in substantial conflict with the proper discharge of his duties or employment, if he has reason to believe or expect that he or his Immediate Family, friend, or a business with which he is associated will derive a direct monetary gain or suffer a direct monetary loss, as the case may be, by reason of his official activity or employment with CRRA. He does not have an interest, which is in substantial conflict with the proper discharge of his duties, if any benefit or detriment accrues to him or his Immediate Family as a member of a business, profession, occupation or group to no greater extent than any other member of such business, profession, occupation or group. A public official, Member, Employee who has a substantial conflict may not take action on the matter.

Section 6. Procedure when discharge of duty affects financial interests.

Any public official, Member or Employee who, in the discharge of his official duties, or employment would be required to take an action that would affect a financial interest of himself, his spouse, parent, brother, sister, child, or the spouse of a child, friend, or a business with which he is associated, other than an interest of a de minimis nature or an interest that is not distinct from that of a substantial segment of the general public, shall: (1) if he is a Member, excuse

himself from voting or deliberating or taking action or prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the potential conflict and explaining why despite the potential conflict, he is able to vote and otherwise participate fairly, objectively and in the public interest and deliver a copy of the statement to the Board and the State Ethics Commission and enter a copy of the statement in the minutes of the Board; (2) If he is a public official, or Employee, he shall prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the potential conflict and deliver a copy of the statement to his immediate superior, if any, who shall assign the matter to another employee, or if he has no immediate superior, he shall take such steps as the Commission shall prescribe or advise.

Section 7. Consultants and independent contractors -- Prohibited activities.

- (a) No person hired by CRRA as a consultant or independent contractor shall: (1) Use the authority provided to him under the contract, or any confidential information acquired in the performance of the contract, to obtain financial gain for himself, his employees or a member of his immediate family; (2) Accept another State contract which would impair his independent judgment in the performance of the existing contract;
- (b) No person shall give anything of value to a person hired by the CRRA as a consultant or independent contractor based on an understanding that the actions of the consultant or independent contractor on behalf of the CRRA would be influenced.

Section 8. CRRA Management.

If CRRA management, in its best business judgment, reasonably thinks that a public official, Member, or Employee of CRRA may have violated the Code of Ethics or this Policy, it shall consult with the State Ethics Commission on how to handle the situation and, where appropriate, ask the Ethics Commission to conduct a formal investigation.

Section 9. Authority of the President and Board after Finding

- (a) The President, in consultation with the Organizational Synergy & Human Resources Committee ("Committee") shall have authority to do any or all of the actions listed below after a finding, formal or informal, by the State Ethics Commission of a violation of the Code, or a settlement of an investigation by the Ethics Commission of a Public Official, Member or Employee:
 - (1) Order the individual to cease and desist the violation;
 - (2) Issue a reprimand and place a copy in the personnel records of the individual;
 - (3) Temporarily or permanently demote the person;
 - (4) Suspend the employment of the individual, with or without pay; or
 - (5) Terminate his employment or relationship with CRRA.

Prior to sanctioning an individual for violation of the Code or this Policy, the President shall confer with the Committee.

- (b) If a public official, Member, or Employee, under investigation by the State Ethics Commission, settles with the State Ethics Commission, the President, after consultation with the Organizational Synergy & Human Resources Committee, may take whatever action to protect CRRA from further abuse, including but not limited to, prohibiting said individual from dealing with or being involved with the activities which were the subject of the investigation.

CONNECTICUT RESOURCES RECOVERY AUTHORITY

ETHICS POLICY

PREAMBLE

The Connecticut Resources Recovery Authority ("CRRA") hereby adopts this Ethics Policy ("Policy") replacing the April 29, 1988 revision. CRRA supports the spirit and letter of law of the Connecticut Code of Ethics for Public Officials as embodied in Connecticut General Statutes §§1-79 et seq. ("Code"). Any violation of their Policy and/or the Code may result in disciplinary action and a termination as set forth in CRRA's Personnel Policy.

Section 1. Definitions

This Policy adopts the definitions in Connecticut General Statutes §1-79. The following terms, when used in this Policy, shall have the following meanings unless the context otherwise requires:

- (a) "Board" means the entire membership of CRRA's Board of Directors as constituted pursuant to in Connecticut General Statutes § 22a-261 of the Connecticut General Statutes, as revised, including Ad Hoc Members;
- (b) "Chairman" means the chairman of the CRRA appointed by the Governor pursuant to subsection (c) of Connecticut General Statutes § 22a-261 of the Connecticut General Statutes;
- (c) "Employee" means any employee, whether full or part-time of CRRA;
- (d) "Gift" means that as set forth in Connecticut General Statutes § 1-79(e) as well as a payment, subscription, advance, forbearance, rendering of services, deposit of money, or anything of value unless consideration of equal or greater value is given in return. "Gift" shall not include those exceptions set forth in Connecticut General Statutes § 1-79(e)(1)-(16);
- (e) "Immediate Family" means any spouse, dependent or independent child, child's spouse, parent, sibling, ~~or grandchildren,~~ or step-children;
- (f) "Member" means any designated, appointed ex officio, or ad hoc Member of CRRA's Board of Directors serving pursuant to Connecticut General Statutes § 22a-261 of the Connecticut General Statutes including designees acting as alternates pursuant to subsection (i) of Connecticut General Statutes § 22a-261;
- (g) "Organizational Synergy and Human Resources Committee" means the committee appointed by the Board to review all matters pertaining to compensation, benefits, duties and conduct of CRRA Employees; and.

(h) "Person" means that as set forth in Connecticut General Statutes §1-79(i);

(i)(h) "President" means the chief executive officer of CRRA appointed pursuant to subsection (d) of Section 22a-261 of the Connecticut General Statutes.

CRRA will conduct an Ethics training session review once a year in concert with the State Ethics Commission.

In the construction of this Policy words of the masculine gender shall mean and include correlative words of the feminine gender and words importing the singular number shall mean and include the plural number or vice versa where appropriate.

The Policy terms or provisions, are to be read in tandem with the Code, to the extent there is any conflict, Connecticut General Statute §1-79 et seq., shall take precedence, except where this Policy is more restrictive.

Section 2. Prohibited Activities for Present Public Officials, Members, and Employees of CRRA

- (a) No Financial Interest. No public official, Member, or Employee shall, while serving as such, have any financial interest in, or engage in, any business, employment, transaction or professional activity, which is in substantial conflict with the proper discharge of his duties, responsibilities or employment with CRRA, or the public interest as prescribed in the laws of the State of Connecticut.
- (b) No Employment. No public official, Member or Employee shall accept other employment which will either impair his independence of judgment as to his responsibilities, official duties, or employment, or require him, or induce him, to disclose confidential information acquired by him in the course of and by reason of his responsibilities, official duties or employment with CRRA.
- (c) No Disclosure. No public official, Member, or Employee shall willfully and knowingly disclose, for financial gain, to any other person, confidential information acquired by him in the course of and by reason of his responsibilities, official duties, or employment with CRRA. No public official, Member, or Employee shall use his position or any confidential information received through his holding such position to obtain financial gain for himself, his Immediate Family or business with which he is associated.
- (d) No Partnerships etc. No public official, Member, or Employee shall agree to accept, or be a member or employee of a partnership, association, professional corporation or sole proprietorship which partnership, association, professional corporation or sole proprietorship agrees to accept any employment, fee or other things of value, or portion thereof, for appearing, agreeing to appear before CRRA ~~as set forth in Connecticut General Statute §1-84(d).~~
- (e) No gifts or promises. No person who shall offer or give to a public official, Member or Employee, or such public official's, Member's, or Employees', Immediate Family, or a business with which the public official, Member or Employee is associated, *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment based on any

understanding that the vote, official action or judgment of the public official, Member, Employee would be or had been influenced thereby.

- (f) No solicitation or acceptance of anything of value. No public official, Member, or Employee, shall solicit or accept *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment based on any understanding that the vote, official action or judgment of the public official, Member or Employee, relating to the business of the CRRA would be or had been influenced thereby.
- (g) No \$100 + Contracts. No public official, Member, or Employee, or individual in his Immediate Family, friend or a business with which he is associated, shall enter into any contract with CRRA, valued at one hundred dollars (\$100.00) or more, other than a contract of employment as an Employee or pursuant to a court appointment, unless the contract has been awarded through an open and public process, including prior public offer and subsequent public disclosure of all proposals considered and the contract awarded. In no event shall the President or his Immediate Family, friend or business with which he is associated enter into any contract with Connecticut Resources Recovery Authority. Nothing in this subsection shall be construed as applying to any director or Member of CRRA's Board and who receives no compensation other than a per diem payments or reimbursements for actual and/or necessary expenses, or both, unless such Member has authority or control over the subject matter of the contract. Any contract made in violation of this section shall be voidable by a court of competent jurisdiction if suit is commenced within 90 days of the making of the contract.
- (h) No knowing acceptance of anything of value from registrants. No public official, Member, or Employee, or individual in his Immediate Family, shall knowingly *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment from a person known to be a registrant or anyone known to be acting on behalf of a registrant. CRRA
- (i) No knowing acceptance, directly or indirectly, anything of value. No public official, Member, or Employee shall knowingly accept, directly or indirectly, *anything of value*, including but not limited to, a gift, loan, political contribution, reward or promise of future employment, from any person they know or have reason to know: (1) Is doing business with or seeking to do business with Connecticut Resources Recovery Authority or (2) is engaged in activities which are involved or are regulated Connecticut Resources Recovery Authority. No person shall knowingly give, directly or indirectly, any gift or gifts in violation of this provision.
- (j) Must report. Any person who: (1) is doing business with or seeking to do business with CRRA (2) is engaged in activities which are directly regulated by or involved CRRA and (3) gives a public official, Member, or Employee anything of value which is subject to the reporting requirements pursuant to subsection (e) of Connecticut General Statute § 1-96 shall, not later than ten days thereafter, give such recipient a written report stating the name of the donor, a description of the

item or items given, the value of such items, and the cumulative value of all items given to such person during the calendar year. -comply with said section-

- (k) No Fees. No public official, Member, or Employee shall accept a fee or honorarium for an article, appearance or speech, or for participation at an event, in ~~his~~their official capacity, provided they might receive payment or reimbursement for necessary expenses for such activity in their ~~his~~ official capacity.

If they receive such a payment or reimbursement for lodging or out-of-state travel or both, they shall, within thirty (30) days, file a report of the payment or reimbursement with the State Ethics Commission, unless the federal government or another state government provides the payment or reimbursement. If they do not file such report within such period, either intentionally or due to gross negligence on his part, they shall return the payment or reimbursement. If any failure to file such report is not intentional or due to gross negligence on the part of the public official, Member, or Employee shall not be subject to any penalty under this chapter.

When a public official, Member, or Employee attends an event in this state in the public official's Member's, or Employee's official capacity and is a principal speaker at such event and receives admission to or food or beverage at such event from the sponsor of the event, such admission or food or beverage shall not be considered a gift and no report shall be required from such official, Member or Employee or from the sponsor of the event.

- (l) No knowing interference, influence, solicitation, or lobbying. No public official, Member or Employee, or any person acting on their behalf, shall willfully and knowingly interfere with, influence, direct or solicit existing or new lobbying contracts, agreements or business relationships for or on behalf of any person.
- (m) No Employment for One Year. No public official, Member, or Employee who participates substantially in the negotiation or award of a contract valued at an amount of fifty thousand dollars (\$50,000) or more, or who supervised the negotiation or award of such a contract, shall accept employment with a party to the contract or negotiation other than the State for a period of one year after the earlier of (A) the date the contract is signed, or (B) the date the public official, Member, or Employee ceases to participate substantially in the negotiation or awarding of the contract.

Section 3. Ownership of bonds issued by the Authority

- (a) No Purchase of CRRA bonds. No bonds issued by CRRA shall be directly purchased by a public official, Member, or Employee of CRRA nor by individuals in their Immediate Family nor by any corporation, partnership or trust for their benefit or that of their spouses or dependent children. The public officials, Members, or Employees shall list, in the financial statement filed pursuant to Connecticut General Statute § 1-83, any bonds issued by CRRA which were

acquired prior to their Membership or Employment with CRRA and held in their own name or that of their Immediate Family spouses, dependent children or any corporation, partnership or trust for their benefit or that of their spouses or dependent children.

- (b) Public officials, Member, and Employees of the CRRA shall disclose to the Chairman pursuant to this Policy and the Code any bonds issued by CRRA which were acquired prior to their employment with the CRRA and held in their own name or that of their spouses, dependent children or any corporation, partnership or trust for their benefit or that of their spouses or dependent children.
- (c) Any public official, Member, or Employee who, in the discharge of his duties or by virtue of his position or through knowledge obtained as a public officer, Member or Employee of CRRA, would be required to, or would be able to, take any action which would affect his monetary interest in bonds of CRRA held by him, his Immediate Family or any corporation, partnership or trust for his benefit or that of his spouse or dependent children, shall refrain from taking such action and shall not participate in deliberations or influence or attempt to influence any decision of the Board, its Members or Employees, which would affect such bonds.

Section 4. Certain activities restricted after leaving CRRA

- (a) Disclosure or Use of Confidential Information by Former Employee. No former public official, Member, or Employee ~~or~~ shall disclose or use confidential information acquired in the course of and by reason of his official duties, for financial gain for himself or another person.
- (b) No Representation, other than CRRA. No former public official, Member, or Employee shall represent anyone other than CRRA concerning any particular matter: (1) in which he participated personally and substantially while at CRRA; and (2) in which ~~the State~~CRRA has a substantial interest.
- (c) No Representation for One Year. No former public official, Member or Employee of CRRA shall, for one year ~~(1)~~ after leaving the Board or employment with the CRRA, represent anyone, other than CRRA, for compensation, before the CRRA, concerning any matter in which the CRRA has a substantial interest.

~~(d) The provisions of this subsection (c) apply to present or former CRRA public officials, Members, or Employees who hold or, formerly held positions, which involve significant decision-making or supervisory responsibility and are designated as such by the State Ethics Commission in consultation with the CRRA, except that such provisions shall not apply to Members or former members of the Boards who serve ex officio, who are required by statute to represent the related industry, or who are permitted by statute to have a post or present affiliation with the regulated industry. Designation of positions subject to the provisions of this subsection shall be by regulations adopted by the State Ethics Commission in accordance with chapter 54. The term "employment" means professional services or other services rendered as an employee or as an independent~~

contractor.

(e)(d) No Employment for One Year. No former public officials, Member, or Employee who: (1) participated substantially in the negotiation or award of (A) a CRRA contract valued at an amount of fifty thousand dollars (\$50,000.00) or more (\$50,000) or (B) a written agreement for the approval of a payroll deduction described in Connecticut General Statute § 3-123g; or (2) who supervised the negotiation of award of such a contract or agreement, shall accept employment with a party to the contract or negotiation other than the State for a period of one year after the earlier (A) the date the contract is signed, or (B) the date the public official, Member, or Employee ceases to participate substantially in the negotiation or award of the contract. ~~agreement CRRA for a period of (1) one year after his resignation from CRRA if his resignation occurs less than one year after the contract or agreement is signed.~~

(f) No Employment for One Year. ~~No public official, Member, or Employee who participates substantially in the negotiation or award of a contract valued at an amount of fifty thousand dollars (\$50,000) or more, or who supervised the negotiation or award of such a contract, shall seek, accept, or hold employment with a party to the contract for a period of one year after the signing of the contract.~~

Section 5. Interest in conflict with discharge of duties

A public official, Member, or Employee has an interest which is in substantial conflict with the proper discharge of his duties or employment, if he has reason to believe or expect that he or his Immediate Family, friend, or a business with which he is associated will derive a direct monetary gain or suffer a direct monetary loss, as the case may be, by reason of his official activity or employment with CRRA. He does not have an interest, which is in substantial conflict with the proper discharge of his duties, if any benefit or detriment accrues to him or his Immediate Family as a member of a business, profession, occupation or group to no greater extent than any other member of such business, profession, occupation or group. A public official, Member, Employee who has a substantial conflict may not take action on the matter.

Section 6. Procedure when discharge of duty affects financial interests.

Any public official, Member or Employee who, in the discharge of his official duties, or employment would be required to take an action that would affect a financial interest of himself, his spouse, parent, brother, sister, child, or the spouse of a child ~~Immediate Family~~, friend, or a business with which he is associated, other than an interest of a de minimis nature or an interest that is not distinct from that of a substantial segment of the general public, shall: (1) if he is a Member, excuse himself from voting or deliberating or taking action ~~be excused from voting or deliberation or taking action on the matter if he so requests, but if he does not make such request, he shall or~~ prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the potential conflict and explaining why despite the

potential conflict, he is able to vote and otherwise participate fairly, objectively and in the public interest and deliver a copy of the statement to the Board and the State Ethics Commission and enter a copy of the statement in the minutes of the Board; (2) If he is a public official, or Employee, he shall prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the potential conflict and deliver a copy of the statement to his immediate superior, if any, who shall assign the matter to another employee, or if he has no immediate superior, he shall take such steps as the BoardCommission shall prescribe or advise.

Section 7. Consultants and independent contractors -- Prohibited activities.

- (a) No person hired by CRRA as a consultant or independent contractor shall: (1) Use the authority provided to him under the contract, or any confidential information acquired in the performance of the contract, to obtain financial gain for himself, his employees or a member of his immediate family; (2) Accept another StateCRRA contract which would impair his independent judgment in the performance of the existing contract;
- (b) No person shall give anything of value to a person hired by the CRRA as a consultant or independent contractor based on an understanding that the actions of the consultant or independent contractor on behalf of the CRRA would be influenced.

Section 8. CRRA Mmanagement.

If CRRA management, in its best business judgment, reasonably thinks that a public official, Member, or Employee of CRRA may have violated the Code of Ethics or this Policy, it shall consult with the State Ethics Commission on how to handle the situation and, where appropriate, ask the Ethics Commission to conduct a formal investigation.

Section 9. Authority of the President and Board after Finding

- (a) The President, in consultation with the Organizational Synergy & Human Resources Committee ("Committee") shall have authority to do any or all of the actions listed below after a finding, formal or informal, by the State Ethics Commission of a violation of the Code or this Policy, or a settlement of an investigation by the Ethics Commission of by a Public Official, Member or Employee:
 - (1) Order the individual to cease and desist the violation;
 - (2) Issue a reprimand and place a copy in the personnel records of the individual;
 - (3) Temporarily or permanently demote the person;
 - (4) Suspend the employment of the individual, with or without pay; or
 - (5) Terminate his employment or relationship with CRRA.

Prior to sanctioning an individual for violation of the Code or this Policy, the President shall confer with the Committee.

~~(b) The President, in consultation with the Committee, after a finding, formal or informal, by the State Ethics Commission of a VCO by a vendor or contract or settlement with, shall have the authority to do any or all of the following, including, but not limited to:~~

~~(1) Refuse to do business with that person or entity and/or~~

~~(2) Rescind or otherwise cancel any contract or other agreement, which is materially related to the violation of any provision of the Code or this policy.~~

~~(e)(b) If a public official, Member, or Employee, under investigation by the State Ethics Commission, settles with the State Ethics Commission, the President, after consultation with the Organizational Synergy & Human Resources Committee, may take whatever action to protect CRRA from further abuse, including, but limited to those set forth in section (Section 9 (a)), including, but not limited to, prohibiting said individual from dealing with or being involved with the activities which were the subject of the investigation.~~

~~(d) Any person who knowingly acts in his financial interest in violation of this Policy or the Code or any person, who knowingly receives a financial advantage resulting from a violation of this Policy or the Code, shall be liable to CRRA for damages in the amount of such advantage.~~

AMENDED AND RESTATED
BYLAWS
OF
CONNECTICUT RESOURCES RECOVERY AUTHORITY

EFFECTIVE JUNE 20, 2003

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ARTICLE I
AUTHORITY FOR BYLAWS

101. Authority. These Bylaws are adopted pursuant to the Act and the General Statutes Section 22a-265(6) and supplement and implement certain provisions of the Act.

ARTICLE II
DEFINITIONS

201. Definitions. Unless the context shall otherwise require, the following words and terms shall have the following meanings (if there is a conflict between these Bylaws and the Act, the Act shall govern):

(a) "Act" means Chapter 446e of the General Statutes of Connecticut, Section 22a-257 *et seq.*, as amended from time to time, commonly known as the "Connecticut Solid Waste Management Services Act" or the Authority's enabling act.

(b) "Ad Hoc Member" or "Ad Hoc Members" means an individual or individuals appointed pursuant to Section 22a-261(g) of the Act. Pursuant to the Act, the term "Ad Hoc Member" does not include Director.

(c) "Authority" means the Connecticut Resources Recovery Authority, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, created and established by the Act.

(d) "Board" means the Board of Directors of the Authority.

(e) "Chairperson" means the Chairperson of the Authority as referred to in Section 22a-261(c) of the Act and Article III of these Bylaws.

(f) "Director" or "Directors" means an individual or individuals appointed to the Board pursuant to Section 22a-261 of the Act and Article III of these Bylaws or an individual who is a voting ex-officio member of the Board, pursuant to Section 22a-261 of the Act and Article III of these Bylaws. Pursuant to the Act, the term "Director" does not include Ad Hoc Member.

(g) "Executive Session" means a meeting of the Board or a committee of the Board at which the public is excluded for one or more of the purposes described in Section 1-200(6) of the Freedom of Information Act.

(h) "Freedom of Information Act" means Section 1-200 *et seq.* of the General Statutes, as amended from time to time, commonly known as the "Freedom of Information Act".

(i) "General Statutes" means the General Statutes of Connecticut, Revision of 1958, as amended.

(j) "Municipal Official" means the first selectman, mayor, city or town manager or chief financial officer of a municipality that has entered into a solid waste disposal services contract with the Authority and pledged the municipality's full faith and credit for the payment of obligations under such contract.

(k) "President" means the President of the Authority appointed by the Chairperson with the approval of the Directors pursuant to Section 22a-261(d) of the Act who shall be the Chief Executive Officer of the Authority.

(l) "Project" means one of the four (4) waste management systems operated by the Authority and more commonly known as: (i) the Bridgeport Project; (ii) the Mid-Connecticut Project; (iii) the Southeast Project; or (iv) the Wallingford Project.

(m) "Vice Chairperson" means the Vice Chairperson of the Authority elected pursuant to Article III of these Bylaws.

ARTICLE III BOARD OF DIRECTORS

301. Authority, Membership, Terms, Vacancies.

(a) The powers of the Authority shall be vested in and exercised by the Board which may exercise all such authority and powers of the Authority and do all such lawful acts and things as are permitted by the Act or these Bylaws. The Board shall consist of thirteen (13) Directors defined by the Act as follows:

- (i) Three (3) appointed by the Governor, one (1) of whom shall be a Municipal Official of a municipality having a population of fifty thousand (50,000) or less and one (1) of whom shall have extensive, high-level experience in the energy field;
- (ii) Two (2) appointed by the president pro tempore of the Senate, one (1) of whom shall be a Municipal Official of a municipality having a population of more than fifty thousand (50,000) and one (1) of whom shall have extensive high-level experience in public or corporate finance or business or industry;
- (iii) Two (2) appointed by the speaker of the House of Representatives, one (1) of whom shall be a Municipal Official of a municipality having a population of more than fifty thousand (50,000) and one (1) of whom shall have extensive high-level experience in public or corporate finance or business or industry;
- (iv) Two (2) appointed by the minority leader of the Senate, one (1) of whom shall be a Municipal Official of a municipality having a population of fifty thousand (50,000) or less and one (1) of whom shall have extensive high-level experience in public or corporate finance or business or industry;

- (v) Two (2) appointed by the minority leader of the House of Representatives, one (1) of whom shall be a Municipal Official of a municipality having a population of fifty thousand (50,000) or less and one (1) of whom shall have extensive, high-level experience in the environmental field;
- (vi) Two (2) voting ex-officio members, who shall be the Secretary of the Office of Policy and Management and the State Treasurer, or their designees.

(b) No Director may be a member of the General Assembly. Not more than two (2) Directors appointed by the Governor shall be members of the same political party. The appointed Directors shall serve for terms of four (4) years each, provided, of the Directors first appointed for terms beginning on June 1, 2002: (A) two (2) of the Directors appointed by the Governor, one (1) of the Directors appointed by the president pro tempore of the Senate, one (1) of the Directors appointed by the speaker of the House of Representatives, one (1) of the Directors appointed by the minority leader of the Senate, and one (1) of the Directors appointed by the minority leader of the House of Representatives shall serve an initial term of two (2) years and one month; and (B) the other appointed Directors shall serve an initial term of four (4) years and one month. The appointment of each Director for a term beginning on or after June 1, 2004, shall be made with the advice and consent of both houses of the General Assembly. Notwithstanding the foregoing, a Director's term shall end upon the Director's death or resignation. Any vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment for the balance of the unexpired term.

302. Appointment of Chairperson. Pursuant to Section 22a-261(c) of the Act, the Governor shall designate one of the Directors to serve as Chairperson of the Board, with the advice and consent of both houses of the General Assembly. The Chairperson of the Board shall serve as Chairperson at the pleasure of the Governor.

303. Ad Hoc Members. Pursuant to Section 22a-261(g) of the Act, if the legislative body of a municipality that is the site of a Project (i.e. a host community) passes a resolution requesting the Governor to appoint a resident of such municipality to be an Ad Hoc Member, the Governor shall make such appointment upon the next vacancy for the Ad Hoc Members representing such Project. Pursuant to Section 22a-261(g) of the Act, the Governor shall appoint with the advice and consent of the General Assembly Ad Hoc Members to represent each Project provided at least one-half (1/2) of such members shall be chief elected officials of municipalities, or their designees. Each Project shall be represented by two (2) such members. The Ad Hoc Members shall be electors from a municipality or municipalities in the area to be served by the Project and shall vote only on matters concerning such Project. The terms of the Ad Hoc Members shall be four (4) years.

304. Duties. The Directors and Ad Hoc Members shall perform the duties imposed on them by the Act and by these Bylaws.

305. Chairperson The Chairperson shall perform the duties of a Director imposed by the Act, by these Bylaws and by resolution of the Directors, and shall preside at all meetings of the Directors.

306. Vice Chairperson. A Vice Chairperson may be elected by a majority vote of the Board. The Vice Chairperson shall preside over meetings of the Board of Directors in the absence of the Chairperson. In the absence or incapacity of the Vice Chairperson, or in case of his or her resignation or death, the Directors shall select, from their regular number, an acting Vice Chairperson during the time of such absence or incapacity or until such time as the Directors shall select a new Vice Chairperson. The Vice Chairperson shall serve until his or her successor is elected.

307. Resignation; Removal. Any appointed Director who fails to attend three (3) consecutive meetings of the Board or who fails to attend fifty percent (50%) of all meetings of the Board held during any calendar year shall be deemed to have resigned from the Board. For the purposes of this Section, Board meetings shall be deemed to include regular and special meetings. Any director may resign at any time by delivering notice to the Authority. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Authority accepts the future effective date, the Board may fill the pending vacancy before the effective date, provided, that the successor is not permitted to take office until the effective date. The appointing authority for such Director may remove any such Director for inefficiency, neglect of duty or misconduct in office in the manner provided by Section 22a-261(1) of the Act.

308. Delegation of Powers. The Directors may, by resolution, delegate to the President such powers of the Authority, as they believe necessary, advisable or desirable to permit the timely performance of the administrative functions of the Authority and to carry out the plans, policies, procedures and decisions of the Directors, pursuant to Section 22a-277 of the Act.

309. Standing and Special Committees. The Directors and Ad Hoc Members may delegate from time to time, as necessary or convenient, in conformity with the provisions of the Act or these Bylaws, committees comprised of three (3) or more Directors at least one (1) of whom shall be a Municipal Official, and at least one (1) of such Directors shall not be a State employee. An Ad Hoc Member shall be eligible to serve only on a special committee concerning the Project relating to his or her appointment. Such committee or committees shall have, and may exercise, all such authority as the Directors may delegate, including the power to adopt a resolution upon a majority vote of the Members of the Committee at which a quorum is present. The Chairperson shall recommend the name of all standing committees and shall appoint a committee chairperson and all members of such committees. The Chairperson shall be an ex-officio voting member of all committees. A quorum for the transaction of business or the exercise of any power of a committee shall consist of a majority of the members of the committee other than the Chairperson. A committee shall have the power to act by a majority of the members present at any meeting at which a quorum is in attendance. Each committee may elect a committee secretary and vice chairperson and shall maintain at all times minutes of its meetings including its considerations, deliberations, decisions and resolutions, and shall distribute copies of such minutes to committee members and to the Board as appropriate.

ARTICLE IV

OFFICERS

401. Appointment. The Board shall have the power to create positions for and employ such officers as it may deem to be in the interests of the Authority and in accordance with Section 22a-265 of the Act, and shall define the powers and duties of all such officers. All such officers shall be subject to the orders of the Board and serve at its discretion. Such officers shall include a President, appointed by the Chairperson in accordance with Section 22a-261(d) of the Act and Section 402 of these Bylaws. The Board shall be responsible for determining compensation for each officer. The act of appointment of an officer does not in and of itself create contract rights for such officer of the Authority.

402. President. The Chairperson shall, with the approval of the Directors, appoint a President of the Authority who shall be an employee of the Authority and be paid a salary prescribed by the Directors. The President shall supervise the administrative affairs and technical activities of the Authority in accordance with the directives of the Board, and shall perform all duties incident to the office of the President, including those duties imposed by the Act, by these Bylaws and by resolution of the Authority. The authorization of the President with respect to the Authority or certification as to the proceedings of the Authority or any of the official documents and papers of the Authority on file in the Authority's office shall be deemed to be conclusive and binding on the Authority.

403. Delegation. The President may, with the approval of the Directors, assign or delegate to the officers and employees of the Authority, any of the powers that, in the opinion of the President, may be necessary, desirable or appropriate for the prompt and orderly transaction of the business of the Authority.

404. Acting President. The Directors, by a majority vote, may by resolution appoint some other person to serve as Acting President and perform the duties of the President in the event of the death, inability, absence or refusal to act of the President. Such person shall be subject to all of the same restrictions placed upon the President.

405. Chief Financial Officer. The Chairperson shall, with the approval of the Directors, appoint a Chief Financial Officer of the Authority who shall be an employee of the Authority and paid a salary prescribed by the Directors. The Chief Financial Officer shall direct the finance, accounting, budgetary, treasury and cash management functions of the Authority and shall perform such other duties as the Board shall delegate from time to time. The Chief Financial Officer shall perform his or her duties in a manner consistent with the directives of the Board, these Bylaws and all applicable statutes and regulations.

406. Secretary. The Chairperson shall, with the approval of the Directors, appoint a secretary who shall be an employee of the Authority. The Secretary shall be the custodian of the Seal of the Authority, shall keep or cause to be kept, minutes of all meetings of the Directors and Ad Hoc Members and shall have such other duties as shall be delegated to the Secretary from time to time.

407. Additional Duties. In addition to such powers and duties as are specified in the Act, these Bylaws and by the Board, the President and other officers of the Authority shall have the authority and shall be required to perform such other duties and functions which may by law and general usage pertain to the particular office and as may from time to time be required, unless the Board or the Act expressly state otherwise.

408. Standards of Conduct. An officer with discretionary authority shall discharge such authority: (i) in good faith; (ii) with the care an ordinarily prudent person in like position would exercise under similar circumstances; and (iii) in a manner the officer reasonably believes to be in the best interests of the Authority. In discharging such duties, an officer is entitled to rely on information, opinions reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the Authority whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants or other persons as to matters the officer reasonably believes are within the person's professional or expert competence. An officer cannot so rely in good faith if he has knowledge concerning the matter in question that makes reliance otherwise permitted by this section unwarranted.

409. Resignation. An officer may resign at any time by delivering notice to the Authority. A resignation is effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date and the Authority accepts the future effective date, the Board may fill the pending vacancy before the effective date, provided, that the successor is not permitted to take office until the effective date. An officer's resignation does not affect the Authority's contract rights, if any, with the officer.

ARTICLE V

MEETINGS OF BOARD OF DIRECTORS

501. Regular Meetings. In accordance with Section 22a-263 of the Act, the Directors and Ad Hoc Members of the Authority shall meet at least monthly at the call of the Chairperson for the transaction of any lawful business of the Authority. The monthly meetings shall be held at such time and place as shall be designated in a written or printed notice of meeting given to the Directors and Ad Hoc Members at least three days prior thereto by the Chairperson or Vice Chairperson or President acting on behalf of the Chairperson. A schedule of regular monthly meetings of the Directors shall be filed not later than January 31 of each year in the office of the Secretary of the State and no meeting shall be held sooner than thirty (30) days after such schedule has been filed. A schedule of regular monthly meetings of the Directors and Ad Hoc Members shall be made available to the public through the internet by posting such schedule not more than seven (7) days after the schedule of meetings is established. The Board may permit any or all Directors to participate in a meeting by any means of communication by which all Directors participating may simultaneously hear each other during the meeting so long as the public is able to participate in such meeting.

502. Special Meetings. The Chairperson may, when he or she deems it expedient, and shall, whenever requested by any three Directors, call a special meeting of the Board for the purposes of transacting any business designated in the notice. A written or printed notice for a special meeting shall be given to each Director and Ad Hoc Member at least twenty-four hours

prior to the hour appointed for such special meeting. At such special meeting, no business shall be considered other than as designed in the notice. A notice of a call of a special meeting of the Directors and Ad Hoc Members shall be filed with Secretary of the State's Office as required by General Statutes Section 1-225(d). The Board may permit any or all Directors to participate in a meeting by any means of communication by which all Directors participating may simultaneously hear each other during the meeting so long as the public is able to participate in such meeting.

503. Notice of Monthly or Special Meeting; Waiver. Notices of each meeting of the Authority shall be in writing and may be given by U.S. mail, facsimile, e-mail, or other delivery to each Director and Ad Hoc Member in person or addressed to the last known business or residence address of such Directors and Ad Hoc Members. Whenever any notice is required to be given by law or by these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent thereto. If any person present at a meeting does not protest the lack of proper notice, prior to or at the commencement of the meeting, such person shall be deemed to have waived notice of such meeting.

504. Quorum; Transaction of Business.

(a) Seven (7) Directors of the Authority shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority, provided, the following individuals shall be present in order for a quorum to be in attendance: (a) at least one (1) ex-officio Director appointed to the Board pursuant to Section 22a-261(c) of the Act and Section 301(a), (v) of these Bylaws (or the designee of such ex-officio Director); and (b) at least two (2) Directors appointed to the Board in their capacity as a Municipal Official pursuant to Section 22a-261(c) of the Act. Only Directors, and not Ad Hoc Members, shall be counted in determining whether a quorum is present. For the transaction of any business or the exercise of any power of the Authority, and except as otherwise provided in the Act or these Bylaws, the Authority shall have power to act by a majority of the Directors present at any meeting at which a quorum is in attendance.

(b) The following actions require the affirmative vote of at least two-thirds (2/3) of the Directors:

- (i) Adoption of the annual plan of Solid Waste Management Operations prepared in conjunction with the Department of Environmental Protection pursuant to Section 22a-264 of the Act;
- (ii) Establishment of the maximum number of employees of the Authority prior to employing more than forty-five (45) persons; and
- (iii) Adoption of rules and procedures for purchasing and contracting operations pursuant to Section 22a-266(c) of the Act; and
- (iv) Adoption of contracts involving a period of over five (5) years in duration or for which the annual consideration is greater than fifty thousand dollars (\$50,000) pursuant to Section 22a-268 of the Act;

(c) The affirmative vote of at least two-thirds (2/3) of the Directors present and eligible to vote are required for the adoption of a resolution to sit in Executive Session pursuant to the Freedom of Information Act and Section 507 of these Bylaws.

(d) The affirmative vote of at least two-thirds (2/3) of the Directors and Ad Hoc Members present and eligible to vote are required for the addition of an agenda item at a regular meetings of the Board for subsequent business not already included in the meeting agenda on file at the principle office of the Authority twenty-four (24) hours in advance of such meeting.

505. Temporary Borrowing for Mid-Connecticut Project. Pursuant to Section 22a-268d of the Act, a two-thirds (2/3) vote of the Directors appointed pursuant to Section 301(a), (i) through (v) of these Bylaws, with the subsequent approval of the State Treasurer and the Secretary of the Office of Policy and Management, may authorize a temporary borrowing from the State of Connecticut of up to one hundred fifteen million dollars (\$115,000,000) for the purposes of supporting the repayment of debt issued by the Authority on behalf of the Mid-Connecticut Project.

506. Organization. At each meeting of the Directors and Ad Hoc Members, the Chairperson, or in his or her absence the Vice Chairperson, or in the absence, abstention or recusal of both, a Director chosen by a majority of the Directors then present, shall act as presiding officer of said meeting. The Secretary or another officer or employee of the Authority designated by the President shall act as secretary of the meeting. The secretary of each meeting shall prepare and maintain or cause the preparation and maintenance of the minutes of all business transacted at such meeting.

507. Executive Session.

(a) The Directors may make a determination to sit in Executive Session. An affirmative vote of at least two-thirds (2/3) of the Directors present and eligible to vote on such matter, taken at a public meeting and stating the reasons for such Executive Session, shall be necessary to approve such a resolution. The purpose and the conduct of the executive session shall be in accordance with the Freedom of Information Act and these Bylaws.

(b) The members of any committee of the Board may make a determination to sit in Executive Session. An affirmative vote of at least two-thirds (2/3) of the committee members present and eligible to vote on such matter, taken at a public meeting and stating the reasons for such Executive Session, shall be necessary to approve such a resolution. The purpose and the conduct of the Executive Session shall be in accordance with the Freedom of Information Act and these Bylaws.

(c) An Executive Session may be called for one or more of the following purposes:

(i) Discussion concerning the appointment, employment, performance, evaluation, health or dismissal of a public officer or employee, provided

that such individual may require that discussion be held at an open meeting;

- (ii) Strategy and negotiations with respect to pending claims or pending litigation to which the Authority or a member thereof, because of the member's conduct as a member of such agency is a party until such litigation or claim has been finally adjudicated or otherwise settled;
- (iii) Matters concerning security strategy or the deployment of security personnel, or devices affecting public security;
- (iv) Discussion of the selection of a site or the lease, sale or purchase of real estate when publicity regarding such site, lease, sale, purchase or construction would cause a likelihood of increased price until such time as all of the property has been acquired or all proceedings or transactions concerning same have been terminated or abandoned; and
- (v) discussion of any matter which would result in the disclosure of public records or the information contained therein described in Section 1-210.

508. Recessed Meeting. The Directors and Ad Hoc Members may recess a regular or special meeting. A Director or Ad Hoc Member absent from a regular or special meeting at which a resolution is passed for a recessed meeting shall be notified at least one hour prior to the hour appointed for such reconvening of the recessed meeting.

509. Method of Voting. Unless otherwise required by the General Statutes, voting by the Directors and Ad Hoc Members shall be by voice vote or roll call at the discretion of the Chairperson. A tally of votes shall be taken and recorded in the Minutes of the meeting. A Director who is present at a meeting of the Board or a committee of the Board when corporate action is taken is deemed to have assented to the action unless: (i) the Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or (ii) the Director delivers written notice of dissent or abstention to the Chairman before the adjournment of the meeting or to the Authority immediately after adjournment of the meeting. The right of dissent or abstention shall not be available to a Director who votes in favor of the action taken.

510. General Standards of Conduct for Directors, Ad Hoc Members. Each Director and Ad Hoc Member shall discharge his or her duties as a Director or Ad Hoc Member respectively, including duties as a member of any committee: (i) in good faith; (ii) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and (iii) in a manner such individual reasonably believes to be in the best interests of the Authority. In discharging a Director's or Ad Hoc Member's duties, such individual is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more officers or employees of the Authority whom the Director or Ad Hoc Member reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants or other persons as to matters the Director or Ad Hoc Member reasonably believes are within the person's professional or expert competence; or (iii) a committee of the Board of which the Director or Ad Hoc Member is not a member if the

Director or Ad Hoc Member reasonably believes the committee merits confidence. A Director or Ad Hoc Member is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance, otherwise permitted, unwarranted.

511. No Invalidity. Failure to follow any procedure provided for in these Bylaws shall not render any action taken by the Directors ineffective unless it is ineffective under law. It is intended that these Bylaws be consistent with the Act and with the Freedom of Information Act. If any inconsistency should nevertheless appear, the provisions of the applicable law shall control.

ARTICLE VI

PERSONNEL AND PROCUREMENT POLICIES

601. The Directors shall establish from time to time such rules and regulations as may be necessary to provide an adequate and systematic procedure for handling the personnel affairs of the administrative staff of the Authority and for handling the procurement policies of the Authority.

ARTICLE VII

FINANCIAL INFORMATION

701. Fiscal Year. The Fiscal Year of the Authority shall commence on the first day of July and end on the last day of the following June.

702. Budget Process. The President shall recommend to the Directors for their evaluation and adoption a fiscal year budget for the following: (i) Authority General Fund and Capital Improvement Budget – at least fifteen (15) days before the regular meeting of the Directors in February; (ii) Southeast Project Operating Budget – at least fifteen (15) days before the regular meeting of the Directors in November; (iii) Bridgeport Project Operating Budget – at least fifteen (15) days before the regular meeting of the Directors in January; (iv) Wallingford Project Operating Budget – at least fifteen (15) days before the regular meeting of the Directors in January; and (v) Mid-Connecticut Operating Budget – at least fifteen (15) days before the regular meeting of the Directors in February. Such proposed budgets shall contain an estimate of all revenues and receipts anticipated from all sources in the ensuing fiscal year, the estimated expenditures necessary for the operation of the various activities of the Authority for that year and a balanced relation between the total estimated expenditures and total anticipated revenues and receipts. The Directors shall review the proposed budget, modify it where appropriate, and then adopt a final budget no later than the budget deadlines established for each Project agreement. After adoption of the final budget, the President shall ensure the proper allocation of the budget to an established chart of accounts. Budget appropriations allocated to the accounts of the Authority shall not be exceeded without the prior approval of the Directors. The President may transfer funds within the line items for each Project without limit as long as each line item of each Project and the grand total of each fund is not exceeded without the prior approval of the Directors.

An Ad Hoc Member shall be eligible to vote only on the budget concerning the Project relating to his or her appointment.

703. Director Expenses. As provided by Section 22a-261(e) of the Act, Directors and Ad Hoc Members shall be entitled to reimbursement by the Authority for actual and necessary expenses incurred during the performance of their official duties. All reimbursements shall be made in a manner consistent with the Authority's Travel Policy and Expense Reporting.

ARTICLE VIII **AMENDMENT OR REPEAL OF BYLAWS**

801. Amendment or Repeal. These Bylaws may be repealed or amended, or new Bylaws may be adopted, only by the affirmative vote of the majority of a quorum of the full Board of Directors of the Authority at any regular or special meeting in a manner consistent with the Act. Action by the Board to adopt or amend a bylaw that changes a required voting requirement for the Board not fixed by the Act must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater. The Authority may adopt rules for the conduct of its business, and the adoption of such rules shall not constitute an amendment of these Bylaws, unless specifically so stated.

ARTICLE IX **INDEMNIFICATION OF OFFICERS OR DIRECTORS**

901. Indemnification. The Authority shall indemnify any Officer, Director, representative or Ad Hoc Member who is a party, or who is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, administrative or investigative by reason of the fact that he or she is or was serving as Director, Officer, representative or Ad Hoc Member of the Authority, against judgments, fees, amounts paid in settlement and expenses, including attorneys' fees, actually and reasonably incurred by him and the person whose legal representative he or she is, in connection with such action, suit or proceeding, or any appeal therein - as long as the Officer, Director, representative, or Ad Hoc Member was not wanton or willful. The Authority shall not so indemnify any such person unless it shall be concluded:

- (i) by the Directors, by a consent in writing signed by a majority of those Directors who were not parties to such action, suit or proceeding; or
- (ii) by independent legal counsel selected by a consent in writing signed by a majority of those Directors who were not parties to such action, suit or proceeding,

that such person, and the person whose legal representative he or she is, acted in good faith and in a manner he or she reasonably believed to be within his or her statutory authority, and he or she was not wanton or willful, including without limitation, Section 22a-261(n) of the Act. In the event that there are less than three Directors not parties to the action, suit or proceeding in question, then the matter of indemnification shall be submitted to an independent third party selected unanimously by the remaining Directors, or, if this is not possible, by a majority vote of the entire Board, subject to the qualification that, so long as there is at least one Director not a party to the action or proceeding, a third party will not be chosen unless deemed acceptable to

that Director.

902. Payment of Current Expenses. Expenses which may be indemnified under Article IX, Section 901 of these Bylaws incurred in defending an action, suit or proceeding, may be paid by the Authority in advance of the final disposition of such action, suit or proceeding upon agreement by or on behalf of the Officer, Director, representative, Ad Hoc Member, employee or agent, or his or her legal representative, to repay such amount if he or she is later found not entitled to be indemnified by the Authority as authorized in Section 901 above. Such reimbursement shall be in a manner consistent with Section 1-125 of the General Statutes.

ARTICLE X SEAL, PLACE OF BUSINESS AND RECORDS

1001. Seal of the Authority.

(a) The official seal of the Authority shall be circular in form and shall have inscribed thereon the following words and figures: "Connecticut Resources Recovery Authority, 1973" and such additional matter as may be approved from time to time by the Directors of the Authority pursuant to the Act.

(b) In the execution on behalf of the Authority Of any instrument document, writing, notice or paper, it shall not be necessary, unless specifically required by law, to affix the official seal of the Authority, and such instrument, document, writing, notice, or paper when executed without the seal affixed shall be of the same force and effect and is binding on the Authority as if the official seal had been affixed in each instance. The use of the seal shall be symbolic only.

(c) The official seal need not be impressed on any instrument, document, writing, notice, or paper, but the same shall be sufficiently sealed if the official seal or a facsimile thereof is engraved, imprinted or otherwise reproduced thereon.

(d) The Secretary, or in the absence of the Secretary, a designee appointed by the President or Chairperson, may certify as to the official seal or its facsimile as of any date or with respect to any instrument, document, writing, notice, or paper, and any such certification shall be conclusive as to the form of the official seal and that any instrument, document, writing, notice, or paper has been duly and properly sealed by the Authority.

1002. Office of the Authority. The main office of the Authority shall be maintained at 100 Constitution Plaza, Hartford, Connecticut, or at such other place or places within the State as the Authority may designate. The Authority shall not be required to hold any of its meetings at such office. The Authority may maintain other offices in the State.

1003. Records of the Authority. The records of the Authority shall be kept and maintained pursuant to Section 22a-263 of the Act and in such a manner and for that period of time as the Directors, acting upon the advice of the Authority's counsel and accountants deem appropriate. The written records of the Authority will be made available to the public as required by the Freedom of Information Act. Records of the Authority shall be maintained in accordance with State of Connecticut guidelines.

[FinalApprovedCopy6/19/2003]