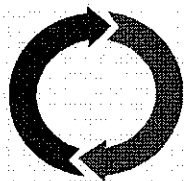


**CRRA
BOARD MEETING
NOVEMBER 17, 2005**



CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY

100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
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MEMORANDUM

TO: CRRA Board of Directors
FROM: Kristen Greig, Secretary to the Board/Paralegal
DATE: June 17, 2005
RE: Notice of Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors held on Thursday, November 17, 2005 at **9:00 a.m.** The meeting will be held in the Board Room of **211 Murphy Road**, Hartford, Connecticut.

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

Connecticut Resources Recovery Authority
Board of Directors' Meeting

Agenda

November 17, 2005

9:00 AM

I. Pledge of Allegiance

II. Public Portion

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

III. Minutes

1. Board Action will be sought for the approval of the October 27, 2005 Regular Board Meeting Minutes (Attachment 1).

IV. Resolution in Appreciation of Stephen T. Cassano's Service to the Connecticut Resources Recovery and the Citizens of the State of Connecticut (Attachment 2).

V. Finance

1. Board Action will be sought regarding the Adoption of the Fiscal Year 2007 General Fund Operating and Capital Budget (Attachment 3).
2. Board Action will be sought regarding the Adoption of the Fiscal Year 2007 Connecticut Resources Recovery Authority Southeast Project Operating and Capital Budgets (Attachment 4).
3. Board Action will be sought regarding Insurance Consulting and Broker Services Agreement (Attachment 5).

VI. Project Issues

A. Mid-Connecticut

1. Board Action will be sought regarding Annual Stack Testing at the CRRA Mid-CT Resource Recovery Facility for Calendar Years 2006, 2007 and 2008 (Attachment 6).
2. Board Action will be sought regarding Clean Water Act Section 316(b) Compliance Services at the CRRA Mid-CT Resource Recovery Facility for Fiscal Years 2006, 2007, 2008, 2009 and 2010 (Attachment 7).

3. Board Action will be sought regarding Agreement for Push Wall and Masonry Wall Repairs at the Watertown Transfer Station (Attachment 8).

B. Bridgeport

1. Board Action will be sought regarding Agreement for the Replacement of Overhead Doors at the Greenwich, Norwalk and Milford Transfer Stations (Attachment 9).

C. Southeast

1. Board Action will be sought regarding Approval of a Town of Killingly Solid Waste Disposal Agreement (Attachment 10).

D. General

1. Board Action will be sought regarding Three-Year Public Relations Services Agreements (Attachment 11).

VII. Chairman's and Committee Reports

A. Policies & Procurement Committee

1. The Policy and Procurement Committee will report on its November 3, 2005 meeting.

VIII. Executive Session

An Executive Session will be held to discuss pending litigation with appropriate staff.

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED NINETY-SIXTH MEETING

OCTOBER 27, 2005

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, October 27, 2005 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Benson Cohn
Mark Cooper
Edna Karanian
Mark Lauretti (Present beginning at 9:40 a.m.)
Theodore Martland
Raymond O'Brien
Timothy Griswold – Ad Hoc, Mid-Connecticut Project
Elizabeth Horton Sheff – Ad-Hoc, Mid-Connecticut Project
Sherwood Lovejoy – Ad-Hoc, Bridgeport Project

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Rob Constable, Controller
Peter Egan, Director of Environmental Affairs and Development
Floyd Gent, Director of Operations
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Donna Tracy, Executive Assistant (Present until 10:30 a.m.)
Kristen Greig, Secretary to the Board/Paralegal

Also present were: Mr. Dave Arruda of MDC, Mr. Craig Scott of Covanta, Richard Goldstein, Esq. of Pepe & Hazard, Mr. Jerry Tyminski of SCRRA.

Chairman Pace called the meeting to order at 9:36 a.m. and stated that a quorum was present.

In a brief discussion, it was decided that the November Board meeting would be held at 9:00 a.m. on November 17, 2005 at 211 Murphy Road, Hartford, Connecticut.

PLEDGE OF ALLEGIANCE

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

Chairman Pace stated that, over the course of history, there are people who make significant contributions and said that Rosa Parks was one of those people. Chairman Pace requested a moment of silence for the passing of Rosa Parks, whereupon a moment of silence was observed.

PUBLIC PORTION

Chairman Pace said that the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

Chairman Pace noted that there were no comments from the public and that the Regular meeting would commence.

APPROVAL OF THE MINUTES OF THE SEPTEMBER 29, 2005 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the September 29, 2005 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Cooper.

The minutes as presented were approved. Director Sullivan abstained as he was not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan			X
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

Director O'Brien requested an update on the steps being taken to allow a transition period for towns that currently have contracts for junk mail recycling. Mr. Kirk stated that a letter had been sent to the towns requesting that towns contact CRRA if they have current junk mail contracts. Director Karanian pointed out the copy of the letter behind Tab H of the Supplemental Package. Mr. Kirk stated that CRRA was waiting for the towns to respond so management could get an idea of the number of towns that will be affected financially by the new junk mail recycling requirement. Director O'Brien pointed out that towns would be developing their budgets soon and would need to know what their obligations will be to do so.

Director O'Brien asked how the procedure will be enforced while management is compiling that information. Mr. Kirk responded that CRRA has not yet begun enforcing the new recycling requirement. Mr. Kirk said that a precedent has been set in the Bridgeport Project and CRRA needs to proceed carefully if there will be any sort of exception to the requirement. Mr. Kirk said that he would hesitate to commit to not enforcing the change through any specific time frame because that may conflict with CRRA's actions in the Bridgeport Project and invite other towns that might not have contracts to seek out other options.

After a brief discussion, it was decided that management would develop a complete list of towns that are currently receiving revenues for recycling junk mail and present that information and a recommendation no later than the January Board meeting.

APPROVAL OF THE MINUTES OF THE OCTOBER 3, 2005 SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the October 3, 2005 Special Board Meeting. The motion was made by Director O'Brien and seconded by Director Cohn.

The minutes were approved. Directors Griswold, Martland, and Sullivan abstained as they were not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Theodore Martland			X
Raymond O'Brien	X		
Andrew Sullivan			X
Timothy Griswold			X
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non-Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RECOGNITION OF COVANTA MID-CONNECTICUT, INC. FOR BEING ACCEPTED AS A MEMBER OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY'S NATIONAL ENVIRONMENTAL PERFORMANCE TRACK PROGRAM AS A RESULT OF COVANTA'S ENVIRONMENTAL PERFORMANCE AT CRRA'S MID-CONNECTICUT WASTE-TO-ENERGY FACILITY

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

RESOLVED: That the Board of Directors recognizes Covanta Mid-Connecticut, Inc. for being accepted as a member of the U.S. Environmental Protection Agency's *National*

Environmental Performance Track Program as a result of Covanta's environmental performance as CRRA's Mid-Connecticut Waste-to-Energy Facility.

The motion was seconded by Director Cohn.

Mr. Kirk informed the Board that Covanta Mid-Connecticut had been accepted as a member of the EPA's National Environmental Track Program. Mr. Kirk explained that this means that Covanta has been recognized as a leader in environmental performance. Mr. Kirk stated that this is a nationally recognized achievement and very few facilities meet the standards required to be a member of this program.

Mr. Egan congratulated Covanta for their achievement and noted that the facility would continue to be monitored by the EPA on a regular basis.

Chairman Pace asked what this acceptance means to CRRA. Mr. Kirk responded that Covanta's acceptance into this program means that CRRA's plant is operated at the highest standards of environmental performance. Chairman Pace asked if the Connecticut Department of Environmental Protection was made aware of Covanta's acceptance into this program. Mr. Kirk responded in the affirmative. Chairman Pace requested that this be posted on CRRA's website and that the Mid-Connecticut towns be notified of this accomplishment.

Mr. Scott, the representative from Covanta, thanked the Board for their recognition of Covanta's hard work to achieve this acceptance by the EPA.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Laretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING CERTAIN PROJECT RESERVES

Chairman Pace requested a motion regarding the referenced item. Director Sullivan made the following motion:

RESOLVED: that the Capital Improvement Reserve for the General Fund be dissolved.

FURTHER RESOLVED: that a Recycling Reserve be created for the Bridgeport Project to cover capital repairs and/or replacement costs for the Stratford intermediate processing center and that the initial funding of this reserve come from the settlement funds to be received from the Town of East Haven and City of Stamford.

FURTHER RESOLVED: that \$100,000 be drawn from the Mid-Connecticut Project operating account and be deposited into the Mid-Connecticut Project Recycling Education Reserve.

FURTHER RESOLVED: that \$1,457,028 from the Mid-Connecticut Project fiscal year 2005 project surplus be deposited into the Debt Service Stabilization Reserve in the Mid-Connecticut Project.

FURTHER RESOLVED: that the Waste Processing Facility Modification Reserve for the Mid-Connecticut Project be renamed the Facility Modification Reserve.

FURTHER RESOLVED: that a Landfill Development Fund be created for the Mid-Connecticut Project to pay for ash landfill development costs and that \$1,400,000 from the fiscal year 2005 project surplus be transferred into the reserve.

The motion was seconded by Director O'Brien.

Mr. Bolduc reviewed the reserves in the resolution. Mr. Bolduc explained that the Capital Improvement Reserve was established to fund the relocation of CRRA headquarters. Mr. Bolduc noted that there was a question at the Finance Committee meeting regarding funds spent in excess of the reserve and informed the Board that the overage was approximately \$7,000. Mr. Bolduc stated that the overage was absorbed in operating expenses.

Mr. Bolduc stated that the Recycling Reserve would be funded with settlement funds from East Haven and Stamford. Mr. Bolduc stated that this would be a Board-Designated reserve so the Board would first approve any funds expended for capital repairs and replacements at the Stratford intermediate processing center.

Mr. Bolduc stated that the agreement with the City of Hartford requires that CRRA set aside \$100,000 per year for the City's withdrawal for expenses related to recycling education. Mr. Bolduc said that this section of the resolution allows CRRA to set aside those funds. Mr. Bolduc noted that the Finance Committee requested that management look into whether CRRA could assist the City in determining effective uses of the funds.

Mr. Bolduc said that there was a Waste Processing Facility Modification Reserve for the Mid-Connecticut Project. Mr. Bolduc explained that the recommendation was to rename that reserve the Facility Modification Reserve to allow a broader use of the funds as opposed to limiting them to one facility.

Mr. Bolduc explained that the last section of the resolution pertained to the \$2.8 million surplus for fiscal year 2005 for the Mid-Connecticut Project. Mr. Bolduc recommended transferring \$1.4 million of the surplus to the Debt Stabilization Fund to compensate for any unmitigated losses from the Enron transaction. Mr. Bolduc stated that the remaining \$1.4 million would be used to fund the Landfill Development Reserve. Mr. Bolduc said that those funds would be needed in fiscal year 2006 for preliminary environmental work, land acquisition and other related activities.

Director O'Brien asked for confirmation that all of the funds in the reserves were "real dollars". Mr. Bolduc confirmed and stated that CRRA has made a significant effort to ensure all reserves are funded by actual cash.

Director Martland noted that there was a substantial amount of money in the reserves and pointed out that many of the reserves had trustees. Director Martland asked how much the trustees received in fees. Mr. Bolduc responded that the fees were minimal and noted that the funds with trustees were required to be so by contract or bond indenture. Mr. Bolduc said that he would provide those figures.

Director Horton Sheff asked if there was a location for the new ash landfill referenced on page 2 of the supporting documentation or if that was an expansion of the Hartford Landfill. Mr. Bolduc explained that CRRA is currently siting locations for a new ash landfill. Mr. Bolduc stated that the locations are confidential because of the issues associated with the development of a new landfill.

Director Horton Sheff referred the Committee to page 35 of the reserve analysis and noted that the purpose of the Hartford Landfill Postclosure Reserve was to monitor and maintain the landfill for five years. Director Horton Sheff asked if CRRA was only obligated to monitor the landfill for five years. Mr. Bolduc responded that this reserve is required by CRRA's permit with DEP which requires that CRRA set aside five years' worth of monitoring and maintenance costs. Chairman Pace added that CRRA is well aware that the costs of postclosure monitoring of the Hartford Landfill extend over 30 years. Chairman Pace said that CRRA wants to work together with the City of Hartford to see that the landfill is closed correctly. Chairman Pace stated that this reserve was established to simply fill a requirement of a DEP permit. Mr. Kirk explained that CRRA is in the process of discussing with Hartford what their responsibility is with regard to the closure. Director Horton Sheff stated that she wants the Board Members to be clear that the City of Hartford disagrees with CRRA's interpretation of the City's responsibility for closure of the landfill. Mr. Bolduc stated that CRRA has an accounting requirement to maintain and fund this reserve. Director Horton Sheff stated that she disagrees with the five-year responsibility, and asked for confirmation that the purpose of the reserve was to meet the permitting requirement, and the five-year time frame was not a commitment of CRRA's responsibility for the closure. Mr. Bolduc agreed.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING MID-CONNECTICUT WASTE PROCESSING FACILITY UP-GRADED DESIGN OF THE SPARE SECONDARY SHREDDER ROTORS

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

RESOLVED: That the President is hereby authorized to execute an agreement with Process Equipment Parts, Inc. to implement the purchase of two (2) new, redesigned secondary shredder rotors located at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

The motion was seconded by Director Cohn.

Director Martland asked why there was such a significant difference between the bids. Mr. Kirk responded that CRRA was not surprised by the wide range in the bids because there was not a large market for these items. Mr. Kirk explained that the items require a large amount of fabrication and differences in the design and fabrication process account for the differences in price.

Director Sullivan asked how long it would take for the shredder rotors to be completed and delivered after the signing of the contract. Mr. Kirk responded that it would take twenty weeks.

Director Griswold asked if there was any value to the shredders being replaced. Mr. Gent responded that one shredder rotor was not worth repairing and that the second one would be kept as a spare.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING AGREEMENT FOR THE REPLACEMENT OF OVERHEAD DOORS AT THE GREENWICH, NORWALK AND MILFORD TRANSFER STATIONS

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

RESOLVED: That the President is hereby authorized to execute an agreement with Overhead Door Co. of Hartford, Inc. to replace overhead doors at the Greenwich, Norwalk and Milford Transfer Stations, substantially as presented and discussed at this meeting.

The motion was seconded by Director Cohn.

Chairman Pace stated that the bids were reasonably close and asked Director Lovejoy how he, as a representative of the Bridgeport Project, felt about the replacement. Director Lovejoy responded that the towns were anxious to have the doors replaced.

Director Martland asked if CRRA received any bids from the Bridgeport or Stamford area. Mr. Gent responded that no bids were received the first time this project went out to bid so the project was bid out a second time. Mr. Gent stated that the project was advertised in various newspapers and trade publications and informed the Board that he could get the specific names of the publications. Mr. Gent noted that the specifications of the doors required by CRRA could have limited the number of bidders.

Director Martland asked why the unit cost of four doors was twice as high as the unit cost for ten doors. Mr. Gent responded that the bid for the 4 doors were for alternate doors. Mr. Gent informed the Board that he would have to get the specifics from Mr. Tracey who worked on the project.

Director Martland made a motion to table the item until further information could be provided. The motion was seconded by Director Sullivan.

The motion to table previously made and seconded was approved unanimously.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation with appropriate staff. The motion made by Director Sullivan and seconded by Director Cooper was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session:

Tom Kirk
Laurie Hunt
Richard Goldstein

The Executive Session began at 11:35 a.m. and concluded at 12:37 p.m. Chairman Pace noted that no votes were taken.

The meeting was reconvened at 12:37 p.m.

RESOLUTION REGARDING AGREEMENT FOR THE REPLACEMENT OF OVERHEAD DOORS AT THE GREENWICH, NORWALK AND MILFORD TRANSFER STATIONS

Chairman Pace requested a motion regarding to place the referenced item back on the floor for discussion. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to execute an agreement with Overhead Door Co. of Hartford, Inc. to replace overhead doors at the Greenwich, Norwalk and Milford Transfer Stations, substantially as presented and discussed at this meeting.

The motion was seconded by Director Cohn.

Mr. Gent explained that some of the doors quoted were motor operated and others were not, which accounts for the major price difference. Mr. Gent added that there was also a significant difference in the size of the doors.

Mr. Gent informed the Board that the work was advertised in the Tuesday and Sunday editions of the Hartford Courant and the New Haven Register. Mr. Gent also stated that that it was advertised in several trade papers. Director Lauretti noted that the New Haven Register is not widely circulated in the Bridgeport area and recommended advertising in the Connecticut Post. Mr. Gent stated that after there was no response to the first bid package, Mr. Tracey personally reached out to companies that CRRA had worked with in the past to encourage more vendors to submit bids.

Mr. Gent explained that one of the reasons for the limited number of bids was because CRRA was required to put a prevailing wage provision in the contract because the contract was valued over \$100,000. Mr. Gent said that CRRA was also requiring a performance bond and a construction bond. There was a brief discussion regarding prevailing wage requirements. In that discussion, Director Martland stated that he did not know of any door companies that hired union workers. Mr. Gent responded that the provision did not require union workers, only that the workers that work on the project be paid prevailing wages.

The motion previously made and seconded was not approved. This item required a 2/3 affirmative vote of the Directors, exclusive of Ad-Hocs. There were seven affirmative votes from Directors as listed below and Director Martland voted nay.

Chairman Pace stated that CRRA would try advertising this project in the area in which the work is to be completed.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland		X	
Raymond O'Brien	X		
Andrew Sullivan	X		
Sherwood Lovejoy, Ad Hoc, Bridgeport	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING ENGAGEMENT OF ALTERNATE COUNSEL TO REPRESENT FORMER AUTHORITY EMPLOYEES IN DEPOSITIONS IN THE ENRON GLOBAL SUIT

Chairman Pace requested a motion regarding to place the referenced item back on the floor for discussion. Director O'Brien made the following motion:

RESOLVED: that the President of the Authority is hereby authorized to engage counsel not on any of the Authority's current legal panels to represent former Authority employees who request such counsel in depositions to be taken by defendants in the Enron Global Suit, in accordance with the terms of the Authority's Procurement Policies and Procedures and including, but not limited to, costs and hourly fees, on the terms presented and for the purposes discussed at this meeting.

The motion was seconded by Director Cohn.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING WAIVER OF CRRA'S ATTORNEY CLIENT PRIVILEGE AS TO MURTHA CULLINA, LLP AND HAWKINS DELAFIELD & WOOD REGARDING THE ENRON TRANSACTION

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

WHEREAS, on August 30, 2002, at the request of the Connecticut Attorney General, the Board of Directors of CRRA authorized the Chairman to waive CRRA's attorney-client privilege as to Murtha Cullina, LLP and Hawkins Delafield & Wood (the "Law Firms") regarding the Enron transaction up until the filing of the Enron bankruptcy; and

WHEREAS, the defendant financial institutions in the matter of *CRRA v. Lay et al* have subpoenaed post-bankruptcy documents and are seeking discovery from the Law Firms, the compliance with which, the Law Firms maintain, requires the waiver by CRRA of its attorney-client privilege with regard to such documents and discovery;

NOW, THEREFORE, IT IS

RESOLVED: That the Board of Directors hereby authorizes the President to waive CRRA's attorney-client privilege as to Murtha Cullina, LLP and Hawkins Delafield & Wood representation of CRRA in transactions involving CRRA and Enron Corporation of Enron Power Marketing, Inc., for the period before and following the filing of the Enron bankruptcy (the "Enron Transactions"); and be it further

RESOLVED: That the Board of Directors hereby also authorizes the President to waive CRRA's attorney-client privilege as to Murtha Cullina, LLP and Hawkins Delafield & Wood representation of CRRA in transactions involving CRRA and Connecticut Light &

Power Company, Standard & Poor's, or Moody's to the extent referencing or relating to the Enron Transactions; and be it further

RESOLVED: That CRRA's counsel, Pepe & Hazard, LLP is hereby authorized to advise Murtha Cullina, LLP and Hawkins Delafield & Wood of CRRA's privilege waiver as set forth herein.

The motion was seconded by Director Cohn.

Attorney Hunt informed the Board the Attorney General agrees that the waiver is appropriate and noted that CRRA will have access to all of the documents related to this privilege waiver.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Laretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 12:45 p.m.

Respectfully submitted,



Kristen B. Greig
Secretary to the Board/Paralegal

TAB 2

**RESOLUTION IN APPRECIATION OF STEPHEN T. CASSANO'S SERVICE
TO THE CONNECTICUT RESOURCES RECOVERY AUTHORITY AND THE
CITIZENS OF THE STATE OF CONNECTICUT**

WHEREAS, in 2002 the Connecticut General Assembly reconstituted the Connecticut Resources Recovery Authority; and

WHEREAS, the new Connecticut Resources Recovery Authority was to be governed by a new Board of Directors consisting of municipal leaders and experts from private industry who would use their expertise to restore and enhance the financial and operational stability of the Authority; and

WHEREAS, STEPHEN T. CASSANO, in his capacity as Mayor of the Town of Manchester, served on the Board of Directors of the Connecticut Resources Recovery Authority from 2002 to 2005; and

WHEREAS, Mr. Cassano's efforts as Vice-Chairman of the Board of Directors and as Chairman of the Organizational Synergy & Human Resources Committee were instrumental in the furtherance of the goals of the Connecticut Resources Recovery Authority of providing environmentally sound solutions and best practices for solid waste disposal and recycling management on behalf of municipalities; and

WHEREAS, Mr. Cassano's impeccable reputation, earned through his decades of public service, brought immediate credibility to the Connecticut Resources Recovery Authority

THEREFORE, BE IT RESOLVED: That the Board of Directors of the Connecticut Resources Recovery Authority hereby extends to STEPHEN T. CASSANO thanks and affection for all of his dedication and time-consuming service to the Connecticut Resources Recovery Authority and the citizens of the State of Connecticut; and, furthermore, we, the members of the Board of Directors, extend our sincere best wishes for fulfillment and happiness in his future endeavors.

TAB 3

**RESOLUTION REGARDING THE ADOPTION
OF THE FISCAL YEAR 2007
GENERAL FUND OPERATING AND CAPITAL BUDGET**

RESOLVED: That the fiscal year 2007 General Fund Operating and Capital Budget be adopted substantially in the form as presented and discussed at this meeting.

Fiscal Year 2007
General Fund
Operating & Capital Budgets

November 17, 2005

Attached are the proposed fiscal year 2007 General Fund operating and capital budget and a five year capital plan. The following summarizes the attached budgets.

EXECUTIVE SUMMARY

The attached operating budget reflects a \$279,000 or 3.6% increase from the adopted FY06 budget.

The following table shows the increases by expenditure category.

Expenditure	Adopted FY06 Budget	Proposed FY07 Budget	Percent Change
Personnel Services	\$5,879,000	\$5,993,000	1.9%
Non-Personnel Services	\$1,492,000	\$1,670,000	11.9%
Capital Outlay	\$210,000	\$184,000	-12.4%
Debt Service Administration	\$232,000	\$244,000	5.2%
Total	\$7,813,000	\$8,091,000	3.6%

I. PERSONNEL SERVICES

Personnel services include regular pay, overtime, payroll related taxes, employee benefits, 401k contributions, benefit administration costs and other benefit costs.

Payroll & Overtime (\$55,000 or 1.3% Increase)

1. The FY07 budget includes the three (scale/enforcement, educator and government relations) positions recently approved by the Board.

2. Standard merit increases are included the contingency account.

Payroll Related Items (\$59,000 or 3.9% Increase)

1. The fiscal year 2007 budget assumes the same rates as the fiscal year 2006 budget for Medicare, FICA, Connecticut Unemployment and 401k contributions.
2. Any increase in Employee Benefits (medical, dental etc.) will be funded from the contingency account.
3. Benefits Administration remains unchanged from 2006.
4. Other Benefits is estimated to increase \$17,000 for increased bus passes, wellness reimbursements and for water and coffee costs which historically was recorded as Miscellaneous Services.

II. NON-PERSONNEL SERVICE

Non-Personnel Services include items such as postage, office supplies, rent, legal, insurance, etc.

Non-Personnel Services are expected to increase by \$178,000 or 11.9%. The attached spreadsheet shows the increase and decrease for each non-personnel service account along with a brief explanation for the change. The Authority began to budget the non-personnel services by department in fiscal year 2006 and the fiscal year 2007 has also been budgeted by department. The fiscal year 2005 actual expenses have been presented by department for ease of comparison.

The following summaries some of the changes fiscal year 2006 budget:

- Telecommunications – the budget assumes a full compliment of cell phones for the entire enforcement staff and the replacement of all of the existing cell phones.
- Copier - expenses are lower than fiscal year 2005 actual as a result of the elimination of the lease.
- Duplication and Printing - reflects an increase in overnight mailing and includes charges previously billed to Outside Copying.
- Advertising – the budget assumes the current level of filling vacancies.
- Office Supplies – reflects current trends on paper use and other supplies.
- Protective Clothing / Safety Equipment – previous expenses were booked in the project budgets

- Miscellaneous Services – the increase in cost is associated with the continuation of costs for record retrieval due to the ongoing litigation.
- Subscription / Publ. / Ref. Materials – legal is able to obtain information for free which was previously paid for.
- Training – reflects the continued efforts of management to provide training for the Authority’s employees. The increase is associated with the number of new employees at the Authority and also prior to fiscal 2006 the employee training program was under review.
- Mileage Reimbursement – reflects increase in fuel prices
- Vehicle Repair / Maintenance – the Authority currently has 18 passenger vehicles of which the Authority maintains and fuels five vehicles and the MDC maintains and fuels 12 vehicles. Another vehicle is located at the EGF. The fiscal year 2007 budget assumes the Authority will be maintaining and fueling 14 vehicles, which is an increase of 9 additional vehicles from the previous year.
- Rental / Lease – amount based upon agreement and is on target with cost benefit analysis performed during headquarter relocation.
- Fuel – associated with increase oversight of Authority passenger vehicles.
- Information Technology Maintenance – increase is associated with additional maintenance costs for software purchases including the document management system, the billing system upgrade and EProcurement. In addition, some costs that were previously billed to specific projects are now included in this budget.
- Legal – based upon the current level of activity and forecasts from legal counsel.
- Other Consulting – includes costs previously billed to Information Technology Consulting. Additional computer consulting costs are included for department backup support, expertise consulting for new software being used by the Authority and additional funds for software customization that may be necessary for EProcurement.
- Contingency – This is a new account added for fiscal year 2007. The budget is prepared using historical information and known future expenses. What is not included is an estimate of unanticipated costs. Management recommends that a contingency of 5% of the Non-Personnel budget be included in this budget to cover the unknowns. Also included in the contingency account are funds to cover merit increases and potential increases for Employee Benefits.

II. CAPITAL OUTLAY

Capital Outlay includes the purchase of new passenger vehicles and the purchase of new computer hardware and software. Capital Outlay is projected to be \$26,000 or 12.4% below the fiscal year 2006 budget.

Vehicles

As described in the Non-Personnel Services expenses the Authority will have approximately 14 vehicles in fiscal year 2007. The average miles of the Authority's passenger fleet, including those vehicles used by the enforcement staff is 75,000 miles. There are currently four vehicles that have in excess of 105,000 miles. The budget calls for a replacement plan of two vehicles per year. The Authority has increased the fiscal year 2007 budget by \$11,000 or 26% to cover the cost of two hybrid vehicles in the event the Authority chooses to pursue this type of vehicle.

Computer Hardware

The fiscal year 2007 is \$47,000 or 35.6% below the fiscal year 2006 budget. The fiscal year 2006 budget included the purchase of copiers which will not occur in fiscal year 2007. This is offset in part by the anticipated purchase of laptops for the enforcement staff.

Computer Software

Software costs are projected to be \$10,000 or 28.6% over the fiscal year 2006 budget. This expense is for an upgrade to the existing CAD software used by the Authority.

III. DEBT SERVICE / ADMINISTRATION

These costs are associated with the Authority's relocation of its headquarters from Allyn Street to the 17th and 18th floors of 100 Constitution Plaza and then a relocation to the 5th and 6th floors of 100 Constitution Plaza.

The cost of the debt is expected to increase by \$12,000 or 5.2% due to the increase in the interest rates. This increase in cost is offset by the lower rent paid by the Authority.

RECOMMENDATION

The Finance Committee voted to recommend that the resolution be presented to the Board of Directors for approval at the November meeting.

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**PROPOSED
GENERAL FUND
OPERATING & CAPITAL BUDGETS
FISCAL YEAR 2007**

November 17, 2005

GENERAL FUND

WORKING CAPITAL & RESERVE BALANCES

Restricted

Account	6/30/2004	6/30/2005
Mercury Awareness (1)	\$20,000	\$20,000
Subtotal	\$20,000	\$20,000

Unrestricted

Account	6/30/2004	6/30/2005
Operating Account (2)	\$211,800	\$188,035
Benefit Fund (3)	\$250,577	\$240,386
Capital Improvement (4)	\$333,124	\$0
Subtotal	\$795,501	\$428,421
Total	\$815,501	\$448,421

- (1) Reviewing options with DEP's Environmental Department and CRRA Projects to use up funds.
- (2) Working Capital.
- (3) Fund being maintained as defined by reserves purpose.
- (4) Board resolved reserve at their October 2005 meeting

CRRA - GENERAL FUND

EXPENDITURE AND ALLOCATION SUMMARY

EXPENDITURES

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
01-001-501-51xxx	Personnel Services	\$5,404,798	\$5,879,000	\$5,993,000
	Non-Personnel Services			
	General (Non Departmental)	\$397,215	\$444,500	\$809,400
	Finance & Accounting	\$75,608	\$162,500	\$115,400
	Operations	\$7,406	\$24,500	\$28,500
	Environmental	\$144,663	\$160,000	\$9,500
	Legal	\$155,713	\$377,500	\$286,000
	Communications	\$49,814	\$89,500	\$73,200
	Information Technology	\$211,996	\$233,500	\$348,000
01-001-501-52xxx	Subtotal	\$1,042,415	\$1,492,000	\$1,670,000
01-001-501-54xxx	Capital Outlay	\$182,407	\$210,000	\$184,000
01-001-501-55xxx	Debt Service/Administration	\$222,281	\$232,000	\$244,000
	Total Expenditures	\$6,851,901	\$7,813,000	\$8,091,000

ALLOCATION

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
01-001-000-48101	Mid-Connecticut	\$4,985,349	\$5,819,000	\$5,885,000
01-001-000-48102	Bridgeport	\$1,121,937	\$1,142,000	\$1,325,000
01-001-000-48103	Wallingford	\$541,597	\$622,000	\$640,000
01-001-000-48104	Southeast	\$182,592	\$224,000	\$216,000
01-001-000-45150	Miscellaneous Income	\$2,427	\$0	\$0
01-001-000-46101	Interest Income	\$17,999	\$6,000	\$25,000
	Total Allocations	\$6,851,901	\$7,813,000	\$8,091,000
	Balance	\$0	\$0	\$0
			14.0%	3.6%

CRRA - GENERAL FUND

EXPENDITURES DETAIL

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
PERSONNEL SERVICES				
01-001-501-51110	Payroll, Severance / Related Matters	\$3,990,432	\$4,305,000	\$4,375,000
01-001-501-51120	Overtime Payroll	\$61,724	\$45,000	\$30,000
01-001-501-51220	Medicare Tax	\$57,875	\$61,000	\$64,000
01-001-501-51221	Social Security	\$222,928	\$229,000	\$242,000
01-001-501-51222	CT Unemployment Comp	\$32,564	\$32,000	\$32,000
01-001-501-51223	401-K Contribution	\$341,238	\$419,000	\$445,000
01-001-501-51227	Employee Benefits	\$662,050	\$705,000	\$705,000
01-001-501-51235	Benefits Administration	\$13,913	\$28,000	\$28,000
01-001-501-51250	Other Benefits	\$22,074	\$55,000	\$72,000
	Subtotal	\$5,404,798	\$5,879,000	\$5,993,000
			8.8%	1.9%
Headcount		59	61	64

CRRA - GENERAL FUND

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
NON-PERSONNEL SERVICES - SUMMARY				
01-001-xxx-52101	Postage and Delivery Fees	\$25,617	\$20,000	\$27,000
01-001-xxx-52104	Telecommunications	\$71,575	\$67,000	\$80,000
01-001-xxx-52106	Copier	\$36,558	\$10,000	\$10,000
01-001-xxx-52108	Duplication and Printing	\$8,968	\$10,000	\$11,500
01-001-xxx-52111	Outside Copying	\$551	\$5,000	\$0
01-001-xxx-52115	Advertising	\$8,491	\$20,000	\$13,500
01-001-xxx-52118	Marketing & Public Relations	\$20,745	\$64,000	\$19,000
01-001-xxx-52119	Public Education	\$18,450	\$25,000	\$20,000
01-001-xxx-52201	Office Equipment	\$0	\$500	\$500
01-001-xxx-52202	Office Supplies	\$24,373	\$30,000	\$30,000
01-001-xxx-52211	Protect Clothing/Safety Equipment	\$2,585	\$13,000	\$13,000
01-001-xxx-52302	Miscellaneous Services	\$21,275	\$30,000	\$35,600
01-001-xxx-52303	Subscrip/Publ/Ref. Material	\$24,684	\$28,500	\$19,200
01-001-xxx-52304	Dues-Professional Organizations	\$4,888	\$6,000	\$6,500
01-001-xxx-52305	Business Meetings and Travel	\$12,492	\$15,000	\$13,300
01-001-xxx-52306	Training	\$12,693	\$44,000	\$65,000
01-001-xxx-52355	Mileage Reimbursement	\$5,922	\$3,000	\$9,900
01-001-xxx-52401	Vehicle Repair/Maintenance	\$4,745	\$8,000	\$15,000
01-001-xxx-52403	Office Equipment Service	\$1,170	\$3,000	\$1,200
01-001-xxx-52404	Building Operations	\$10,060	\$9,000	\$10,500
01-001-xxx-52502	Fees/Licenses/Permits	\$1,160	\$0	\$1,600
01-001-xxx-52504	Assessment / Taxes	\$450	\$0	\$0
01-001-xxx-52505	Claims/Losses	\$8,190	\$0	\$5,000
01-001-501-52604	Rental/Lease	\$173,160	\$193,000	\$217,000
01-001-xxx-52612	Fuel	\$3,278	\$2,000	\$18,700
01-001-xxx-52615	Office Temporaries	\$33,856	\$25,000	\$25,000
01-001-xxx-52640	Insurance Premiums	\$80,505	\$106,000	\$101,000
01-001-xxx-52854	Information Technology - Maint	\$24,152	\$65,000	\$72,000
01-001-xxx-52856	Legal	\$135,301	\$340,000	\$265,000
01-001-xxx-52863	Auditor	\$36,223	\$50,000	\$50,000
01-001-xxx-52875	Ins Consulting and Brokerage Services	\$2,235	\$5,000	\$7,000
01-001-xxx-52899	Other Consulting Services	\$228,063	\$295,000	\$201,000
01-001-xxx-58001	Contingency	\$0	\$0	\$306,000
	Subtotal	\$1,042,415	\$1,492,000 43.1%	\$1,670,000 11.9%

CRRA - GENERAL FUND

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
NON-PERSONNEL SERVICES - NON-DEPARTMENTAL				
01-001-501-52101	Postage and Delivery Fees	\$25,617	\$20,000	\$27,000
01-001-501-52108	Duplication and Printing	\$8,968	\$10,000	\$11,500
01-001-501-52111	Outside Copying	\$551	\$5,000	\$0
01-001-501-52201	Office Equipment	\$0	\$500	\$500
01-001-501-52202	Office Supplies	\$24,373	\$30,000	\$30,000
01-001-501-52302	Miscellaneous Services	\$20,057	\$28,000	\$34,000
01-001-501-52401	Vehicle Repair/Maintenance	\$4,745	\$8,000	\$15,000
01-001-501-52403	Office Equipment Service	\$1,170	\$3,000	\$1,200
01-001-501-52404	Building Operations	\$10,060	\$9,000	\$10,500
01-001-501-52504	Assessment / Taxes	\$450	\$0	\$0
01-001-501-52505	Claims/Losses	\$8,190	\$0	\$5,000
01-001-501-52604	Rental/Lease	\$173,160	\$193,000	\$217,000
01-001-501-52612	Fuel	\$3,278	\$2,000	\$18,700
01-001-501-52615	Office Temporaries	\$33,856	\$25,000	\$25,000
01-001-501-52640	Insurance Premiums	\$80,505	\$106,000	\$101,000
01-001-501-52875	Ins Consulting and Brokerage Services	\$2,235	\$5,000	\$7,000
01-001-501-58001	Contingency	\$0	\$0	\$306,000
	Subtotal	\$397,215	\$444,500	\$809,400
			11.9%	82.1%
NON-PERSONNEL SERVICES - FINANCE & ACCOUNTING				
01-001-510-52115	Advertising / Public Notices	\$5,507	\$10,500	\$9,500
01-001-510-52303	Subscrip/Publ/Ref. Material	\$5,600	\$2,500	\$4,400
01-001-510-52304	Dues-Professional Organizations	\$1,528	\$1,000	\$1,600
01-001-510-52305	Business Meetings and Travel	\$12,102	\$15,000	\$10,900
01-001-510-52306	Training	\$2,359	\$8,000	\$12,000
01-001-510-52355	Mileage Reimbursement	\$4,779	\$500	\$7,000
01-001-510-52863	Auditor	\$36,223	\$50,000	\$50,000
01-001-510-52899	Other Consulting Services	\$7,510	\$75,000	\$20,000
	Subtotal	\$75,608	\$162,500	\$115,400
			114.9%	-29.0%
NON-PERSONNEL SERVICES - OPERATIONS				
01-001-511-52115	Advertising / Public Notices	\$0	\$1,000	\$500
01-001-511-52211	Protect Clothing/Safety Equipment	\$2,585	\$13,000	\$13,000
01-001-511-52302	Miscellaneous Services	\$1,218	\$2,000	\$1,600
01-001-511-52303	Subscrip/Publ/Ref. Material	\$291	\$1,000	\$300
01-001-511-52304	Dues-Professional Organizations	\$398	\$2,000	\$900
01-001-511-52305	Business Meetings and Travel	\$111	\$0	\$500
01-001-511-52306	Training	\$1,678	\$5,000	\$10,000
01-001-511-52355	Mileage Reimbursement	\$75	\$500	\$500
01-001-511-52502	Fees/Licenses/Permits	\$1,050	\$0	\$1,200
	Subtotal	\$7,406	\$24,500	\$28,500
			230.8%	16.3%

CRRA - GENERAL FUND

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
NON-PERSONNEL SERVICES - ENVIRONMENTAL				
01-001-512-52115	Advertising / Public Notices	\$0	\$500	\$500
01-001-512-52303	Subscrip/Publ/Ref. Material	\$1,318	\$2,000	\$1,500
01-001-512-52304	Dues-Professional Organizations	\$932	\$2,000	\$1,100
01-001-512-52305	Business Meetings and Travel	\$236	\$0	\$500
01-001-512-52306	Training	\$1,485	\$5,000	\$5,000
01-001-512-52355	Mileage Reimbursement	\$220	\$500	\$500
01-001-512-52502	Fees/Licenses/Permits	\$0	\$0	\$400
01-001-512-52899	Other Consulting Services	\$140,472	\$150,000	\$0
	Subtotal	\$144,663	\$160,000 10.6%	\$9,500 -94.1%
NON-PERSONNEL SERVICES - LEGAL				
01-001-513-52115	Advertising / Public Notices	\$2,534	\$8,000	\$2,000
01-001-513-52303	Subscrip/Publ/Ref. Material	\$17,070	\$23,000	\$12,000
01-001-513-52304	Dues-Professional Organizations	\$350	\$1,000	\$1,200
01-001-513-52305	Business Meetings and Travel	\$0	\$0	\$400
01-001-513-52306	Training	\$348	\$5,000	\$5,000
01-001-513-52355	Mileage Reimbursement	\$0	\$500	\$400
01-001-512-52502	Fees/Licenses/Permits	\$110	\$0	\$0
01-001-513-52856	Legal	\$135,301	\$340,000	\$265,000
01-001-513-52899	Other Consulting Services	\$0	\$0	\$0
	Subtotal	\$155,713	\$377,500 142.4%	\$286,000 -24.2%
NON-PERSONNEL SERVICES - COMMUNICATIONS				
01-001-514-52115	Advertising / Public Notices	\$450	\$0	\$500
01-001-514-52118	Marketing & Public Relations	\$20,745	\$64,000	\$19,000
01-001-514-52119	Public Education	\$18,450	\$25,000	\$20,000
01-001-514-52303	Subscrip/Publ/Ref. Material	\$405	\$0	\$500
01-001-514-52304	Dues-Professional Organizations	\$1,680	\$0	\$1,700
01-001-514-52305	Business Meetings and Travel	\$40	\$0	\$500
01-001-514-52306	Training	\$179	\$0	\$5,000
01-001-514-52355	Mileage Reimbursement	\$704	\$500	\$1,000
01-001-514-52899	Other Consulting Services	\$7,161	\$0	\$25,000
	Subtotal	\$49,814	\$89,500 79.7%	\$73,200 -18.2%

CRRA - GENERAL FUND

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07
NON-PERSONNEL SERVICES - INFORMATION TECHNOLOGY				
01-001-515-52104	Telecommunications	\$71,575	\$67,000	\$80,000
01-001-515-52106	Copier	\$36,558	\$10,000	\$10,000
01-001-515-52115	Advertising / Public Notices	\$0	\$0	\$500
01-001-515-52303	Subscrip/Publ/Ref. Material	\$0	\$0	\$500
01-001-515-52305	Business Meetings and Travel	\$3	\$0	\$500
01-001-515-52306	Training	\$6,644	\$21,000	\$28,000
01-001-515-52355	Mileage Reimbursement	\$144	\$500	\$500
01-001-515-52854	Information Technology - Maint	\$24,152	\$65,000	\$72,000
01-001-515-52899	Other Consulting Services (1)	\$72,920	\$70,000	\$156,000
	Subtotal	\$211,996	\$233,500 10.1%	\$348,000 49.0%
CAPITAL OUTLAY				
01-001-501-54426	Vehicles	\$0	\$43,000	\$54,000
01-001-501-54482	Computer Hardware	\$41,767	\$132,000	\$85,000
01-001-501-54483	Computer Software	\$88,026	\$35,000	\$45,000
01-001-501-54491	Other Equipment	\$0	\$0	\$0
01-001-501-56605	Construction	\$52,614	\$0	\$0
	Subtotal	\$182,407	\$210,000 15.1%	\$184,000 -12.4%
DEBT SERVICE / ADMINISTRATION				
01-001-501-55559	Note Repayment (2)	\$107,498	\$105,500	\$108,000
01-001-501-55590	Interest Loan	\$16,152	\$6,500	\$16,000
01-001-501-55559	Note Repayment (3)	\$86,705	\$107,500	\$108,000
01-001-501-55590	Interest Loan	\$11,926	\$12,500	\$12,000
	Subtotal	\$222,281	\$232,000 4.4%	\$244,000 5.2%
	Total Expenditures	<u>\$7,497,101</u>	<u>\$8,298,500</u>	<u>\$8,627,600</u>

(1) Previously booked in the Information Technology - Consulting account.

(2) Loan for first office relocation (Allyn Street to 100 Constitution Plaza (17th&18th Floors)).

(3) Loan for second office relocation from 17 & 18 floors to 5th & 6th floors at 100 Constitution Plaza.

n/a = Not Applicable

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**PROPOSED
GENERAL FUND
FIVE YEAR CAPITAL PLAN
FISCAL YEAR 2007 - 2011**

November 17, 2004

Connecticut Resources Recovery Authority
General Fund
Five Year Capital Improvement Plan (\$000's)

<u>Expenditures</u>	Adopted FY06	Projected FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10	Projected FY11
Computer Hardware	\$132	\$165	\$85	\$180	\$154	\$101	\$82
Computer Software	\$35	\$80	\$45	\$65	\$73	\$33	\$38
Vehicles	\$43	\$41	\$54	\$54	\$54	\$54	\$54
Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$210	\$285	\$184	\$299	\$281	\$188	\$174
Funding Source (1)	\$210	\$285	\$184	\$299	\$281	\$188	\$54
Additional Funding Requirements	\$0	(\$0)	\$0	\$0	\$0	\$0	(\$120)

<u>Capital Expense Description</u>	Adopted FY06	Projected FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10	Projected FY11
Personal Computers / Laptops	\$4,000	\$29,000	\$36,000	\$110,000	\$20,000	\$30,000	\$0
Servers	\$20,000	\$30,000	\$10,000	\$38,000	\$24,000	\$34,000	\$30,000
Routers / Switches	\$5,000	\$10,000	\$10,000	\$10,000	\$0	\$5,000	\$20,000
Copiers / Printers	\$83,000	\$62,800	\$3,000	\$2,000	\$90,000	\$12,000	\$12,000
Miscellaneous Hardware	\$20,000	\$33,000	\$26,000	\$20,000	\$20,000	\$20,000	\$20,000
Desktop Software	\$0	\$0	\$15,000	\$25,000	\$26,000	\$1,000	\$1,000
Server Software	\$15,000	\$0	\$10,000	\$20,000	\$17,000	\$12,000	\$17,000
Miscellaneous Software (2)	\$20,000	\$80,000	\$20,000	\$20,000	\$30,000	\$20,000	\$20,000
Vehicles - Trucks	\$15,000	\$16,310	\$54,000	\$54,000	\$54,000	\$0	\$0
Vehicles - Cars	\$28,000	\$24,332	\$0	\$0	\$0	\$54,000	\$54,000
Additional Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(1) Operating budget.

TAB 4

**RESOLUTION REGARDING THE ADOPTION OF THE
FISCAL YEAR 2007
CONNECTICUT RESOURCES RECOVERY AUTHORITY
SOUTHEAST PROJECT OPERATING AND CAPITAL BUDGETS**

RESOLVED: That the fiscal year 2007 Connecticut Resources Recovery Authority Southeast Project Operating and Capital Budgets be adopted as substantially presented and discussed at this meeting.

Fiscal Year 2007 Southeast Project Operating & Capital Budget

November 17, 2005

Attached is the proposed fiscal year 2007 Southeast Project operating budget and capital budget, which includes a five-year capital plan and a projection of project surpluses / deficits through FY22.

This budget has been reviewed by the Southeastern Connecticut Regional Resource Recovery Authority's ("SCRRA") Board of Directors.

Over the last several years, the projections provided to the CRRRA Board and the SCRRA Board have illustrated that in the future the Southeast Project would begin to generate excess funds as a result of the increasing electricity contract rates. The fiscal year 2007 budget is the first year where significant funds are being generated as a result of the increasing electricity rates. This proposed budget includes a contribution to a future use reserve in excess of one million dollars. It is expected that the project will continue to generate increasing surpluses annually for the remaining life of the project. As a result, the SCRRA Board intends to review options with regard to these anticipated surpluses. CRRRA management has provided a projection through FY22 for the SCRRA Board to review.

EXECUTIVE SUMMARY

The attached operating budget reflects a \$364,356 or 3.0% increase from the adopted FY06 budget.

The following table shows the budget changes by revenue category.

Revenues	Adopted FY06 Budget	Proposed FY07 Budget	Percent Change
Service Charges	\$12,162,000	\$11,944,000	-1.8%
Interest Income	\$49,000	\$79,000	61.2%
Use of Undesignated Funds	\$0	\$562,156	New
Use of Post-Closure Reserves	\$131,800	\$122,000	-7.4%
Total	\$12,342,800	\$12,707,156	3.0%

SERVICE CHARGES (Decrease of \$218k or 1.8%)

Revenues are from member, contract and spot deliveries.

- **Member Deliveries**
Deliveries are projected to be slightly lower than what was projected in fiscal year 2006, but still more than what was actually delivered in fiscal year 2005.
- **Contract Deliveries**
CRRA currently has contracts with the towns of Killingly, Salem, Mansfield and Preston for waste deliveries.
 - Salem and Mansfield rates will be \$70 per ton in fiscal year 2007.
 - Preston pays the member rate per their agreement.
 - Deliveries for Salem, Mansfield and Preston are based upon historical levels.
 - The fiscal year 2007 budget assumes no deliveries from Killingly. The town is currently evaluating its options for future disposal.
- **Spot Deliveries**
Includes waste diverted from other CRRA projects, primarily the Mid-Connecticut Project.
 - Budget assumes no spot deliveries due to increased pricing and capacity issues.

INTEREST INCOME (Increase of \$30k or 61.2%)

- Assumes annual interest rate of 4.5%

USE OF UNDESIGNATED / UNRESTRICTED FUNDS (Increase of \$562k)

- This is the fiscal year 2005 surplus. Per the municipal service agreements the surplus is to be included in the next budget cycle and used in the calculation of the net operating costs.

USE OF POST-CLOSURE RESERVES (Decrease of \$9k or 7.4%)

- These funds are drawn from the post-closure reserve to pay for the operating maintenance costs associated with the 30-year care of the landfill. The costs are projected to be slightly lower than in fiscal year 2006. This is a restricted reserve under SCRRA's oversight.

The following table shows the budget changes by expense category.

Expenditures	Adopted FY06 Budget	Proposed FY07 Budget	Percent Change
General Administration	\$1,093,700	\$1,086,500	-0.7%
Debt Service / Administration	\$1,278,000	\$888,000	-30.5%
Resources Recovery Facility	\$6,653,200	\$5,788,000	-13.0%
Ash Disposal	\$2,282,000	\$2,948,000	4.5%
Recycling	\$284,100	\$476,000	67.5%
Montville Landfill	\$211,800	\$477,000	125.2%
Future Needs Reserve	\$0	\$1,043,656	n/a
Total	\$12,342,800	\$12,707,156	3.0%

GENERAL ADMINISTRATION (Decrease of \$7k or 0.7%)

Expenditures include CRRA's salaries and overhead allocation, CRRA legal costs and other miscellaneous administrative costs and SCRRRA's administrative costs.

- There are no significant changes for fiscal year 2007.

DEBT SERVICE / ADMINISTRATION (Decrease of \$390k or 30.5%)

Expenditures include principal and interest payments due on the debt and trustee fees.

- The fiscal year 2007 budget does not include debt service payments for the 1989 bonds which were fully redeemed in fiscal year 2005.

RESOURCES RECOVERY FACILITY (Decrease of \$865k or 13.0%)

Budget items include the PILOT payments, insurance premiums, plant processing costs, offset by electricity sales, and contributions to working capital.

- **Contract Operating Charges**
These charges include both amounts paid to the plant operator to operate, maintain and process waste at the plant and the energy revenues generated from the operations from the plant. The cost to operate the plant is increasing based upon certain indices, but the electricity revenues are increasing at a faster rate based upon contract rates. The current electricity contract rate for fiscal year 2007 is \$.1685 per kwh as compared to \$.1575 in fiscal year 2006. The project receives approximately \$800k for each \$.01 increase in the kwh rate. As a result, the net charges are lower.

ASH DISPOSAL (Increase of \$126k or 4.5%)

Expenditures include only the cost for ash disposal.

- The fiscal year 2007 budget assumes a much higher cost for ash disposal as compared to the fiscal year 2006 budget as a result of a higher than expected increase in the index for actual fiscal year 2006.

RECYCLING (Increase of \$191k or 67.5%)

Past SCRRRA budgets have been for an administrative person and related overhead costs to oversee SCRRRA's recycling facility and to assist the towns in their recycling efforts. The fiscal year 2007 budget includes some additional line items to cover costs for household hazardous waste collections, recycling tip fees paid by the towns and the some recycling facility capital costs.

MONTVILLE LANDFILL POST-CLOSURE (Increase of \$265k or 125.2%)

SCRRRA expenditures are to cover the cost for the 30-year post-closure monitoring of the landfill, mortgage payments associated with the landfill and contributions to replenish the post-closure reserve. In fiscal year 2005, a portion of the post-closure funds were used to redeem the 1989 bonds and the reserve now needs to be replenished. The fiscal year 2007 budget includes a line item to replenish the post-closure reserve in the amount of \$280,000.

CONTRIBUTION TO FUTURE NEEDS RESERVE (Increase of \$1M)

- The expenditures for fiscal year 2007 include a \$1 million contribution to a Future Needs Reserve for fiscal year 2007.

RECOMMENDATION

The Finance Committee voted to recommend that the attached draft resolution be presented to the CRRA Board of Directors at their regularly scheduled meeting in November for adoption. The CRRA Board of Directors can only adopt the CRRA portion of the budget and not the SCRRRA budget or tip fee as stipulated in the agreements.

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**PROPOSED
SOUTHEAST PROJECT
OPERATING & CAPITAL BUDGET
FISCAL YEAR 2007**

November 17, 2005

SOUTHEAST PROJECT

WORKING CAPITAL & RESERVE BALANCES

Restricted

<u>Account</u>	<u>6/30/2004</u>	<u>6/30/2005</u>
Montville LF Postclosure (1)	\$2,032,339	\$156,504
Subtotal	\$2,032,339	\$156,504

Unrestricted

<u>Account</u>	<u>6/30/2004</u>	<u>6/30/2005</u>
Operating Account (2)	\$1,878,362	\$2,007,289
Risk Fund (3)	\$251,972	\$251,972
Subtotal	\$2,130,334	\$2,259,261
Total	\$4,162,673	\$2,415,765

- (1) Required for 30 years postclosure costs.
- (2) Working Capital.
- (3) Continue to maintain reserve for intended purpose.

CRRA / SCRRRA - SOUTHEAST PROJECT

BUDGET ASSUMPTIONS

ASSUMPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
Member Tip Fee MSW	\$60.00	\$60.00	\$60.00	n/a
Average Contract Tip Fee MSW	\$66.37	\$65.44	\$66.37	\$66.37
CRRA Diversion Rate	\$61.50	\$64.50	\$67.50	\$67.50
Average Price/Ton Company	\$56.90	\$58.48	\$57.73	\$57.73
DELIVERIES AND PROCESSING				
Member Waste	177,756	189,500	189,000	189,000
Contract Waste	9,824	12,100	9,100	9,100
CRRA Diversions	8,339	0	0	0
Total Authority Deliveries	195,919	201,600	198,100	198,100
Company/Spot/Merchant Waste	65,555	55,400	61,900	61,900
Municipal Solid Waste Deliveries	261,474	257,000	260,000	260,000
Waste Processed	256,313	257,000	260,000	260,000
POWER PRODUCTION				
kwh/Ton	515	540	525	525
Electric Power Produced (kwh)	126,679,552	134,833,316	132,662,946	132,662,946
Average Price/Kwh Sold	\$0.1484	\$0.1575	\$0.1685	\$0.1685
ASH DISPOSAL				
Total Ash Generated	71,419	73,245	72,800	72,800
Authority Ash	52,790	54,432	53,487	53,487
Actual Ash Residue Rate	27.86%	28.50%	28.00%	28.00%
Ash Disposal Cost/Ton	\$37.86	\$38.53	\$40.50	\$40.50
Ash Transport Cost (Credit)	\$5.41	\$5.55	\$5.79	\$5.79
OPERATING FEES & OTHER				
Operating Escalation Factor (OEF)	1.709	1.754	1.829	1.829

PRIMARY CONTRACT EXPIRATIONS

CONTRACT

Municipal Service Agreements with Towns	November 2015
Energy Purchase Agreement	February 2017
Debt Service Obligations	November 2015
Resources Recovery Facility Operating Contract	November 2015
Ash Disposal Agreement	December 2008

CRRA / SCRRRA - SOUTHEAST PROJECT

REVENUE AND EXPENDITURE SUMMARY

REVENUES

ACCOUNT	DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
11-001-000-40101	Service Charges Solid Waste - Members	\$10,665,546	\$11,370,000	\$11,340,000	n/a
11-001-000-40102	Service Charges Solid Waste - Contracts	\$630,500	\$792,000	\$604,000	\$604,000
11-001-000-40103	Service Charges Solid Waste - Spot	\$512,861	\$0	\$0	\$0
11-001-000-46101	Interest Income	\$59,258	\$49,000	\$79,000	\$79,000
11-001-000-48201	Use of Undesignated / Unrestricted Funds	\$0	\$0	\$562,156	n/a
11-405-000-48401	Use of Postclosure Reserves*	\$112,461	\$131,800	\$122,000	n/a
11-405-000-48401	Use of Postclosure Reserves (Non LF)*	\$1,555,718	\$0	\$0	n/a
11-001-000-48203	Use of DSRF	\$398,171	\$0	\$0	\$0
	Total Revenues	\$13,934,515	\$12,342,800	\$12,707,156	\$683,000

EXPENDITURES

ACCOUNT	DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
11-001-501-xxxxx	General Administration	\$803,234	\$1,093,700	\$1,086,500	\$278,000
11-001-502-xxxxx	Debt Service / Administration	\$3,157,153	\$1,278,000	\$888,000	\$888,000
11-001-503-xxxxx	Resources Recovery Facility	\$6,351,788	\$6,653,200	\$5,788,000	\$5,788,000
11-001-504-xxxxx	Ash Disposal	\$2,703,124	\$2,822,000	\$2,948,000	\$2,948,000
11-001-506-xxxxx	Recycling	\$172,632	\$284,100	\$476,000	n/a
11-001-901-xxxxx	Landfill - Montville	\$184,428	\$211,800	\$477,000	n/a
11-001-901-xxxxx	Contribution to Future Needs Reserve	\$0	\$0	\$1,043,656	n/a
	Total Expenditures	\$13,372,359	\$12,342,800	\$12,707,156	\$9,902,000
	Balance	\$562,156	\$0	\$0	n/a

*Postclosure Reserve is restricted for SCRRRA use.

CRRA / SCRRRA - SOUTHEAST PROJECT

EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
GENERAL ADMINISTRATION					
11-001-501-52355	Mileage Reimbursement	\$373	\$1,000	\$1,000	\$1,000
11-001-501-52856	Legal	\$5,228	\$40,000	\$40,000	\$40,000
11-001-501-52863	Auditor	\$11,040	\$20,000	\$20,000	\$20,000
11-001-501-52875	Insurance Broker	\$397	\$1,000	\$1,000	\$1,000
11-001-501-52899	Other Consulting Services	\$5,992	\$0	\$0	\$0
11-001-501-57820	Local Administration	\$597,612	\$807,700	\$808,500	n/a
11-001-501-57840	Allocation - Salaries	\$109,536	\$125,000	\$119,000	\$119,000
11-001-501-57850	Allocation - Overhead	\$73,056	\$99,000	\$97,000	\$97,000
	Subtotal	\$803,234	\$1,093,700	\$1,086,500	\$278,000
DEBT SERVICE / ADMINISTRATION					
11-001-502-52899	Other Consulting Services	\$0	\$0	\$1,000	\$1,000
11-001-502-55518	Interest - 89 Series A	\$136,847	\$146,000	\$0	\$0
11-001-502-55527	Interest - 98 Series A	\$396,636	\$370,000	\$341,000	\$341,000
11-001-502-55560	Principal - 98 Series A	\$492,319	\$519,000	\$546,000	\$546,000
11-001-502-55560	Principal - 89 Series A	\$2,123,751	\$243,000	\$0	\$0
11-001-502-55585	Trustee Fees	\$7,600	\$0	\$0	\$0
	Subtotal	\$3,157,153	\$1,278,000	\$888,000	\$888,000
RESOURCES RECOVERY FACILITY					
11-001-503-52507	Payment in Lieu of Taxes	\$591,816	\$618,000	\$646,000	\$646,000
11-001-503-52640	Insurance Premiums	\$25,594	\$18,000	\$21,000	\$21,000
11-001-503-52701	Contract Operating Charges	\$5,734,378	\$5,765,000	\$5,011,000	\$5,011,000
11-001-503-52673	Contribution to Working Capital	\$0	\$252,200	\$110,000	\$110,000
11-001-503-52858	Engineering	\$0	\$0	\$0	\$0
	Subtotal	\$6,351,788	\$6,653,200	\$5,788,000	\$5,788,000

CRRA / SCRRRA - SOUTHEAST PROJECT

EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
ASH DISPOSAL					
11-001-504-52711	Disposal Fees - Ash	\$2,703,124	\$2,822,000	\$2,948,000	\$2,948,000
	Subtotal	\$2,703,124	\$2,822,000	\$2,948,000	\$2,948,000
RECYCLING					
11-001-506-52701	Operating Charges	\$172,632	\$284,100	\$445,500	n/a
11-001-506-56605	Capital Expenditures	\$0	\$0	\$30,500	n/a
	Subtotal	\$172,632	\$284,100	\$476,000	n/a
LANDFILL - MONTVILLE					
11-405-910-52645	Postclosure Expense	\$111,906	\$131,800	\$122,000	n/a
11-001-901-xxxxx	Postclosure Reserve Contribution	\$0	\$0	\$280,000	n/a
11-001-910-52709	Other Operating Charges	\$72,522	\$80,000	\$75,000	n/a
11-001-910-58001	Contingency	\$0	\$0	\$0	n/a
	Subtotal	\$184,428	\$211,800	\$477,000	n/a

CRRA / SCRRRA - SOUTHEAST PROJECT

Exhibit A - Service Fee to American Ref-Fuel

DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
Debt Service (DS)				
Project Bond DS (88.872%)	\$7,069,027	\$7,095,000	\$7,085,000	\$7,085,000
Interest Earnings on Project Bonds	(\$227,352)	(\$258,000)	(\$342,000)	(\$342,000)
Trustee Fees on Project Bonds	\$23,046	\$23,000	\$23,000	\$23,000
Subtotal	\$6,864,721	\$6,860,000	\$6,766,000	\$6,766,000
Base Operating Charge (BOC)	\$9,149,986	\$9,391,000	\$9,792,000	\$9,792,000
Pass Through (PT)				
Water	\$225,800	\$248,000	\$234,000	\$234,000
Electricity	\$212,487	\$242,000	\$213,000	\$213,000
Administration (Billing & Clerical)	\$13,000	\$13,000	\$13,000	\$13,000
Residue Transportation	\$286,003	\$302,000	\$310,000	\$310,000
Discriminatory Taxes	\$387,834	\$293,000	\$350,000	\$350,000
Insurance	\$197,739	\$200,000	\$230,000	\$230,000
Mercury Control	Incl. UCC	\$59,000	\$57,000	\$57,000
Convex UCC - QEI	See UCC	\$4,000	\$4,000	\$4,000
SNCR O&M	\$0	\$104,000	\$137,000	\$137,000
Other (lime, interconnect maint.)	\$23,777	\$30,000	\$30,000	\$30,000
Subtotal	\$1,346,640	\$1,495,000	\$1,578,000	\$1,578,000
Other Adjustments				
Energy Share (ES)	(\$11,775,513)	(\$12,667,000)	(\$13,543,000)	(\$13,543,000)
Energy Makeup Allowance (EMU)	\$82,305	\$82,000	\$82,000	\$82,000
Curtailment Sales	\$83,491	(\$57,000)	(\$79,000)	(\$79,000)
Uncontrollable Circumstance Costs (UCC)	\$143,041	\$0	\$0	\$0
Federal Tax Law Surcharge (FTLS)	\$912,606	\$937,000	\$977,000	\$977,000
Landfill Costs (TG - 195,520) (LC)	(\$702,473)	(\$725,000)	(\$782,000)	(\$782,000)
Other Waste Share (OWS)	\$0	\$0	\$0	\$0
(\$30 * OEF * (CRRAW > TG)	\$918,703	\$1,242,000	\$1,103,000	\$1,103,000
Ferrous Recovery	(\$85,000)	\$0	(\$20,000)	(\$20,000)
Prorated Acceptable Waste Surcharge	(\$835,786)	(\$793,000)	(\$863,000)	(\$863,000)
Subtotal	(\$11,258,626)	(\$11,981,000)	(\$13,125,000)	(\$13,125,000)
SERVICE FEE =	\$6,102,721	\$5,765,000	\$5,011,000	\$5,011,000

CRRA / SCRRRA - SOUTHEAST PROJECT

Exhibit B - SCRRRA Administrative Budget

	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
DESCRIPTION				
Salaries	\$185,579	\$191,200	\$223,500	n/a
Benefits and Taxes	Incl. Above	Incl. Above	Incl. Above	n/a
Expenses				
Executive Director	\$0	\$3,500	\$0	n/a
Professional Services				
Attorney Fees	\$40,602	\$45,000	\$40,000	n/a
CPA Audit	\$7,900	\$8,800	\$20,000	n/a
Inspector (tipping floor)	\$0	\$50,000	\$0	n/a
Outside Consulting (MSW Study)	\$0	\$100,000	\$20,000	n/a
Contractual Services				
Insurance				
General Liability	\$9,290	\$12,000	\$11,600	n/a
Commercial Property	\$11,288	\$16,500	\$14,100	n/a
Commercial Umbrella	\$13,477	\$10,000	\$16,900	n/a
	<u>\$34,055</u>	<u>\$38,500</u>	<u>\$42,600</u>	n/a
Personnel Bond	\$181	\$200	\$200	n/a
Worker's Compensation	\$1,094	\$2,500	\$1,350	n/a
Postage Meter	\$551	\$1,000	\$750	n/a
Postage Fees	\$1,528	\$2,000	\$2,000	n/a
Computer Service	\$444	\$0	\$2,500	n/a
Copy Machine	\$8,660	\$1,500	\$1,500	n/a
Copy Machine - Service	\$0	\$2,500	\$0	n/a
Telephone	\$2,980	\$5,000	\$3,500	n/a
Internet Service	\$444	\$1,200	\$5,400	n/a
Bank & Payroll Service Charges	\$1,978	\$2,200	\$2,200	n/a
Tub Grinder	\$0	\$0	\$100,000	n/a
Commodities				
Office Supplies	\$3,311	\$3,500	\$3,500	n/a
Storage	\$1,960	\$500	\$0	n/a
Storage Building	\$0	\$15,000	\$0	n/a
Equipment				
Computers/Software	\$2,230	\$3,600	\$3,000	n/a
Computers/Hardware	\$0	\$3,000	\$2,000	n/a
Office Equipment/Copier	\$0	\$3,000	\$2,000	n/a
Contingencies	\$2,910	\$15,000	\$15,000	n/a
Transportation Subsidy	\$281,348	\$309,000	\$317,500	n/a
SCRRRA Administrative Budget	<u>\$577,755</u>	<u>\$807,700</u>	<u>\$808,500</u>	n/a
Use of Retained Earnings		\$0		
Total	<u>\$577,755</u>	<u>\$807,700</u>	<u>\$808,500</u>	n/a
Total	\$0	\$0	\$1,043,656	n/a

CRRA / SCRRRA - SOUTHEAST PROJECT

Exhibit C - SCRRRA Recycling Budget

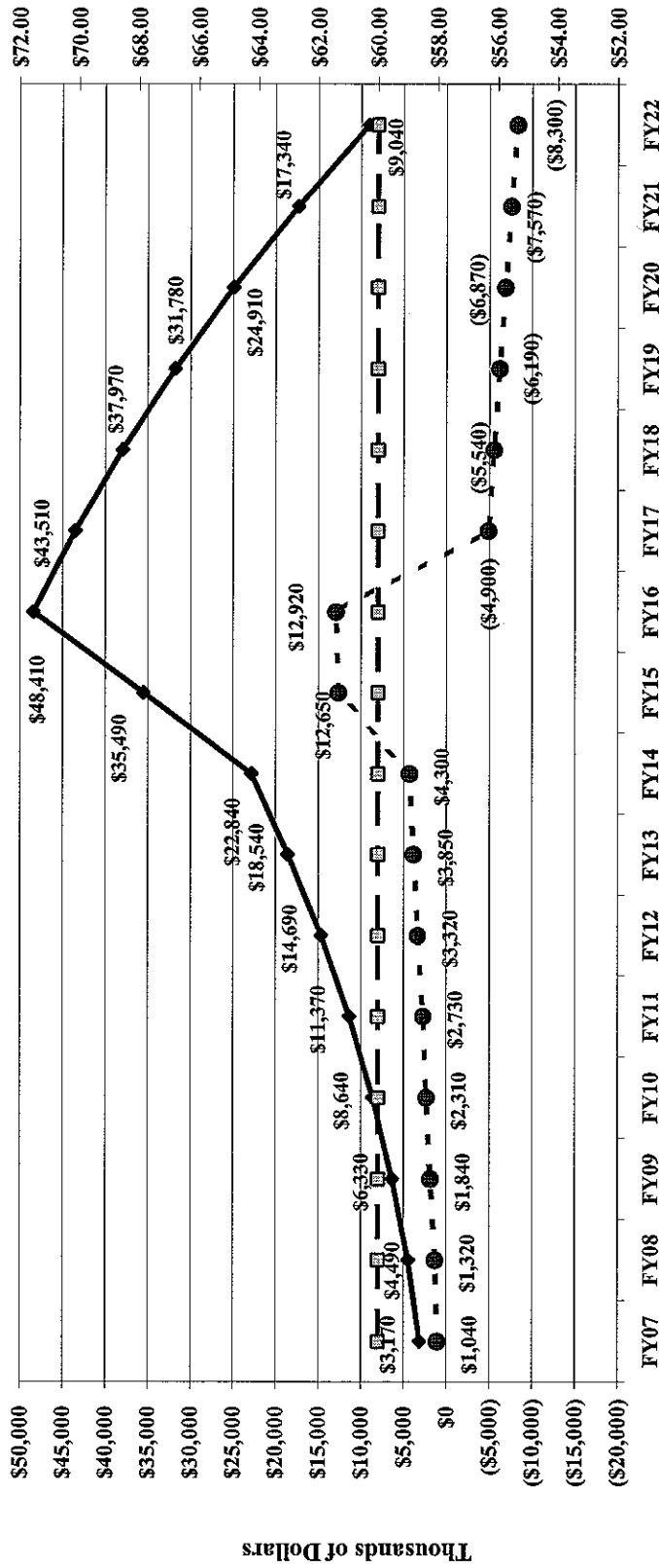
DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
Salaries	\$76,371	\$80,600	\$79,050	n/a
Benefits and Taxes	Incl. Above	Incl. Above	Incl. Above	n/a
Operating Expenses				
Attorney Fees	\$2,970	\$500	\$1,500	n/a
Telephone	\$1,826	\$2,500	\$2,500	n/a
Publicity	\$3,897	\$10,000	\$15,000	n/a
HVAC	\$1,343	\$1,500	\$1,750	n/a
Bank & Payroll Service Charges	\$1,202	\$850	\$1,050	n/a
Office Supplies	\$375	\$750	\$750	n/a
Office Equipment	\$0	\$3,000	\$1,000	n/a
Maintenance & Testing	\$0	\$10,000	\$7,500	n/a
Trash Disposal	\$34,762	\$43,500	\$39,400	n/a
Trash Hauling	\$16,976	\$14,400	\$15,000	n/a
Compost Bins	\$6,300	\$0	\$6,500	n/a
America Recycles Day	\$740	\$7,500	\$7,500	n/a
Earth Day	\$0	\$4,000	\$4,000	n/a
HHW Collection	\$7,505	\$0	\$100,000	n/a
HHW Publicity	\$2,776	\$5,000	\$10,000	n/a
Electronics Recycling	\$39,219	\$45,000	\$100,000	n/a
Electronics Recycling - Town Collection	\$0	\$50,000	\$0	n/a
Electronics Publicity	\$4,949	\$3,000	\$10,000	n/a
Recycling Tip Fees	\$0	\$0	\$38,000	n/a
Capital Improvements	\$0	\$0	\$30,500	n/a
Contingencies	\$6,554	\$2,000	\$5,000	n/a
SCRRRA Recycling Budget	<u>\$207,766</u>	<u>\$284,100</u>	<u>\$476,000</u>	<u>n/a</u>
Use of Retained Earnings		\$0		
Net SCRRRA Administrative Budget	<u>\$207,766</u>	<u>\$284,100</u>	<u>\$476,000</u>	<u>n/a</u>

CRRA / SCRRRA - SOUTHEAST PROJECT

Exhibit D - SCRRRA Landfill Budget (Postclosure)

DESCRIPTION	ACTUAL FY05	ADOPTED FY06	PROPOSED FY07	PROPOSED FY07 CRRA
Contract Operating Charges	\$112,468	\$131,800	\$122,000	n/a
Mortgage	\$72,492	\$80,000	\$75,000	n/a
Postclosure Reserve Contribution	\$0	\$0	\$280,000	n/a
Contingency	\$0	\$0	\$0	n/a
Subtotal	\$184,959	\$211,800	\$477,000	n/a

Southeast Project - Projections
Surplus/(Deficit) and Reserve Balance Projections
\$60 Tip Fee FY07 through FY22



CONNECTICUT RESOURCES RECOVERY AUTHORITY

**PROPOSED
SOUTHEAST PROJECT
FIVE YEAR CAPITAL PLAN
FISCAL YEAR 2007**

November 17, 2005

Connecticut Resources Recovery Authority
Southeast Project
Five Year Capital Improvement Plan (\$000's)

<u>Expenditures</u>	Adopted FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10	Projected FY11
Resource Recovery Facility	\$0	\$0	\$0	\$0	\$0	\$0
Regional Recycling Facility	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Funding Source (1)	\$0	\$0	\$0	\$0	\$0	\$0
Additional Funding Requirements	\$0	\$0	\$0	\$0	\$0	\$0

<u>Capital Expense Description</u>	Adopted FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10	Projected FY11
<u>Resource Recovery Facility</u>						
No Plans at this time	\$0	\$0	\$0	\$0	\$0	\$0
<u>Regional Recycling Facility</u>						
No Plans at this time	\$0	\$0	\$0	\$0	\$0	\$0

*SNCR system for Nox installed in FY04.

TAB 5

**RESOLUTION REGARDING INSURANCE CONSULTING AND
BROKER SERVICES AGREEMENT**

RESOLVED: That the Chairman or President of CRRA is hereby authorized to execute the Insurance Consulting and Broker Services Agreement with Aon Risk Services for the period January 1, 2006 through December 31, 2008 for a total fixed fee as presented and discussed at this meeting.

Memorandum

To: Finance Committee
From: Broker Selection Committee
Subject: Insurance Consultant and Broker Selection
Date: November 10, 2005

On August 1, 2005, CRRA issued a Request for Proposals (RFP) for Consulting and Broker Services. Proposals were received on September 1, 2005.

After evaluating the proposals in response to the RFP and interviewing the firms, the Selection Committee's analysis is that Aon is the preferred Proposer.

Approval of the Finance Committee and recommendation for approval by the Board of Directors is requested at its meeting on November 17, 2005.

INTRODUCTION

Before discussing the procurement process and its results, we believe it is important for the Committee to understand why it is critical for CRRA to retain the services of a broker/consultant. Virtually all of the lines and limits of insurance that CRRA requires are not available in the direct-buy market; therefore a broker is necessary. It is also important to understand that brokers not only place insurance, but can provide a wide array of consulting and advisory services:

1. Risk Management

CRRA's broker/consultants have been used as an extension of CRRA's one person Risk Management staff by providing us with brokers who specialize in our industry as well as claims and loss control consultants who bring years of experience to bear on our behalf. Services CRRA has looked to its broker to perform include:

- advice and consultation on contract issues (risk transfer, hold harmless, indemnification);
- professional advice and documentation regarding loss control standards, industry

practices, acceptable alternatives and negotiation strategies;

- claim handling advocacy; and
- advice on trends in risk management.

2. Administrative/Brokerage Services

An important part of the brokerage service is helping to manage the day-to day operations of our insurance programs. This may mean finding solutions for unusual situations, answering questions about coverage, or answering other special requests made by CRRA. It is difficult to define the specific ways that these abilities may manifest themselves because every situation is unique. In general, our broker's job is to do whatever is needed to assure that CRRA's programs are managed efficiently, kept up-to-date with changing exposures, and continually adjusted to respond to our business needs. Among the variety of tasks our brokers are asked to handle are:

- Adjusting Coverage to Respond to Changing Needs
- Policy Review
- Preparation of Schedules of Insurance
- Preparation of Certificates of Insurance/Auto ID Cards
- Premium Invoicing/Allocation/Audit

a. Casualty Claims Management Program Development/Administration

CRRA's Casualty Claims Consultants work with us to develop and operate a claim management program. These efforts take a proactive approach to claims, encompassing a number of pre-claim and post-claim services:

- in-depth analysis of current programs to identify areas in need of enhancement
- development or review of CRRA's claim handling requirements/capabilities
- coordinating carrier claim and information services
- assistance with selection of third party administrators (TPA) for our self-insurance retention (SIR) as necessary
- pursuing rights after insurer's disclaimer or reservation of rights (requires familiarity with latest policy wordings and judicial interpretations)
- aggressively monitoring claims to assure quick and proper resolution
- analyzing carrier/TPA reserves to ensure that reserves are being properly established, all agreed to procedures are being adhered to, and that all claims are being handled in the most cost-efficient manner

- preparing written summary reports of all qualified claims as a part of reserve analysis
- helping coordinate the handling of multi-carrier claims (e.g., automobile, property, etc) and promoting defense sharing agreements

b. Property Claims/Loss Control Management

Property claims consultants work with CRRA to ensure that our property claims are handled promptly and efficiently and that we obtain the maximum recovery possible under our property program. They actively participate in all pre-loss and post-loss activities, from the initial incident to the conclusion of the claim. They coordinate with their in-house Loss Control Consultants to see that loss-control activities and expenditures are appropriate to the type of losses that CRRA faces. In other words, they help us learn from one loss to help prevent the next one.

The following are property claim services our brokers normally perform for us:

- Maintaining claims files
- Providing on-site inspection support when necessary
- Ensuring prompt settlements
- Assisting in claims preparation
- Reviewing claim submissions
- Negotiating settlements
- Maintaining historical database

3. Reserve Analysis

An evaluation of insurer reserves is necessary for optimal cash flow and to accurately assess premium costs. If a carrier's reserves are set too high, they can tie up funds. Reserve analysts carefully review open cases to assure that an appropriate reserve has been set. These analysts keep abreast of changes in the law and are knowledgeable about the ultimate value of every conceivable type of casualty claim. The reserve analysts look for possible application of hold harmless agreements of suppliers or contractors, lease agreements, and contracts. These activities result in assurance that future premiums are not inflated due to poor claim reserving practices. Good insurer reserves also contribute to the financial health and stability of the insurance company which benefit entities who purchase insurance from the company.

4. Conclusion

If CRRA did not engage the services of a broker/consultant that possessed the variety of professional expertise outlined above, we would have to engage the services of several disciplines, either through contracts or by additions to staff (full and/or part time), including:

- a safety engineer to assist with loss control, e.g., facility inspections (also see #1 & 2 above – *risk management and administrative/broker services*);
- a property broker/agent to place insurance and a property claim specialist to assist with adjusting various kinds of property damage, business interruption and extra expense claims (also see #2b above);
- a casualty broker/agent to place various forms of casualty insurance and a casualty claim specialist to assist with adjusting the many kinds of casualty claims including auto, general liability, pollution legal liability, etc. (also see #2a above); and
- attorneys specializing in environmental law, e.g., to review polices for appropriate terms and conditions and provide and advise re environmental claims (also see #1 & #2 above).

Adding this number and variety of skills to CRRRA's staff would be cost prohibitive and executing individual professional service contracts would be impractical. Contracting with a consultant/broker that provides these many and varied services is the approach CRRRA has found most productive.

PROCUREMENT PROCESS

Three (3) responses to our RFP were received – Marsh USA, Inc. (Marsh), Aon, and H. D. Segur Insurance (Segur). (The RFP issued in 2002 for these services generated submission of two (2) proposals - Marsh and Hilb, Rogal & Hamilton Company of Connecticut, LLC (HRH)).

Grading and Scoring

The responses were reviewed and scored based upon responsiveness and experience/qualifications of the firms. Reviewers were the Chief Financial Officer, the Development, Environmental Compliance and IT Manager, the Human Resources Manager and the Risk Manager (the "Selection Committee"). The analysis was done prior to reviewing pricing information. Out of a possible perfect score of 40, Marsh scored 37.25; Aon scored 36.05; and, Segur scored 28.5 (scoring chart attached – Exhibit A). The price quotes were then opened and reviewed.

Interviews were held with the candidate teams from Aon and Segur on Monday, October 17th. The Selection Committee believes that the price quoted by Marsh excluded further consideration of its proposal. The Committee members (except for Chris Hyfield) took part in the interviews and had the opportunity to ask questions.

Pricing

Our current broker/consultant, Marsh USA, Inc. (Marsh), was chosen through a competitive process conducted in 2002. The three-year agreement with CRRA's insurance broker expires as of December 31, 2005. The cost of the expiring three-year fixed fee agreement was \$307,000.

The pricing provided by each Proposer is detailed on the chart attached to this memorandum as Exhibit B).

	<u>Aon</u>	<u>Segur</u>
Year 1	\$150,000	\$ 70,000
Year 2	\$150,000	\$ 60,000
Year 3	<u>\$150,000</u>	<u>\$ 60,000</u>
3-Year Fixed Cost	\$450,000	\$190,000

Even though there is a significant cost differential in favor of Segur, it is the consensus of the Selection Committee that in today's insurance market and in view of CRRA's unique and varied exposures, Aon's depth of expertise, experience in the resources recovery industry, and market clout are extremely important strengths.

Large firms, such as Aon, place hundreds of millions of dollars in premiums on behalf of their clients on an annual basis. The leverage created by this volume of business musters a tremendous amount of influence with insurance markets. This helps assure that CRRA obtains broad terms and conditions at the most competitive price available, and, more importantly, assists us in the resolution of difficult claims.

Aon's environmental resources compared to Segur's are the most compelling argument for selecting Aon as our environmental exposures are potentially among our most expensive and difficult to cover. Segur offered the services of two of the firm's partners who do not have any particular expertise in the area of environmental protection. Aon, on the other hand, has heavily invested in the establishment of one of the largest practice groups focusing solely on the management of environmental liabilities. This practice group is made up of thirty professionals located across the country. For each account a team is developed to deal with a blend of financial, legal and risk management principles related to environmental issues. The account team is headed by a project manager who works with marketing consultants, environmental consultants, environmental attorneys and claims attorneys. The Selection Committee believes this kind of dedicated and unique approach to CRRA's environmental exposures is valuable and cost-effective in the long term.

Another important area in which Aon's expertise appears superior to Segur's is that of Public Officials insurance placement and claim handling. The company created Aon Financial Services Group (FSG), made up of over 200 individuals specifically to serve directors and officers and financial products needs of their clients. The FSG group is dedicated to the creation and management of Directors and Officers Liability, Errors & Omissions/Professional Liability, Employment Practices Liability, Commercial Crime, Fiduciary Liability and other specialty products for their clients. This group brings a vast pool of experience, which includes underwriting, claims adjusting, legal and insurance defense, finance, risk management and accounting. Segur relies upon their work with 60 municipalities that require public officials' insurance coverage. There are a total of 70 employees in the Segur organization.

The amount budgeted for these broker/consulting services, beginning in January 2006 through December 31, 2008, was \$350,000.00. This estimate was based upon information available at the time the budgets were prepared. The Aon proposal is outside the budget; however, the insurance premium savings CRRA has realized to date will be used to offset the overage.

Attachments

**REQUEST FOR PROPOSALS
INSURANCE CONSULTANT & BROKER SERVICES
TECHNICAL REVIEW**

EVALUATION ITEM	WEIGHTING VALUE	Segur		Marsh		Aon	
		RATING	SCORE	RATING	SCORE	RATING	SCORE
1 Understanding CRRA needs	0.050	25	1.25	40	2.00	30	1.50
2 Ability to communicate effectively	0.050	34	1.70	39	1.95	37	1.85
3 Market clout	0.150	25	3.75	39	5.85	38	5.70
4 Marketing experience and professional qualifications	0.200	30	6.00	39	7.80	40	7.90
5 Experience with public sector clients	0.100	30	3.00	39	3.90	38	3.75
6 Access to speciality markets and surplus lines	0.200	30	6.00	38	7.60	39	7.80
7 Knowledge of market conditions	0.100	29	2.90	39	3.90	37	3.70
8 Loss control and claims monitoring experience	0.100	31	3.10	39	3.90	35	3.50
9 Completeness of the bid.	0.025	9	0.23	9	0.23	10	0.25
10 Affirmative Action, Small Business Contractors and Occupational H&S.	0.025	5	0.13	5	0.13	4	0.10
TOTAL	1.000		28.05		37.25		36.05

Review performed by: Selection Committee
 Jim Bolduc; Chris Hyfield;
 Ron Gingerich and Lynn Martin

INSURANCE CONSULTANT AND BROKER SERVICES - COST COMPARISON

Expiring - Marsh Consultant/Broker Agreement (Fixed Fee)

Year 1	\$95,000	
Year 2	\$102,000	
Year 3	\$110,000	
Total	\$307,000	Includes Loss Control and Claims Handling

New Proposals - Consultant/Broker Agreement

Contract Year	TOTAL SEGUR	MARSH	Add Loss Control	Add Claims Handling	TOTAL MARSH	AON	Add Loss Control	Add Claims Handling	TOTAL AON
Year 1	\$70,000	\$175,000	\$35,000	\$5,000	\$215,000	\$95,000	\$48,000	\$17,000	\$150,000
Year 2	\$60,000	\$181,000	\$35,000	\$5,000	\$221,000	\$90,000	\$48,000	\$17,000	\$150,000
Year 3	<u>\$60,000</u>	<u>\$187,000</u>	<u>\$35,000</u>	<u>\$5,000</u>	<u>\$227,000</u>	<u>\$90,000</u>	<u>\$48,000</u>	<u>\$17,000</u>	<u>\$150,000</u>
TOTALS	<u>\$190,000</u>	\$543,000*	\$105,000	\$15,000	<u>\$663,000</u>	\$275,000*	\$144,000	\$51,000	<u>\$450,000</u>

Bold totals are applies to apples comparison of bids - all include loss control and claims handling

TAB 6

**RESOLUTION REGARDING ANNUAL STACK TESTING
AT THE CRRA MID-CT RESOURCE RECOVERY FACILITY
FOR CALENDAR YEARS 2006, 2007 AND 2008**

RESOLVED: That the President is hereby authorized to enter into a contract with CK Environmental, Inc. for performance of the annual air emissions testing at the Mid-Connecticut Resource Recovery Facility for calendar years 2006, 2007, and 2008, substantially as discussed and presented at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Annual Stack Testing at the Mid-Connecticut Resource Recovery Facility (RRF) for CYs 2006, 2007 and 2008

Presented to the CRRA Board on: November 17, 2005

Vendor/ Contractor(s): CK Environmental, Inc.

Effective date: December 1, 2005

Contract Type/Subject matter: Annual stack testing at the Mid-Connecticut RRF for calendar years 2006, 2007, and 2008.

Facility (ies) Affected: Mid-Connecticut RRF

Original Contract: N/A

Term: Three (3) Years – December 1, 2005 through November 30, 2008

Contract Dollar Value: \$159,650.00

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services: CK and its subcontractors will provide annual air emissions testing services, laboratory analyses and summary reports for the Mid-Connecticut RRF for the calendar years 2006, 2007 and 2008.

Other Pertinent Provisions: This testing is required by CTDEP regulations at RCSA 22a-174-38: emission standards for municipal waste combustors. Parameters required to be tested are: particulate matter, cadmium, lead, mercury, sulfur dioxide, hydrogen chloride, nitrogen oxides, carbon monoxide, dioxin/furan, opacity.

**Connecticut Resources Recovery Authority
Mid-Connecticut RRF
Annual Stack Testing at the Mid-Connecticut RRF for
CY2006, 2007 and 2008**

November 17, 2005

Executive Summary

CRRA is required by R.C.S.A. Section 22a-174-38 to conduct annual air emissions performance testing at the Mid-Connecticut RRF. CRRA's Environmental Division staff issued a Request for Bids for this work, received and evaluated the bids, and selected the bid of CK Environmental, Inc. as the lowest-priced qualified bid.

This is to request that the CRRA Board of Directors authorize the President to enter into a contract with CK Environmental, Inc. for the annual air emissions performance testing at the Mid-Connecticut RRF for calendar years 2006, 2007, and 2008.

Discussion

Beginning in calendar year 2001, owners of municipal waste combustors have been required to conduct annual air emission performance testing in order to demonstrate compliance of their facilities with the emission limits found in R.C.S.A. Section 22a-174-38(c). CRRA conducts a competitive bidding process to select a qualified stack test firm to perform this testing at the Mid-Connecticut RRF. The selected firm prepares a test plan, which is approved by DEP, and performs the testing. The stack-testing firm, in turn, utilizes a certified analytical laboratory to determine the emissions of the facility and reports these values to CT DEP.

The contract that had been in place for this service expired in August 2005. Consequently, CRRA publicly solicited a Requests For Bids in September 2005 for a new three year term.

CRRA advertised its Request For Bids in the September 4th edition of the Hartford Courant, the Boston Globe, and the New Haven Register, as well as making it available on the CRRA Internet web site.

A mandatory bid-walk was held on September 28, 2005. Six environmental testing firms attended the mandatory bid-walk.

Five environmental testing firms submitted bids with pricing as shown below.

Bidder	Bid Price
ESS Group, Inc	\$183,619
Deeco, Inc.	\$174,000
TRC Environmental Corporation	\$166,500
ROJAC Air Testing	\$164,219
CK Environmental, Inc.	\$159,650

CRRA Environmental Division staff reviewed the bids. All were found to be complete and compliant with the requirements of the bid solicitation. The bids were scored numerically based on pertinent criteria and the scores compared to a “minimum acceptable qualification score” of 14 out of 20. The bid with the lowest price of those that achieved the “minimum acceptable qualification score” was the bid of CK Environmental, Inc. The Environmental Services staff believes that the ‘bottom-line price’ of CK Environmental, Inc.’s bid reflects the complete scope of work as specified in the bid solicitation. A copy of CRRA’s Air Emissions Testing Agreement for this activity, which includes the scope of work, may be found in the **Supplemental Material** package for this Board of Directors meeting.

Financial Summary

CRRA expects to pay CK Environmental, Inc. \$44,650 following testing in April 2006 at the Mid-Connecticut RRF. CRRA will then submit its claim to CT DEP for reimbursement of this amount per the terms of the reimbursement contract with CTDEP which was approved by CRRA’s Board of Directors on September 29, 2005. Likewise in each of the two following years, 2007 and 2008, CRRA expects to pay CK Environmental, Inc. \$44,650 following testing in April of each year and then submit its claim for reimbursement to CT DEP. Assuming a timely reimbursement by CT DEP, at the end of CY 2008 there should be no net cost incurred by CRRA. This assumes that the CT DEP will renew its reimbursement contract with CRRA in CY 2008; although likely, CT DEP has not positively committed to doing so.

Note that three years of testing at \$44,650 is less than the contract price of \$159,650. This is because the Mid-Connecticut RRF currently qualifies for a reduced emissions testing schedule for dioxin/furan, but may not in CY2007 and CY2008. By virtue of having demonstrated dioxin/furan emissions below ½ of the CTDEP emission limit for dioxin/furan for two consecutive annual testing cycles, the Mid-Connecticut RRF is only required to test one of its three boilers per annual testing cycle for this parameter. (The CTDEP emission limit is 30 ng/dscm; ½ of this limit is 15 ng/dscm). In the event

that the Mid-Connecticut dioxin/furan emission level is shown to exceed $\frac{1}{2}$ the CTDEP emission limit, the Mid-Connecticut RRF would be required to test all three boilers for dioxin/furan the following year and until it again demonstrates dioxin/furan emissions below 15 ng/dscm for two consecutive annual testing cycles.

This contract was bid assuming that all three boilers will be required to be tested for dioxin/furan in CY2007 and CY 2008. Although this scenario is unlikely, all bidders were told to assume that the facility demonstrates dioxin/furan emissions of greater than 15 ng/dscm in CY2006 such that all three boilers would be required to be tested for dioxin/furan in CY2007 and CY2008. Therefore, the Contract Dollar Value contains \$25,700 in funds that will only be used in the event that dioxin/furan test results in 2006 or 2007 require additional testing in subsequent years.

Note also that the bid of CK Environmental, Inc. was the lowest for each year of the contract, whether or not the additional dioxin/furan testing is needed.

TAB 7

**RESOLUTION REGARDING CLEAN WATER ACT
SECTION 316(b) COMPLIANCE SERVICES
AT THE CRRA MID-CT RESOURCE RECOVERY FACILITY
FOR FISCAL YEARS 2006, 2007, 2008, 2009, AND 2010**

RESOLVED: That the President is hereby authorized to enter into a contract with Kleinschmidt Associates for performance of Clean Water Act ("CWA") Section 316(b) compliance services at the Mid-Connecticut Resource Recovery Facility for fiscal years 2006, 2007, 2008, 2009, and 2010 substantially as discussed and presented at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Clean Water Act Section 316(b) Compliance Services at the Mid-Connecticut Resource Recovery Facility (RRF) for FYs 2006, 2007, 2008, 2009, and 2010

Presented to the CRRA Board on: November 17, 2005

Vendor/ Contractor(s): Kleinschmidt Associates

Effective date: December 1, 2005

Contract Type/Subject matter: Clean Water Act Section 316(b) Compliance Services at the Mid-Connecticut Resource Recovery Facility (RRF) for FYs 2006, 2007, 2008, 2009, and 2010

Facility (ies) Affected: Mid-Connecticut RRF

Original Contract: N/A

Term: Four Years and Seven Months – December 1, 2005 through June 30, 2010

Contract Dollar Value: \$340,600.00

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services: Kleinschmidt and its subcontractor will complete an impingement, entrainment and ichthyoplankton monitoring study, and will develop a Comprehensive Demonstration Study for the Mid-Connecticut RRF.

Other Pertinent Provisions: Contractor shall furnish a performance bond equal to the Contract Dollar Value.

Connecticut Resources Recovery Authority
Mid-Connecticut RRF
Clean Water Act Section 316(b) Compliance Services at the
for FYs 2006, 2007, 2008, 2009, and 2010

November 17, 2005

Executive Summary

CRRA is required by Section 316(b) of the Federal Clean Water Act to ensure that the cooling water intakes at the Mid-Connecticut RRF are operated in accordance with “best technology available” to protect aquatic organisms and minimize adverse environmental impacts associated with “impingement” and “entrainment” of aquatic organisms. In order to demonstrate compliance, CRRA must complete a one-year impingement sampling program and a one- to two-year entrainment/ichthyoplankton monitoring program (collectively referred to as “I&E studies”), as well as develop and submit for CT-DEP approval a site-specific Comprehensive Demonstration Study (“CDS”). Completion of the I&E studies and the CDS are required by Sections 9.D and 9.I of the NPDES discharge permit issued to CRRA by CT-DEP on November 17, 2004, and by Federal regulations codified at 40 CFR 125 Subpart J. CRRA’s Environmental Division staff issued a Request for Bids for this work, received and evaluated the bids, and selected the bid of Kleinschmidt Associates as the most responsive qualified bid.

This is to request that the CRRA Board of Directors authorize the President to enter into a contract with Kleinschmidt Associates for the Clean Water Act Section 316(b) Compliance Services at the Mid-Connecticut Resource Recovery Facility for FYs 2006, 2007, 2008, 2009, and 2010.

Discussion

The Mid-Connecticut RRF diverts a maximum of 108 million gallons of water per day from the Connecticut River for use as non-contact cooling water in the facility’s steam condensers. This water is withdrawn from the river, pumped through a closed, once-through system, and then discharged back into the river.

Federal regulations and the facility’s NPDES discharge permit require that the facility be operated in accordance with “best technology available” to protect aquatic organisms and minimize adverse environmental impacts associated with “impingement” and

“entrainment” of aquatic organisms. “Impingement” is the entrapment of fish, shellfish, etc. on the intake structure debris screens. “Entrainment” is the incorporation of eggs, larvae, and other small life stages of fish, shellfish, etc. into the water that passes through the intake structure and into the cooling water system.

In accordance with regulatory and permit requirements, CRRA must conduct I&E studies, and also evaluate the “location, design, construction, and capacity of the cooling water intake structures” at the Mid-Connecticut RRF. The results of the I&E studies and the other evaluations of the intake structures will be utilized to develop a “Comprehensive Demonstration Study” (CDS) for the facility. The CDS is a compliance document that, depending upon the results of the I&E studies, may include, but not necessarily be limited to, a valuation report on the fisheries resources impacted by the cooling water intakes, recommendations for the installation and operation of additional fish protection technologies, and cost-benefit analyses associated with various fish protection technologies available for consideration. Currently, the regulations also allow for the consideration of fisheries restoration to meet regulatory requirements, so a restoration plan may also be developed as part of the CDS.

CRRA advertised its Request for Bids in the September 4th edition of the Hartford Courant and the Boston Globe, as well as making it available on the CRRA Internet web site. Additionally, eleven firms who were identified via an internet search or who had previously expressed to CRRA experience in performing Section 316(b) compliance services were contacted via telephone on September 6, 2005 and notified of the issuance of the Request for Bids.

A mandatory bid-walk was held on September 21, 2005. Nine firms (representing six potential bidders and three subcontractors to three of the potential bidders), attended the mandatory bid-walk.

Three firms submitted bids with pricing as shown below:

Bidder	Not-to-Exceed Bid Price	Estimated Total Contractor-Hours
TRC Environmental Corporation	\$195,000	2,900
Kleinschmidt Associates	\$340,600	4,261
Normandeu Associates	\$360,700	4,971

CRRA Environmental Division staff reviewed the bids. All three bids were found to be *administratively* complete and compliant with the requirements of the bid solicitation. However, CRRA personnel did note that the bids from TRC and Normandeu incorporated certain, more limiting assumptions than the bid from Kleinschmidt, and that some of the assumptions made by TRC would have required CT-DEP approval prior to implementation.

For example:

- TRC assumed that only half of the entrainment samples from the second year would require counting.
- TRC and Normandeau both assumed that the impingement and entrainment sampling schedules could be compressed such that both types of sampling could be performed on one day per week instead of two.
- Instead of including potential confined space entry procedures in its bid price (procedures that are necessary when accessing the required sampling location from inside the screenhouse, as was discussed in the bid documents and shown to potential bidders at the bid walk), TRC assumed that entrainment sampling equipment could be set up and left outside of the screenhouse in the river. Setting up equipment in the spring would likely require a dive crew due to the high river level, which was not considered by TRC. Also, permanent staging of the sampling equipment in front of, and extending into, the screenhouse from the river, as proposed by TRC would potentially pose a problem in the event that the facility operator, Covanta, had to isolate the cooling water intake to perform emergency intake pump repairs.

The bids were scored numerically based on the not-to-exceed bid price, the responses provided by bidders to the “Issues and Questions to be Addressed” (from the bid documents), and the responses provided by bidders on the “Questionnaire Concerning Affirmative Action, Small Business Contractors and Occupational Health and Safety.” A one page summary scoresheet of CRRA’s technical evaluation of the bidders follows this discussion.

When all information was factored, Kleinschmidt Associates received the highest score due primarily to their work on similar projects and the superior knowledge that they presented on both the Connecticut River and its fisheries resources, both upstream (e.g., West Springfield Station, Holyoke Hydroelectric Project) and downstream (e.g., Connecticut Yankee) of the Mid-Connecticut RRF. Kleinschmidt personnel have published numerous papers on both the Connecticut River and its fisheries resources, and one of the Kleinschmidt principals was the primary editor of “The Connecticut River Ecological Study (1965-1973) Revisited; Ecology in the Lower Connecticut River 1973-2003” (American Fisheries Society, Monograph 9).

Additionally, the primary project manager proposed by Kleinschmidt holds one of only three research permits issued by the National Marine Fisheries Service under Section 10 of the Federal Endangered Species Act for the collection of eggs, larvae and adult shortnose sturgeon in the Connecticut River. This endangered species is present in the river in the vicinity of the Mid-CT RRF. The other two Section 10 research permits for shortnose sturgeon in the Connecticut River are held by individuals employed by

government agencies (the CT-DEP and at the U.S. Geological Survey). CRRA believes that this permit is a testament to Kleinschmidt's credibility within the field of fisheries resources. On average, it takes between one and two years for the National Marine Fisheries Service to review an application and issue a Section 10 permit.

In addition to its credibility within the scientific community, Kleinschmidt has also established credibility with CT-DEP fisheries personnel through its work on fisheries-related projects both in the Connecticut River and elsewhere in the state. This credibility was confirmed by CRRA Environmental Division staff when contacting professional references listed in Kleinschmidt's bid submittal. TRC and its subcontractor do not have a professional relationship with CT-DEP fisheries personnel.

In addition to scientific knowledge, Kleinschmidt also presented significant experience in performing cost-benefit analyses, determining the economic value of natural resources (including recreational resources), and performing fisheries restoration projects. Based upon current knowledge of the Connecticut River and the Mid-CT RRF cooling water intakes, it is very likely that one or more of these types of evaluations will ultimately be incorporated into the CDS for the Mid-CT RRF.

Kleinschmidt Associates has proposed to utilize Malcolm Pirnie, Inc. as a subcontractor on an as-needed basis for development of the CDS. Kleinschmidt's bid indicates that Malcolm Pirnie personnel would likely be responsible for less than ten percent of the total hours required to successfully complete the project. CRRA's Environmental Services staff believes that Kleinschmidt Associates offers the best value for the money to be spent, and that the project deliverables from Kleinschmidt Associates and Malcolm Pirnie would be of the highest scientific and engineering quality. A copy of CRRA's CWA Section 316(b) Compliance Services Agreement for this activity, which includes the scope of work, may be found in the **Supplemental Material** package for this Board of Directors meeting.

Financial Summary

CRRA would pay Kleinschmidt Associates on a time-and-materials basis not to exceed a total project cost of \$340,600, which includes approximately \$12,660 as a contingency to cover potentially unforeseen circumstances associated with the I&E study field work. As presented in Kleinschmidt Associates' bid, the expected payment schedule by CRRA fiscal year would be as follows:

Fiscal Year	Bid Price
2006	\$ 95,010
2007	\$ 152,194
2008	\$ 75,290
2009	\$ 18,106
Total FY06-FY09 =	\$ 340,600

Under the terms of the Agreement, Kleinschmidt Associates will be required to furnish CRRA with a performance bond equal to the \$340,600, which shall remain in full force and effect for the entire term of the Agreement. Kleinschmidt Associates would remain under contract through FY2010 in order to provide support to CRRA in responding to questions and issues that may be raised by the CT-DEP during its review of the I&E studies and the CDS. Since the number and complexity of potential questions and issues can not be accurately determined, the total bid price does not include an estimated bid price to cover work in FY2010. The hourly billing rates for all five fiscal years of the contract (FY2006 through FY2010) would be in accordance with the rates provided by Kleinschmidt Associates in its bid.

It should also be noted that the NPDES permit allows CRRA to request that CT-DEP waive the second year of the entrainment/ichthyoplankton monitoring, based upon observations made during the first year of entrainment/ichthyoplankton monitoring. If CT-DEP agrees to waive the second year, the total contract price would decrease by \$91,500 (from \$340,600 to \$249,100). Most of this cost savings would be realized during FY2007 and FY2008.

In its bid, Kleinschmidt Associates also proposed two additional sampling alternatives that could reduce project costs by approximately \$22,783 total over the course of FY2006, FY2007, and FY2008, if the proposed alternatives are approved by CT-DEP. CRRA and Kleinschmidt Associates will approach CT-DEP regarding these two sampling alternatives as soon after contract execution as possible.

**REQUEST FOR BIDS
MID-CT RRF CWA COMPLIANCE SERVICES
TECHNICAL EVALUATION**

EVALUATION ITEM	WEIGHTING VALUE	Kleinschmidt Associates		Normandeau Associates, Inc.		TRC Environmental Corp.	
		RATING	SCORE	RATING	SCORE	RATING	SCORE
1 Knowledge, capability and experience of firm in performing similar work	0.100	9.5	0.95	8	0.80	7	0.70
2 Research projects/paper on water resources/fisheries of CT River	0.100	10	1.00	7	0.70	6	0.60
3 Research projects/paper on protected/endangered of CT River	0.075	10	0.75	7	0.53	5.5	0.41
4 Projects conducted that included comprehensive cost evaluations	0.075	8.5	0.64	6.5	0.49	7	0.53
5 Experience in working for CRRA	0.050	4.5	0.23	4.5	0.23	7	0.35
6 Experience in working on Mid-CT RRF	0.050	5.5	0.28	5.5	0.28	4.5	0.23
7 Experience and qualifications of team	0.125	9	1.13	7	0.88	7	0.88
8 Training and oversight program for field work	0.100	8	0.80	7	0.70	6	0.60
9 Management, reporting and QA/QC programs	0.075	9	0.68	7.5	0.56	6.5	0.49
10 Adequacy of equipment owned or leased	0.025	7	0.18	6.5	0.16	5.5	0.14
11 Description of timing of tasks to meet sampling requirements and reporting	0.025	7.5	0.19	6.5	0.16	7.5	0.19
12 Not-To-Exceed Bid Price	0.150	5.5	0.83	4	0.60	7	1.05
13 Administrative completeness of the bid.	0.025	10	0.25	10	0.25	10	0.25
14 Affirmative Action, Small Business Contractors and Occupational H&S.	0.025	5	0.13	4	0.10	4	0.10
TOTAL	1.000	8.00	8.00	6.43	6.43	6.50	6.50

BID EVALUATION SCALE

RATING NUMBER	RATING DESCRIPTION
10	Excellent
8	Very Good
6	Good
4	Acceptable
2	Poor
0	Unacceptable

References	---	8	---	9
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Review performed by: CS
RZO

Christopher Shepard, Environmental Engineer
Ronald Gingerich, Environmental Compliance Manager

TAB 8

**RESOLUTION REGARDING AGREEMENT FOR PUSH
WALL AND MASONRY WALL REPAIRS AT THE
WATERTOWN TRANSFER STATION**

RESOLVED: That the President is hereby authorized to execute an agreement with O & G Industries Inc. to perform push wall and masonry wall repairs at the Watertown Transfer Station, substantially as presented and discussed at this meeting.

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

Push Wall and Masonry Wall Repairs

Presented to the CRRA Board on: November 17, 2005

Vendor/ Contractor(s): O&G Industries, Inc.

Effective date: Upon Execution

Contract Type/Subject matter: Public Bid/Construction

Facilities Affected: Watertown Transfer Station

Original Contract: NA

Term: 90 days from Notice to Proceed

Contract Dollar Value: \$95,800.00

Amendment(s): NA

Term Extensions: N/A

Scope of Services: Push wall and masonry wall repairs at the
Watertown Transfer Station.

Other Pertinent Provisions: None

**Connecticut Resources Recovery Authority
Mid Connecticut Project
Watertown Transfer Station**

Push Wall and Masonry Wall Repairs
November 17, 2005

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into an agreement with O & G Industries Inc. to perform push wall and masonry wall repairs at the Watertown Transfer Station.

Discussion

Push wall and masonry wall repairs will be performed at the Watertown Transfer Station per the following scope of work:

1. Verify existing field conditions and dimensions.
2. Remove loose concrete masonry units, install/replace as shown on the plans.
3. Install new steel plate and concrete push wall as shown on the plans.
4. Construction activities will take place while facility remains in operation.
5. Construction activities shall be coordinated with owner (CRRA) and operator as required.
6. Construct a Temporary Barrier as shown to protect the working area.
7. Clean-up, disposal of waste and debris, and restoration of facility to satisfaction of owner.
8. All other related work required to complete the project.

Financial Summary

The project was solicited through a public procurement process. Sealed public bids were received on October 21, 2005. Bids were received from 5 qualified bidders, and are tabulated below.

Bidder	Bid Price
O & G Industries, Inc.	\$95,800.00
Infinity Constructors, Inc.	\$112,032.00
Allstate Boiler & Construction, Inc.	\$121,425.00
Dayton Construction Company	\$130,000.00
F.B. Mattson, Inc.	\$133,333.00

Please note that the work for the project was bid as a lump sum. CRRA staff has met with the low bidder on the project, O&G Industries, Inc. and examined their references. Per discussions with them, CRRA staff is satisfied that they can complete the work as specified in the contract documents.

This project will be funded from the Facility Modification Reserve Account. The budgeted amount for this work is \$70,000.00 and the balance of the costs will be funded from this reserve account.

TAB 9

**RESOLUTION REGARDING AGREEMENT FOR THE
REPLACEMENT OF OVERHEAD DOORS AT THE
GREENWICH, NORWALK AND MILFORD TRANSFER**

RESOLVED: That the President is hereby authorized to execute an agreement with Overhead Door Co. of Hartford, Inc. to replace overhead doors at the Greenwich, Norwalk and Milford Transfer Stations, substantially as presented and discussed at this meeting.

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

Replacement of Overhead Doors Agreement

Presented to the CRRA Board on: October 27, 2005

Vendor/ Contractor(s): Overhead Door Co. of Hartford, Inc.

Effective date: Upon Execution

Contract Type/Subject matter: Public Bid/Construction

Facilities Affected: Greenwich, Norwalk and Milford Transfer Stations

Original Contract: NA

Term: 60 days from Notice to Proceed

Contract Dollar Value: \$102,100.00

Amendment(s): NA

Term Extensions: N/A

Scope of Services: Replacement of overhead doors at the Greenwich, Norwalk and Milford Transfer Stations.

Other Pertinent Provisions: None

**Connecticut Resources Recovery Authority
Bridgeport Project
Greenwich, Norwalk and Milford Transfer Station**

Replacement of Overhead Doors

November 17, 2005

Executive Summary

This is to request approvals of the CRRA Board of Directors for the President to enter into an agreement with Overhead Door Company of Hartford, Inc. to replace overhead doors at the Greenwich, Norwalk and Milford Transfer Stations.

Discussion

Existing overhead doors at the Greenwich, Norwalk and Milford Transfer Stations require replacement. Ten (10) overhead doors will be replaced per the following scope of work:

- 1) With CRRA's prior approval, purchase the (10) ten overhead doors detailed in the contract documents. Note- Alternate Bid will be submitted for four additional doors.
- 2) Remove and replace the existing overhead doors as indicated in the contract documents.
- 3) Installation of new overhead doors shall be in accordance with manufacturer's recommendations as specified in the Technical Specifications.
- 4) Contractor shall verify all existing conditions and field dimensions prior to fabrication.
- 5) Contractor shall provide a product submittal to Owner, for approval, prior to installation.
- 6) Upon removal of existing overhead doors, Contractor shall dispose of overhead doors, overhead door components and all related construction debris off site.
- 7) Contractor shall provide all electrical work necessary to energize doors. Party performing electrical work shall visit the site to become familiar with existing electrical conditions prior to submitting a bid.
- 8) Contractor shall provide three (3) copies of Operation and Maintenance manuals prior to acceptance by Owner.
- 9) Contractor shall strictly follow all safety regulations, including OSHA. Contractor is responsible for methods of construction.

- 10) The construction of this project will take place while the existing facilities remain in operation. Phasing of the work must be coordinated with the owner and operator of the facilities.
- 11) All other related work to complete the project.

Financial Summary

The project was solicited through a public procurement process. Sealed public bids were received on September 20, 2005. The project was advertised in the Hartford Courant and the New Haven Register. Additionally the project was solicited through C Projects, a Southern New England construction trade journal. Bids were received from 3 qualified bidders, and are tabulated below.

Bidder	Bid Price (10 Doors)	Alternate Bids (4 Doors)
Overhead Door Co. of Hartford, Inc.	\$102,100.00	\$21,600.00
Lavallee Overhead Door	\$118,950.00	\$38,200.00
Bode Equipment Co.	\$252,973.00	\$81,696.00

The work for the project was solicited as a lump sum bid with an additive alternate bid item. Please note that the overhead doors (16'x 26') included in the lump sum price were significantly larger than the overhead doors (12'x14') which were bid as an additive alternate item. Additionally, the larger doors were to be installed with electric motor operators and the smaller doors were to be installed with chain hoist operators. On a square foot basis the unit cost of the smaller door is comparable to the unit cost of the larger door.

CRRA staff has met with the low bidder on the project, Overhead Door Co. of Hartford, Inc. and examined their references. Per discussions with them, CRRA staff is satisfied that they can complete the work as specified in the contract documents.

CRRA staff is making a recommendation for the award of the Base Bid of \$102,100.00. The budgeted amount for this work is \$75,000.00. The balance of the costs for the work will be funded by reallocating funds within the FY06 construction budget for the eight (8) project transfer stations. The FY06 construction budget for the transfer stations is \$192,000 and CRRA staff does not anticipate that this budget will be exceeded as a result of this project.

TAB 10

**RESOLUTION REGARDING APPROVAL OF A TOWN OF
KILLINGLY SOLID WASTE DISPOSAL AGREEMENT**

RESOLVED: The President is authorized to enter into an agreement with the Town of Killingly for disposal of the town of Killingly's acceptable waste, substantially in the form as presented and discussed at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Town of Killingly Solid Waste Delivery Agreement Southeast Project

Presented to the CRRA Board on: November 17, 2005

Vendor/ Contractor(s):	Town of Killingly
Effective date:	Upon Board Approval & Execution
Contract Type/Subject matter:	Agreement for solid waste disposal to the Southeast Project; CRRA has the right to designate other CRRA System disposal facilities
Facility (ies) Affected:	Southeast Project
Term:	To June 30, 2006
Term Extensions:	Parties shall make good faith efforts to renew the agreement upon mutually agreeable terms
Contract Dollar Value:	Tip Fee of \$71.00 per ton; approximately \$50,000 based upon estimated 700 tons delivered for the remainder of fiscal year 2006; tonnages not to exceed 3,000 tons.
Amendment(s):	Not applicable
Scope of Services:	To provide solid waste disposal services for the Town of Killingly

Connecticut Resources Recovery Authority Southeast Project

Solid Waste Disposal Agreement with the Town of Killingly

November 17, 2005

EXECUTIVE SUMMARY

CRRA was approached by the Town of Killingly recently to re-establish delivery of its MSW from its town-controlled transfer station to the Southeast Resources Recovery Project in Preston, Connecticut. Killingly had an agreement which expired in June, 2005 and, as a result, was delivering their waste to other licensed facilities, such as the Lisbon facility.

The major terms are as follows:

- Tip fee of \$71.00 per ton
- CRRA has the right to designate different CRRA system disposal facilities to accept Killingly's acceptable waste
- Killingly and CRRA shall make good faith efforts to renew this Agreement upon mutually agreeable terms
- If Killingly enters into an MSA with SCRRRA, then Killingly can terminate this agreement by providing 30 days' written notice to CRRA
- Expiration June 30, 2006

BACKGROUND

In an effort to assist the town with its solid waste disposal, CRRA met with Killingly and offered a draft agreement which is very similar to Killingly's previous contract with CRRA. This agreement would authorize Killingly to deliver its MSW from its transfer station to the Preston plant with deliveries capped at 3,000 ton for the year so that Southeast Project member towns will not experience delivery issues resulting from this additional MSW delivered to the Preston plant. Historically, Killingly delivered approximately 1,000 tons per year which did not result in any negative operational issues at the Preston facility.

The Southeast Connecticut Resources Regional Recovery Authority approved this proposed agreement at its Board of Directors' meeting on November 9, 2005.

RELATED

Killingly has also indicated to CRRA that it potentially desires to enter into a longer term agreement with CRRA for the delivery of all of the town's MSW, not just that portion from the town-owned transfer station, after June 30, 2006.

The reason for delivery of all of its MSW is because the town is in the process of establishing town-wide trash collection service. The town issued an RFP for the collection of trash generated by its residents and small businesses. Upon execution of an agreement with a hauler for town-wide collection, Killingly wishes to direct that MSW to a Resources Recovery Facility.

Killingly estimates it generates approximately 15,000 tons per year of MSW. Due to a variety of factors, the Southeast Project may not be able to accept that large of a quantity of MSW after June 30, 2006. As a result, Killingly may need to seek other CRRA facilities or other disposal options after June 30, 2006.

CRRA will work with Killingly to assist the town with its long-ranges solid waste disposal challenges and will inform the Board of this matter as the fiscal year 2006 progresses.

TAB 11

**RESOLUTION REGARDING THREE-YEAR PUBLIC RELATIONS SERVICES
AGREEMENTS**

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Public Relations Services Agreements as were substantially set forth in the Request for Qualifications dated September 7, 2005, for a period of three years commencing on January 1, 2006, and terminating on December 31, 2008, with the public relations firms listed below. All firms will provide services "on call."

Cubitt Jacobs & Prosek Communications

Cashman + Katz Integrated Communications

Pita Communications LLC

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

PUBLIC RELATIONS SERVICES AGREEMENT

Presented to the CRRRA Board on: November 17, 2005

Vendor/Contractor: Cubitt Jacobs & Prosek Communications

Effective date: January 1, 2006

Term: January 1, 2006, through December 31, 2008

Contract type/subject matter: Agreement to provide public relations and related services

Facilities affected: All

Original contract: December 1, 2003, through June 30, 2004

Amendments: June 30, 2004, through June 30, 2005
June 30, 2005, through December 31, 2005

Contract dollar value: No dollar value

Scope of services: Message development, media strategy, earned media, community relations, issues management, graphic design and related services

Other pertinent provisions: None

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

PUBLIC RELATIONS SERVICES AGREEMENT

Presented to the CRRA Board on: November 17, 2005

Vendor/Contractor: Cashman + Katz Integrated Communications

Effective date: January 1, 2006

Term: January 1, 2006, through December 31, 2008

Contract type/subject matter: Agreement to provide public relations and related services

Facilities affected: All

Original contract: None

Amendments: N/A

Contract dollar value: No dollar value

Scope of services: Message development, media strategy, earned media, community relations, issues management, public events management, polling and research, graphic design and related services, photography and related services, video production and related services, advertising

Other pertinent provisions: None

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

PUBLIC RELATIONS SERVICES AGREEMENT

Presented to the CRRA Board on: November 17, 2005

Vendor/Contractor: Pita Communications LLC

Effective date: January 1, 2006

Term: January 1, 2006, through December 31, 2008

Contract type/subject matter: Agreement to provide public relations and related services

Facilities affected: All

Original contract: None

Amendments: N/A

Contract dollar value: No dollar value

Scope of services: Message development, media strategy, earned media, community relations, issues management, public events management, polling and research, graphic design and related services, photography and related services, video production and related services, advertising

Other pertinent provisions: None

Connecticut Resources Recovery Authority

**Public Relations Services Agreements with
Cubitt Jacobs & Prosek Communications,
Cashman + Katz Integrated Communications
and Pita Communications LLC**

November 17, 2005

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into three-year agreements with Cubitt Jacobs & Prosek Communications, Cashman + Katz Integrated Communications and Pita Communications LLC to provide public relations and related services for CRRA and its solid waste projects.

Discussion

From time to time, CRRA requires the use of consultants to provide public relations and related services beyond the scope of what staff can provide. For example, when local environmental activists tried to link CRRA to false accusations of adverse health impacts of air pollution, outside counsel was beneficial in helping CRRA frame its response and successfully deflect the charges. Further, CRRA expects that additional public relations services will be needed to assist in CRRA's efforts to site an ash disposal area.

Since December 2003, CRRA has had contracts with two firms – Cubitt Jacobs & Prosek Communications and Calypso Communications, LLC – whose maximum annual values were \$15,000. However, recognizing the upcoming needs of the Authority, CRRA issued a Request for Qualifications (RFQ) for public relations firms interested in providing a variety of services. The RFQ was advertised in the *Hartford Courant*, posted on CRRA's Web site and distributed to members of the Connecticut Valley Chapter of the Public Relations Society of America and the Fairfield County Public Relations Association.

Seven firms responded to the RFQ. Four firms – Cashman + Katz, Pita Communications, Lang Durham and Environics Communications – were interviewed. Cubitt Jacobs & Prosek responded to the RFQ but was not interviewed because of CRRA's satisfaction with the firm's work over the past two years. Calypso Communications did not respond to the RFQ.

Financial Summary

These contracts carry no dollar value, but as part of the RFQ process all firms submitted compensation schedules which have been included in their respective agreements and were considered while evaluating each firm.. It has been and will continue to be CRRA's practice to use such firms judiciously.