

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-THIRD MEETING

JANUARY 24, 2008

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors (hereinafter referred to as 'CRRA' or the 'Authority') was held on Thursday, January 24, 2008, at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Mark Cooper
 James Francis
 Edna Karanian
 Mark Lauretti (Present beginning at 10:00 a.m. until 12:12 p.m.)
 Theodore Martland
 James Miron
 Raymond O'Brien
 Linda Savitsky (Present by telephone until 1:26 p.m.)
 Stephen Edwards, Bridgeport Project Ad-Hoc (Present until 12:30 p.m.)
 Timothy Griswold, Mid-CT Project Ad-Hoc (Present until 12:30 p.m.)
 Warren C. Howe, Jr., Wallingford Project Ad-Hoc (Present until 12:30 p.m.)

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Michael Bzdyra, Government Relations Liaison
Robert Constable, Controller
Peter Egan, Director of Environmental Affairs & Development
Thomas Gaffey, Recycling Director
Laurie Hunt, Director of Legal Services
Chris Hyfield, Human Resources Manager
Paul Nonnenmacher, Director of Public Affairs
Mike Tracey, Director of Operations
Lisa Bremmer, Executive Assistant
Moirra Kenney, Secretary to the Board/Paralegal

Also present were: Hal Alvord, Director of Public Works for Norwalk, CT; Susan Hemenway of BRRFOC; Bob Gross of Wallingford; John Pizzimenti of USA Hauling & Recycling; Cheryl Thibeault of Covanta; Jerry Tyminski of SCRRA.

Chairman Pace called the meeting to order at 10:02 a.m. and stated that a quorum was present.

PLEDGE OF ALLEGIANCE

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

PUBLIC PORTION

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

The director of public works for the City of Norwalk, CT, Mr. Alvord addressed the Board. He stated he was present to represent Mayor Moccia, who had asked Mr. Alvord to read a letter on his behalf, a copy of which is attached as "Exhibit A".

Chairman Pace stated Norwalk is of course welcome to pursue whatever actions they deem necessary although he felt that the costs associated with the closing of the project should have been anticipated and planned for by all of the project member towns.

Mr. Gross of Wallingford asked the Board if a price had been set on the Wallingford plant. Chairman Pace stated that a price had not been set. Mr. Gross asked when the price will be set. Mr. Kirk stated CRRA has an option to purchase the plant at a market rate which is not determined by CRRA. Mr. Kirk stated the appraisal is still in draft form. Mr. Kirk stated a price will be set if there is a decision to purchase the plant by CRRA, a decision which is not yet made.

Mr. Gross asked if CRRA has the first right to purchase the plant or if that right is reserved for the plants' operator. Mr. Kirk stated CRRA has the right of purchase until December 31, 2008 after which CRRA's option to purchase expires. Chairman Pace stated that if CRRA was to purchase the plant they would be paying market price versus Covanta, who would be paying \$1.00. Chairman Pace stated the agreement had been made almost twenty years ago.

Mr. Gross asked if Covanta had given indication to CRRA that they were interested in purchasing the plant. Mr. Kirk stated the operator has made it clear to CRRA they are interested in operating the plant post contract.

Mr. Gross asked if the equipment upkeep costs were paid out of the tipping fees. Mr. Kirk stated certain items are paid for by CRRA and some are paid for by the operator. Mr. Kirk stated typically the routine upkeep for repairs is paid for by the operator. Mr. Kirk stated for example if a change in law required significant capital improvements those costs would be made up through tip fees. Mr. Kirk stated the operator has an agreement to operate the plant and to maintain it at industry standards.

Mr. Gross asked whether a draft appraisal has been done on the plant that provides CRRA with an estimate of what the plant is worth. He asked if the five communities decided they want to purchase the plant whether that decision could be overruled by CRRA's option to purchase the plant. Mr. Kirk stated that CRRA has the first right to purchase the plant. Mr. Gross asked if the communities got together and decided they wanted CRRA to purchase the plant, even if CRRA had indicated they were not interested in purchasing the plant, whether CRRA would take that information under advisement. Mr. Kirk stated the communities are certainly welcome to proceed with such a plan but the decision to purchase is made by the CRRA Board of Directors.

Mr. Gross asked if the towns could purchase the plant themselves if CRRA was not interested. Mr. Kirk stated the answer is yes, but the owner is not obligated to sell to the towns.

APPROVAL OF THE MINUTES OF THE DECEMBER 20, 2007, BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the December 20, 2007, Board meeting. Director O'Brien requested the letter from Mayor Moccia be included in the minutes of the current meeting. Director O'Brien made a motion to approve the minutes, which was seconded by Director Francis.

The minutes were approved as amended and discussed. Director Edwards abstained.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport			X
Timothy Griswold, Ad-Hoc, Mid-CT	X		
Warren C. Howe Jr., Ad-Hoc, Wallingford	X		

DISCUSSION REGARDING PUBLIC COMMENTS

Director O'Brien stated for the record that Covanta had declined to extend their agreement with CRRA under the existing terms. Director O'Brien asked if all options to extend that option had expired. Mr. Kirk stated this was correct and that the extension option had expired. Director O'Brien asked if a mutual agreement to extend the agreement at some other price could be done. Mr. Kirk stated the two parties can agree to create a new contract. He stated Covanta had declined as the terms of the agreement which would have been dictated were not acceptable to Covanta. Mr. Kirk stated discussion on an extension different from the existing agreement is still being held between Covanta and CRRA.

Director O'Brien stated he was raising the issue so the towns were aware that there was another option available for discussion with the CRRA Board. Chairman Pace asked Ms. Thibeault of Covanta if she had any additional comments. Ms. Thibeault stated Covanta will continue to negotiate with CRRA and the communities on an extension of the service agreement.

FINANCE COMMITTEE UPDATE

Director O'Brien informed the Board that the Bridgeport Project budget was reviewed and discussed at length by the Finance Committee. Director O'Brien stated a Board decision was necessary regarding the tip fee contained in part one of the resolution.

DISCUSSION REGARDING THE 2009 BRIDGEPORT PROJECT BUDGETS

Director Edwards gave the Board a report on the January 16, 2008, SWAB meeting. He stated their recommendation was difficult to achieve as the project member towns are unhappy with the costs necessary to close out the project. Director Edwards stated the towns had agreed by consensus to reduce the minimum commitment. Director Edwards stated the minimum commitment was put into place ten or twelve years ago to combat the lack of waste and flow control. He stated although its initial implementation was successful it is now a burden for many of the towns who are not making that commitment.

Chairman Pace asked Director Edwards why the towns were having difficulty making their respective minimum commitments. Director Edwards stated that the option to implement flow control was only available in the last six months of the project. He explained many towns are undecided on developing flow control with such a short amount of time left in the project to utilize the method. Director Edwards stated those towns with a large differential are paying a large premium. Director Edwards stated towns bringing in more tonnage are paying a higher tip fee with the understanding that a substantial raise may scare away the tonnage. Director Edwards stated most of the towns would not agree to the proposed \$84.00 tip fee but would set their gate fee around \$81.00 which would reduce the minimum commitment number.

Chairman Pace stated the Board was aware of the difficulties in assessing the tip fee and the minimum commitment. He stated the Board is faced with a difficult decision as the costs for the project must be obtained before the Multiple Service Agreement (hereinafter referred to as the MSA) expires and CRRA has no legal recourse to gather deferred costs.

Director Edwards stated another issue heavily debated by the SWAB Committee was the possibility of a surplus. He stated the conservative estimates by CRRA may provide a surplus which has the towns concerned with how such a possible surplus would be rebated.

Chairman Pace asked Director Edwards how the letter to the project member towns which discusses options for amortizing closure costs over time was received. Director Edwards stated that unfortunately the letter was not available for discussion during the January 2008 SWAB meeting. He explained the towns interested in taking options and the towns interested in making a clean break from the project were almost equally divided. Chairman Pace stated that the letter was distributed with the intention of providing the information that the CRRA Board is attempting to work with and for the municipalities' best interest in order to accommodate their needs as the project comes to a close.

Mr. Bolduc stated in response to the request by SWAB to review the proposed numbers for the budget that expenses were reduced by about \$300,000 and an additional \$200,000 was rolled into the budget from SWEROC. He stated that the big increase in the minimum commitment is in part related to the collection of projected remaining costs prior to the end of the MSA's terms. Mr. Bolduc stated the contracts terminate on December 31, 2008, and at that point CRRA will have no legal recourse to collect funds due to the MSA's ending in the middle of a fiscal year. The costs are being recovered over only a six month period. Mr. Bolduc stated the letter which was sent out to the CEOs of the SWAB member towns stated once the tip fee was set and the dollar impact for fiscal year 2009 was calculated that CRRA would consider amortizing the cost over a period of time. He stated the process would be subject to a legal

binding contract to mitigate the impact on the towns in fiscal year 2009 for roughly three years. Mr. Bolduc stated a modest carrying cost will be associated with the option.

Mr. Bolduc stated the letter went out the prior week to the town CEOs as well as the SWAB Committee members stating there is time between now and July 1, 2008, to make a decision on whether or not to amortize the costs.

Director O'Brien stated the letter being discussed from Chairman Pace to the Bridgeport towns would be included in the minutes of the January 24, 2008, Board meeting, a copy of which is attached as "Exhibit B". Director O'Brien stated his deep concern is that after the contracts' end CRRA has no recourse for collecting the necessary funds. He stated it is CRRA's obligation not to pass those costs on. As a result, Director O'Brien stated he supports the option for \$80.00 a ton delivery with an \$18.50 commitment fee. Director O'Brien stated his support for this figure is due to the fact that it is likely close to the market rate.

Director Edwards stated the only problem with this option is that many of the SWAB member towns set their own gate fees, rendering the option totally irrelevant at times. Director Edwards explained this is because many of the towns with a larger differential are picking up a majority of the money for the minimum commitment from additional fees at their scales.

There was substantial discussion by the Board on how to set a minimum commitment fee and tipping fee to incorporate the necessary costs as well as the best interests of the SWAB Committee.

Mr. Kirk stated the necessary closure costs are a huge hardship on the towns to accrue in a six month period. He stated the anticipated costs were no surprise and the impacts are a result of optimistic aggressive assumptions for the past three years requested by the SWAB Committee and that enough money was simply not collected in advance.

The Board discussed the historical impacts affecting the minimum commitment at length.

Mr. Kirk stated the towns are aware of their responsibilities for the cost of the disposal. He stated the issue is how that cost will be split without a high tip fee which may scare away tonnage. Mr. Bolduc stated the issue is CRRA's ability to collect the necessary costs. He stated how the tip fee is split is important and the guarantee of its' collection is critical. Mr. Bolduc stated that one uncontrollable factor is what the tip fee will be set at the stations by the individual towns, thereby potentially impacting the collection.

Director Francis asked why there was hesitancy on the part of the member towns to amortize the closing costs over time. Director Edwards stated the towns are divided on whether or not to amortize the costs. He stated many of the towns were interested in clearing their books.

Director Miron stated it is important for him to have a specific number to use to create Stratford's town budget in order to avoid a deficit or overtaxing his constituents. He stated from his perspective the lower the minimum commitment number and the more realistic the actual tonnage number is the more favorable to Stratford. Director Miron asked Mr. Kirk what the current market rate is. Mr. Kirk stated he felt a market rate of \$80.00 is a defensible number. He stated there are haulers who can provide services for less than that number. Mr. Kirk stated the

higher the tipping fee number goes the more incentive is given to the towns to move garbage out of the system. Mr. Kirk stated there is some risk associated with an \$80.00 number.

Chairman Pace asked how towns who set their own increased tip fee will affect the project. Mr. Kirk stated the risk to the project is a shortfall of the revenue by the tip fee and deliveries. Mr. Kirk stated the project liabilities belong to the project member towns, but the capability to collect the funds is CRRA's.

Chairman Pace asked Mr. Alvord what his thoughts were on the possibility of a deficit being shared equally among the project member towns. Mr. Alvord stated his confidence level in committing to such an option was not high. Chairman Pace stated that such a statement exemplifies that any costs not gathered from the towns beforehand would be difficult to collect after the MSAs expire. Mr. Alvord stated that the Mayor of Norwalk had not yet seen Chairman Pace's letter detailing the possibility of amortizing the costs necessary for closure of the SWAB project.

RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2009 BRIDGEPORT PROJECT OPERATING AND CAPITAL BUDGETS AND TIP FEE

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

RESOLVED: That the 2009 Bridgeport Project Budget be adopted substantially in the form as presented and discussed at this meeting and that a fiscal year 2009 member tipping fee of \$80.00 per ton for the component of the fee based on actual deliveries and \$18.50 per ton for the portion of the fee based on minimum commitment tonnage be adopted.

FURTHER RESOLVED: That the Board approve the use of the closure reserves for engineering and construction costs related to the closure of the Waterbury Landfill.

FURTHER RESOLVED: That the 2009 capital budget totaling \$1,342,000.00 be adopted as presented and discussed at this meeting.

Director Savitsky seconded the motion.

Director Savitsky asked Director Francis if he had explored the legality and specific numbers necessary for offering options to the project towns for payment of the cost associated with the project's closure. Director Francis stated he had not run the numbers. Mr. Kirk stated he would have CRRA's legal counsel affirm that offering options to the towns for payment is in compliance with existing statutes.

Director Miron stated that he was in support of Director O'Brien's motion because it allows him to budget more realistically. Director Miron asked what the impact of an \$18.50 minimum commitment fee was on the project. Director O'Brien stated that amount would create \$4.6 million which nearly covers the deficit.

Director Francis proposed if a town chooses amortization that a lower minimum commitment fee could be offered as incentive.

Director Savitsky asked what impact an economic downturn would have on the project. Mr. Kirk stated that he felt the project had already started to show signs of a reduction in waste by as much as 5% to 8% as a result of economic difficulties. He stated the impact to the Bridgeport project is only affected by a six month period but a drop in tonnage is still an impact.

Mr. Bolduc stated the big issue relating to the option on the table is the increase of a collective \$81.00 to a collective \$97.00 to \$98.00. He stated in most cases there is a minimal total impact on the project member towns. Mr. Bolduc stated the tip fee at the gate is the real issue. He stated if a ton is lost at \$76.00 it will need to be made up by approximately three equivalent tons at the minimum commitment level because of the pricing ratio.

There was substantial discussion by the Board on whether the motion on the table offered enough coverage for closure costs. Director Edwards stated he will vote against the motion on the table in lieu of the SWAB concerns.

The Board discussed at length the order of motions originally offered and how to best proceed with any voting.

The motion failed. Chairman Pace, Director Karanian, Director O'Brien, and Director Miron voted aye. Director Cooper, Director Francis, Director Lauretti, Director Martland, Director Savitsky, and Director Edwards voted nay.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper		X	
Jim Francis		X	
Edna Karanian	X		
Mark Lauretti		X	
Theodore Martland		X	
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky		X	
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport		X	
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

**RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2009
BRIDGEPORT PROJECT OPERATING AND CAPITAL BUDGETS AND TIP FEE**

SECOND MOTION

Chairman Pace requested a motion regarding the above-captioned matter. The following motion (which the SWAB Committee agreed on by consensus) was made by Director Martland:

RESOLVED: That the 2009 Bridgeport Project Budget be adopted substantially in the form as presented and discussed at this meeting and that a fiscal year 2009 member tipping fee of \$84.00 per ton for the component of the fee based on actual deliveries and \$15.00 per ton for the portion of the fee based on minimum commitment tonnage be adopted.

FURTHER RESOLVED: That the Board approve the use of the closure reserves for engineering and construction costs related to the closure of the Waterbury Landfill.

FURTHER RESOLVED: That the 2009 capital budget totaling \$1,342,000.00 be adopted as presented and discussed at this meeting.

Director Savitsky seconded the motion.

Mr. Bolduc stated he wants to be clear that before the Board votes on this motion that CRRA will have no legal recourse to collect the necessary funds from the SWAB project member towns if the gate fee of \$84.00 chases tonnage away and there is an inadequate cash flow.

Director Francis stated there was some discussion to the nature of the figures in the budget. He requested an explanation by CRRA management on their security with the numbers in Director Martland's motion.

Mr. Bolduc stated the topic had been discussed at length at the SWAB meeting. He explained page 15 in the Board package was constructed specifically to answer any questions pertaining to necessary closure costs. Mr. Bolduc stated there are potential positive items but unless money is in the checkbook to pay the bills there will be a cash shortfall with no recourse. Mr. Bolduc stated in the claims and losses side the numbers are as accurate as possible and take into consideration the open issue of the super-fund site in N.J. Mr. Bolduc stated the legal figures are a best estimate as well. He stated the audit costs were based on a quote provided by outside auditors. Mr. Bolduc stated the estimated closure costs were engineered studies with considerable substance. He explained there were not a lot of contingencies in the figures and that they have been reduced by about \$300,000 after the SWAB meeting.

Chairman Pace stated he would caution the Board on this vote as it was an \$850,000 reduction from the initial motion. Director O'Brien stated he would vote against this motion. He stated the initial motion he had offered comes close to enabling CRRA to exercise their fiduciary obligation to all ratepayers. He stated the original motion might over collect expected costs while the current motion on the table comes close to under collecting the expected costs.

The Board discussed at length the positive and negative ramifications of reducing the originally proposed numbers in the resolution.

Director Francis stated he was going to vote against the motion because if the towns want to sign up on the deficit side there can be a reduction of the minimum commitment. He stated he felt there should be options for the SWAB towns interested in amortizing costs. Director Edwards stated that Director Francis’s suggestion was probably not plausible as it contradicts the MSA. Director Edwards stated the modification of the MSA would have to be uniform through a written agreement by the eighteen towns, which would be extremely difficult to accomplish. Director Edwards stated the offer by the Board to defer or adjust the payment of the minimum commitment is an offer that some of the towns will agree to. He stated he didn’t think approval would be given by the towns to accept responsibility going forward.

The motion failed. Director Martland, Director Savitsky, Director Lauretti, and Director Edwards voted aye. Chairman Pace, Director O’Brien, Director Karanian, Director Miron, Director Cooper, and Director Francis voted nay.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman		X	
Mark Cooper		X	
Jim Francis		X	
Edna Karanian		X	
Mark Lauretti	X		
Theodore Martland	X		
Raymond O’Brien		X	
James Miron		X	
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport	X		
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

MOTION FOR DISCUSSION

Director Francis made a motion stating if SWAB member towns are willing to sign an agreement with CRRA relative to covering their proportionate amount of the deficit that they could utilize their recommendation in terms of the minimum commitment. Director Francis stated if the towns are unwilling to sign the agreement CRRA would utilize the proposed budget with a \$76.00 tip fee and a \$21.50 minimum commitment. He stated the legal ramifications of such an agreement need to be explored.

Director Cooper seconded the motion for discussion.

Director Savitsky asked if there would be a time frame on the motion. Director Francis stated he was not sure how quickly the agreement could be drafted. Director Savitsky asked if the motion was impossible due to the statutes and if there was a backup plan.

Director O'Brien stated he felt a fallback position was necessary for legal purposes. He stated this agreement seems like an extension to the MSA's. Director Edwards stated he was in favor of returning to the original motion. He stated the proposed agreement would cause difficulty for the towns attempting to create and pass their own budgets.

The Board discussed the positive and negative ramifications of attempting to create and enforce the proposed agreement. The Board came to a consensus that such an agreement would be problematic.

ALTERNATIVE MOTION

Director Francis made a motion to utilize the original motion offered by Director O'Brien as a fall back to his earlier motion for discussion.

Director Francis withdrew his earlier motion for a new agreement. Director Cooper agreed to support the withdrawal of the motion and voiced his support of a return to the original motion by Director Francis.

RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2009 BRIDGEPORT PROJECT OPERATING AND CAPITAL BUDGETS AND TIP FEE

FINAL MOTION

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

RESOLVED: That the 2009 Bridgeport Project Budget be adopted substantially in the form as presented and discussed at this meeting and that a fiscal year 2009 member tipping fee of \$80.00 per ton for the component of the fee based on actual deliveries and \$18.50 per ton for the portion of the fee based on minimum commitment tonnage be adopted.

FURTHER RESOLVED: That the Board approve the use of the closure reserves for engineering and construction costs related to the closure of the Waterbury Landfill.

FURTHER RESOLVED: That the 2009 capital budget totaling \$1,342,000.00 be adopted as presented and discussed at this meeting.

Director O'Brien seconded the motion.

Director Savitsky stated she felt CRRA should explore the legal possibilities associated with the letter from Chairman Pace offering amortization possibilities to the member towns. Ms. Hunt stated that she will look into the legal aspects.

Mr. Kirk stated he would like to add his appreciation and thanks to the SWAB Committee for their professional and cooperative efforts in resolving the difficult issue. He stated in particular Director Edwards was of valuable assistance to CRRA.

The motion previously made and seconded was approved by roll call. Director Lauretti voted nay.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Mark Lauretti		X	
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport	X		
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2009 BRIDGEPORT REGIONAL RECYCLING & RECYCLING EDUCATION OPERATING AND CAPITAL BUDGETS AND TIP FEE

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

RESOLVED: That the fiscal year 2009 Bridgeport Regional Recycling Operating budget totaling \$3,866,000.00 be adopted as presented at this meeting and that a fiscal year 2009 member tipping fee of \$0.00 per ton be adopted; and

FURTHER RESOLVED: That the fiscal year 2009 Bridgeport Regional Recycling Capital budget totaling \$40,000.00 be adopted as presented at this meeting.

Director Francis seconded the motion.

Director O'Brien stated the recycling goes through the full fiscal year through all of 2009. Director Edwards stated the SWEROC Committee was in support of this motion. He stated the first six months of the recycling goes to offset the tip fee and the second six months go back to direct reimbursement. He stated he would like to recognize that although Norwalk initially wanted a return on the entire year they compromised in order to offset the tip fee.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport	X		
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2009 WALLINGFORD PROJECT OPERATING AND CAPITAL BUDGETS AND TIP FEE

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

RESOLVED: That the fiscal year 2009 Wallingford Project operating budget be adopted substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That a fiscal year 2009 municipal solid waste tip fee of \$69.00 per ton be adopted for contracted member waste and a fiscal year 2009 municipal solid waste tip fee of \$70.00 per ton be adopted for non-contracted member waste.

FURTHER RESOLVED: That the fiscal year 2009 capital budget totaling \$543,000.00 be adopted as presented and discussed at this meeting.

Director Martland seconded the motion.

Director Howe stated he is relatively new to the CRRA Board. He stated that he is still developing background information on the subject at hand. He stated he has reviewed the budget and accompanying information and it appears reasonable.

Director O'Brien asked that the record show the Wallingford Policy Board unanimously approved the budget. Mr. Bolduc stated the Wallingford Policy Board had discussed this budget at length. He stated as a result of a discussion on administrative fees the budget before the CRRA Board demonstrated a reduction of about \$62,000 in recognition of the concerns of the Policy Board.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport			
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford	X		

RESOLUTION REGARDING THE ADOPTION OF THE SHELTON & WATERBURY LANDFILLS OPERATING BUDGET

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

RESOLVED: That the Shelton and Waterbury Landfill Budgets for the period January 1, 2009, through June 30, 2009, be adopted substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That the Board approve the use of the respective post closure reserves to pay for the post closure activities as presented in the 2009 budgets for the period January 1, 2009, through June 30, 2009.

The motion was seconded by Director Cooper.

Director O'Brien stated that from January 1, 2009, these budgets will be independent and under the CRRA budget. Director Edwards stated there was a lot more activity and maintenance at the Shelton landfill in comparison to the Waterbury landfill. Mr. Bolduc stated the Shelton landfill was an MSW facility while Waterbury was a bulky-c&d landfill.

Chairman Pace asked if the Waterbury landfill sale was still pending. Mr. Tracey stated that CRRA was currently in the process of negotiating acceptable closure costs with the landfill's proprietor, Mr. LoRusso. Mr. Tracey stated if an acceptable closure cost is given by February 1, 2008, negotiations will move forward.

Mr. Tracey stated another component of the issue is the sale of the twelve adjacent acres to the landfill property for which Mr. LoRusso has the right of first refusal for. Mr. Tracey stated Mr. LoRusso's estimate on the twelve acres value and CRRA's estimate have a wide spread.

CRRA hopes to work with Mr. LoRusso on an agreement with the closure before dealing with the additional property. Mr. Tracey stated if both negotiations are successful it is CRRA's intention to wrap them into a settlement agreement to be brought before the Board. Mr. Tracey stated CRRA has some concern that Mr. LoRusso may not offer a price which is acceptable. He stated in the event of a disagreement CRRA will go out to RFP for closure.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport	X		
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

RESOLUTION REGARDING SUBMITTAL OF AN ANNUAL PLAN OF OPERATIONS TO THE CONNECTICUT DEPARTMENT OF ENVIRONMENTAL PROTECTION

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

RESOLVED: That the Board of Directors hereby authorizes CRRA management to submit the Annual Plan of Operations for FY2008 and FY2009 to the Connecticut Department of Environmental Protection, substantially as discussed and presented at this meeting.

The motion was seconded by Director Francis.

Director O'Brien stated the Annual Plan of Operations included recommended changes from the Executive Committee. He stated the Executive Committee authorized Chairman Pace to forward a letter highlighting certain issues of importance to Commissioner McCarthy. Chairman Pace stated the Executive Committee reviewed the topic at length and included the recommended changes for the Board's review.

Director O'Brien thanked Mr. Egan and contributing staffs' efforts on an excellent job. Mr. Bolduc stated the strategic overview document is also receiving the same level of diligence as the Plan of Operations. He stated a large portion of what CRRA does is to comply with

statutes. Mr. Bolduc stated the annual plan offers CRRA an opportunity to have their views on compliance with statues heard. Mr. Bolduc stated an issue confronting the towns and a large part of Connecticut is what the future of solid waste disposal will be for the state. Mr. Bolduc stated advances in technology will bring more options that weren't available to CRRA initially. He stated CRRA has been reliant on its own businesses model without any additional funding from the state.

Director Savitsky asked if a response had been heard from Commissioner McCarthy on the letter from the CRRA Board concerning funding for the Solid Waste Management Plan. Mr. Kirk stated the Commissioner's representative indicated that Commissioner McCarthy is looking favorably towards scheduling a meeting to discuss the letter.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport	X		
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

CHAIRMAN'S REPORT

Chairman Pace asked Mr. Bolduc to speak to the outstanding bond and state loan issue for the Mid-CT Project.

Mr. Bolduc stated approximately \$11 million and accrued interest is owed to the State of Connecticut and that those funds had been placed in an irrevocable trust until CRRA was confident that they would not need additional borrowing. Mr. Bolduc stated he is pleased to report there is only \$15 million of senior debt remaining on the Mid-CT Project. He stated the paperwork to begin paying back the loan to the State will commence shortly.

Chairman Pace thanked the CRRA management for their hard work and dedication in turning CRRA around after much public criticism in the past.

PRESIDENT'S REPORT

Mr. Kirk stated the Bridgeport project negotiations with Wheelabrator continue. The most recent offer was found not acceptable to SWAB or CRRA. He stated there is a continued dialogue with Wheelabrator and SWAB is also pursuing an RFP for alternative proposals.

Mr. Kirk stated the SWEROC member towns are still continuing to pursue their options. He stated there is not sufficient tonnage to allow the FCR deal. He stated however that a post SWEROC agreement operation open to all participating towns will be available.

Mr. Kirk stated the Wallingford budget had been passed. He stated the future options proposal from Covanta was not found favorable by the Committee and that CRRA is developing other options for serving the region and the towns. Mr. Kirk stated CRRA will be making a presentation to the Wallingford town council on March 11, 2008, to help the council understand their options and the capabilities for the town.

Mr. Kirk stated the SCRRA project is waiting on the ash and residue bill offering from CRRA. He stated SCRRA continues to examine innovative post project options.

Mr. Kirk stated on the Mid-CT Project the Supreme Court granted a stay of CRRA's motion to hold off on paying the attorney's fees. He stated CRRA anticipates an April hearing on the appraisal. Mr. Kirk stated power side outages continue at Mid-CT and some improvement in performance is anticipated with the ongoing capital investment. Mr. Kirk stated on the IPC side the capital investment is also expected to result in improvement. He stated the initial budget estimation from MDC did not show this improvement and CRRA has asked MDC to look at the budget again and recognize the capital improvements. Mr. Kirk stated he met and presented to the MDC towns to provide them with post 2012 plant viability information. Mr. Kirk stated there is a concern on behalf of the MDC towns on how viable the plant will be after 2012. He stated he continues to communicate that the plant will be maintained, available, and reliable beyond 2012.

Mr. Kirk stated CRRA recognizes the importance of having alternative means of participation at the CRRA Board meetings. He stated CRRA has arranged an internet based means of providing last minute documents to Board members who are not present at CRRA headquarters.

POLICIES & PROCUREMENT COMMITTEE

RESOLUTION REGARDING THE STANDARD FORM MUNICIPAL SOLID WASTE DELIVERY AGREEMENT FOR THE BRIDGEPORT PROJECT

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

RESOLVED: That the President is authorized to execute an Agreement with Superior Waste Disposal, Inc. for delivery of Acceptable Waste to CRRA's Bridgeport Project as substantially as presented and discussed at this meeting.

FURTHER RESOLVED: That said Agreement for calendar year 2008 include a municipal solid waste tip fee of \$67.00 per ton with an annual put-or-pay minimum commitment of 45,000 tons.

FURTHER RESOLVED: That said Agreement also allow the delivery of an additional 14,500 tons above the minimum commitment at the same \$67.00 per ton tip fee during the term of the Agreement.

The motion was seconded by Director Francis.

Mr. Kirk stated the agreement was a typical agreement with no exceptions. Mr. Gaffey stated that Stamford has pulled out of the project. Mr. Gaffey stated the Bridgeport Project was down 60,000 tons after Stamford's withdrawal. Mr. Gaffey stated Superior Waste Disposal Inc. has requested to come into the project under the standard hauler agreement which CRRRA has offered to them. Mr. Gaffey stated their entry covers a large portion of the tons lost by Stamford. He stated the company has asked that the minimum commitment reflect that January is almost over and to adjust the minimum commitment down to 41,250 tons. Mr. Gaffey stated the company had agreed to bring in an additional 14,500 in over and above the 45,000 tons. He recommended changing the motion to reflect the changes.

AMENDMENT TO THE MOTION

Director O'Brien stated as a result of Mr. Gaffey's information that he was offering a friendly amendment to the motion to reduce the annual put-or-pay minimum by the prorated amount for the month of January:

FURTHER RESOLVED: That said Agreement for calendar year 2008 include a municipal solid waste tip fee of \$67.00 per ton with an annual put-or-pay minimum commitment of 41,350 tons.

The amendment was seconded by Director Cooper.

The motion previously made and seconded was approved as amended and discussed by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport	X		
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE

Chairman Pace asked Director Cooper for a report on any actions taken at the Organizational Synergy and Human Resources Committee meeting. Director Cooper stated the Organizational Synergy & Human Resources Committee discussed senior management performance and compensation. Director Cooper stated because the topic deals with both compensation and performance senior management has the right to request an open session if so desired. Ms. Hunt stated that the staff requested the discussion take place in Executive Session. Director Cooper requested that the Board meet in Executive Session to discuss personnel issues.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session at the request of CRRA personnel to discuss pending litigation and personnel evaluations with appropriate staff. The motion made by Director O'Brien and seconded by Director Martland was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

- Tom Kirk
- Jim Bolduc
- Laurie Hunt, Esq.
- Peter Egan
- Chris Hyfield

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
James Miron	X		
Linda Savitsky	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport			
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

The Executive Session began at 1:00 p.m. and concluded at 1:26 p.m. Director O'Brien noted that no votes were taken in Executive Session.

The meeting was reconvened at 1:27 p.m.

RESOLUTION REGARDING SENIOR MANAGEMENT SALARIES

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

RESOLVED: That the Senior Management salaries be adopted as presented and discussed by the Organizational Synergy & Human Resources Committee.

Chairman Pace seconded the motion.

Director Cooper stated Peter Egan’s salary be increased 2.1% for 2007 performance.

Director Cooper stated as part of the motion Ms. Hunt’s salary will be increased 2.1% for performance in 2007. Director Cooper stated Ms. Hunt’s salary will be subject to an additional 4.15% market progression adjustment being split between now and July.

The motion previously made and seconded was approved by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Jim Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O’Brien	X		
James Miron	X		
Non-Eligible Voters			
Stephen Edwards, Ad-Hoc, Bridgeport			
Timothy Griswold, Ad-Hoc, Mid-CT			
Warren C. Howe Jr., Ad-Hoc, Wallingford			

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 1:35 p.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal