

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-THIRD

OCT. 25, 2012

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Oct. 25, 2012, in the Board Room at 100 Constitution Plaza, Hartford, CT 06103. Those present were:

Directors: Chairman Don Stein
John Adams
Ryan Bingham (present by telephone)
David Damer
Joel Freedman
Timothy Griswold
Ted Martland (present by telephone from 11:01 – 11:09 a.m.)
Andrew Nunn (present by telephone)
Pedro Segarra (present until 11:40 a.m.)
Scott Slifka (present by telephone beginning 11:35)
Steve Edwards, Bridgeport Project Ad-Hoc
Mark Tillinger, Bridgeport Ad-Hoc
Bob Painter, Mid-Connecticut Project Ad-Hoc
Steve Wawruck, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Dave Bodendorf, Senior Environmental Engineer
Jeff Duvall, Director of Budgets and Forecasting
Peter Egan, Director of Environmental Affairs and Operations
Tom Gaffey, Director of Recycling
Laurie Hunt, Director of Legal Service
Paul Nonnenmacher, Director of Public Affairs
Moirra Benacquista, HR Specialist/Board Administrator
Marianne Carcio, Executive Assistant

Others present: Dave Aldridge, SCRRA; Jessica Campbell, Covanta; John Pizzimenti, USA Hauling; Dan Mara, Esq., MDC; Michael Paine, Paine's Inc/LNSWMA; Edward F. Spinella, Esq., of the Law Offices of Edward F. Spinella, Edq., LLC; Kachina Walsh-Weaver Russ, Connecticut Conference of Municipalities.

Chairman Stein called the meeting to order at 9:35 a.m. and said a quorum was present.

PUBLIC COMMENT

Edward F. Spinella, Esq. of the Law Offices of Edwards F. Spinella, Esq., LLC addressed the Board. He said he has been practicing for approximately 32 years, 30 years of which he has been representing waste management companies, specifically USA Hauling, USA Hauling and Recycling, All Waste, Somers Sanitation, and Murphy Rd. Recycling. Mr. Spinella said he is present to address agenda item B. 4, the revised permitting, disposal & billing procedures proposed for the haulers. He said he attended the Policies & Procurement Committee meeting as well to voice his client's objection to the rules as they were proposed at that meeting.

Mr. Spinella said as a result of his objection, and comments from Ms. Cruz-Aponte on behalf of the City of Hartford, changes were made to the procedures. He said however, his clients still have a problem with some of the proposed rules. He said his clients object to CRRA changing the way that it currently operates. Mr. Spinella said historically recycling residue has never been required to be delivered to the Mid-Conn facility. He said this proposed rule would require towns and haulers to deliver their recycling residue to Mid-Conn.

Mr. Spinella said that is not acceptable to the industry and he believes it is also not acceptable to the member towns. He said historically facility owners, as well as the haulers, were free to dispose of their residue in the open market at competitive prices. Mr. Spinella said this new rule would require the haulers to deliver their residue to CRRA at an above market price which may be as high as \$85 a ton, when the residue can be disposed of in the market as cheaply as \$30 - \$35 a ton.

Mr. Spinella said it is very important for these facilities to be able to dispose of their residue in the open market as the haulers need to subsidize their operations with lower tip fees. He said for example the haulers have facilities that create recycling residue. Mr. Spinella said those facilities pay approximately \$400,000 - \$500,000 in property taxes to the City of Hartford and employ approximately 40 employees.

Mr. Spinella said as Ms. Cruz-Aponte noted last week, with this new rule those facilities would likely leave the City of Hartford and seek out other areas of the State of Connecticut where the residue would not be required to be delivered. He said his clients' appreciate the efforts of CRRA management to change the rules back so residue is no longer required to be delivered to the CRRA.

Mr. Spinella said his clients are still concerned because an email sent by CRRA to the haulers with the new proposed rules stated it was never the intent of the CRRA to require residue to be delivered from volume reduction facilities or from C&D facilities. He said the e-mail does not identify paper and bottle and can facilities, which play a crucial role in the Solid Waste Management Plan and recycling.

Mr. Spinella said his clients want it to be made clear to the CRRA Board that under no circumstances is this change good for the industry or the Solid Waste Management Plan's goal of reaching 58% recycling. He said if residue must be disposed at CRRA it makes it difficult for his clients to do business in the CRRA towns.

Mr. Spinella said his clients have problems with the definition of waste facilities. He said these proposed rules propose a new definition for waste facility which would permit the CRRA at any time to add designated sites where MSW must be disposed. Mr. Spinella said the industry does not like this open ended rule as they sign long term contracts with CRRA as well as the towns. He said his clients

would like to know in advance where the waste will be disposed. Mr. Spinella said CRRA’s ability to change the facilities creates havoc in the industry. He said his clients agree if there is a change in waste facilities CRRA must pay the additional costs, however those additional costs, according to the rules are only direct costs, and there are substantial indirect costs whenever a waste facility is changed. Mr. Spinella said his clients would prefer when CRRA chooses to add on waste facilities the rules should be changed to specifically identify the new facility.

Mr. Spinella said he appreciates management’s cooperation so far and is confident that a compromise can be met. He said however the haulers would prefer the old rules stay in place as the proposed rules identify recycling residue as acceptable solid waste which his clients feel is unnecessary.

Michael Paine of Paine’s Inc/LNSWMA addressed the Board. He said he and his family own Paine’s Inc., a recycling and trash hauler which is a customer of CRRA’s. Mr. Paine noted that he is also the Chapter Chairman for the National Solid Waste Management Association. He said he is present to echo Mr. Spinella’s comments as he has significant concerns over the current recycling residue language within the billing procedures and with CRRA’s ability to designate a facility.

Mr. Paine said his company needs to be able to take care of its customers and currently has two years left of a five year agreement with CRRA. He said his company has planned on going to certain facilities which is what good business planning is all about.

APPROVAL OF THE MINUTES OF THE REGULAR SEPT. 27, 2012 BOARD MEETING

Chairman Stein requested a motion to approve the minutes of the regular Sept. 27, 2012, Board Meeting. Director Adams made a motion to approve the minutes as amended and discussed, which was seconded by Director Damer.

The motion previously made and seconded to approve the minutes as amended and discussed was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Nunn, Director Painter, Director Segarra, and Director Tillinger voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

FINANCE COMMITTEE

RESOLUTION REGARDING REASSIGNING CERTAIN CRRA NET ASSESTS

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Griswold and seconded by Director Adams.

WHEREAS, the Mid-Connecticut Project (the “Project”) will officially end on November 15, 2012; and

WHEREAS, the Connecticut Solid Waste System (the “CSWS”) will officially begin operations on November 16, 2012; and

WHEREAS, the Authority recognizes the need to distinguish between the revenues and expenses of the Project and CSWS for accounting purposes;

NOW, THEREFORE, it is

RESOLVED: that, as of November 16, 2012, the net assets currently classified as Project Net Assets, will be classified as CSWS Net Assets in accordance with the definition in the new CSWS Municipal Service Agreements (“MSA’s”)

FURTHER RESOLVED: that, as of November 16, 2012, the net assets listed on Attachment A hereto, will be included in the Landfill Division.

FURTHER RESOLVED: that, as of November 16, 2012, the net assets listed on Attachment B hereto, and those not part of CSWS and the Landfill Division will be included in the Property Division.

Mr. Kirk said this resolution is the first of three related motions. He said this resolution primarily recognizes the name change and appropriate assets and liabilities from the old Mid-Connecticut Project to the new solid waste management system which will be effective on Nov. 16, 2012.

Mr. Bolduc said the Mid-Connecticut Project will end soon and CRRA’s accounting will be required to follow the legal agreements within the MSA’s. He said the existing assets and liabilities on the books need to be realigned and tracked from a GAAP perspective. Mr. Bolduc explained in order to comply management must look to the new MSA’s which contain definitions on the costs of operations and facilities.

Mr. Bolduc said this process started years ago with the culmination of the Bridgeport and Wallingford Projects. He said these costs are tracked due to outstanding liabilities and costs. Mr. Bolduc said the Board designated two divisions at management’s requests several years ago. He explained Projects had a legal definition within the context of the bond indentures. Mr. Bolduc said the landfill division does not have that legal definition and was set up to capture residual assets and liabilities associated with the next twenty plus years of post-closure responsibilities for the landfills.

Mr. Bolduc said CRRA will also start a new audit with BST after Nov. 15, 2012. He said the property division is also segregated and consists of the residual activities CRRA is responsible for including assets, revenues, expenses, and liabilities. Mr. Bolduc said there are costs associated with maintaining records and computer files relating to the Enron Global suit which are part of the new division.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Nunn, and Director Segarra voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

RESOLUTION REGARDING APPROVAL OF FY13 CSWS BUDGET MODIFCATIONS AND USE OF HARTFORD LANDFILL POST CLOSURE RESERVE

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Griswold and seconded by Director Adams.

WHEREAS, it is unlikely that CSWS will have sufficient and timely cash flow to meet its obligations; and

WHEREAS, the Connecticut Resources Recovery Authority (CRRA) operates a transfer station in the Town of Ellington to aggregate Municipal Solid Waste (“MSW”) for specific municipalities to deliver to the Authority’s South Meadows waste to energy facility; and

WHEREAS, CRRA’s long-term Municipal Solid Waste Agreements (“MSA”) with these specific municipalities expire on November 15, 2012; and

WHEREAS, several of the municipalities that currently use the transfer station in Ellington have not entered into new MSAs with CRRA, thereby reducing the quantity of MSW to a level not sufficient to continue to economically aggregate; and

WHEREAS, Connecticut General Statutes Section 22a-270 provides that the Authority shall be exempt from state and local taxes but may enter into agreements to make payment in lieu of taxes (“PILOT”); and

WHEREAS, the agreement between the City of Hartford and CRRA pursuant to which CRRA pays a PILOT to the City will expire November 15, 2012; and

WHEREAS, at its September 27, 2012 board meeting, this Board resolved to pay a PILOT to the City of Hartford in an amount to be determined on an annual basis as part of CRRA’s budgeting process; and

WHEREAS, CSWS’s Fiscal Year 2013 budget, established by this Board at its February 23, 2012 meeting, included a PILOT payment; and

WHEREAS, the CSWS initial revenues will potentially be received after its initial expenses creating the need for a line of credit; and

WHEREAS, CRRA’s reserve for the post-closure care and maintenance of the Hartford Landfill will be fully funded as of November 15, 2012, but most of the funds will not be needed for well into the future;

NOW THEREFORE, it is hereby

RESOLVED: That management is authorized to suspend operations at the transfer station in located in Ellington Connecticut effective January 2013; and

FURTHER RESOLVED: Subject to the execution of an agreement with the City of Hartford on the terms set forth in this Board’s September 27, 2012 resolution, CSWS will pay a PILOT to the City of Hartford [on or before January 31, 2013]; and

FURTHER RESOLVED: In the event that CSWS has insufficient cash on hand to meet its obligations, the President is authorized to move sufficient funds from CRRA’s Hartford Landfill Post-Closure Reserve into the CSWS Operating Account, and to use such funds to pay operating expenses; and

FURTHER RESOLVED: That the amount “borrowed” from the Hartford Landfill Post-Closure Reserve, with interest based on the Treasurer’s Short Term Investment Fund (“STIF”) thereon, be returned in the subsequent year by inclusion in the CSWS net cost of operations.

Mr. Bolduc said this resolution is a follow up to meetings and discussions which have been held with the Board to address the significant decline in spot prices and an expected further loss in tonnage. Mr. Bolduc said the loss of tonnage results in disposal costs increasing which directly affects the budget. Mr. Kirk said the tons are lost at the expected \$60.00 tip fee and come in at a spot tip fee.

Mr. Bolduc said the FY’13 budget has projected loss. He said the budget is approved so far in advance it contains many assumptions. He said the Board discussed several items in September which

could make up that deficit and implemented several actions in order to do so. Mr. Bolduc explained as a result there will be a cash flow issues on Nov. 16, 2012, when the new budget for the CSWS begins.

Mr. Bolduc said because the Project is starting from scratch there are working capital issues until an adequate cash flow is set aside. Mr. Bolduc said the original bonds assigned about \$10 million of working capital to get the Mid-CT Project going however CSWS is not in the same position.

Mr. Bolduc said due to the loss of many of the member towns there is no economic reason to keep the Ellington Transfer Station open. He said as tons are lost the fixed costs far exceed the revenues and it makes sense to close it at this time.

Mr. Bolduc said to help resolve the gap in the FY'13 budget and the cash flow issues management needs to start banking some dollars and eliminating some costs. He said closing the Ellington transfer station (which on a net basis should save \$500,000 annually) and borrowing money from the Hartford landfill post-closure reserve will address those issues.

Mr. Bolduc said the first resolve in the resolution closes the Ellington landfill station as of January 15, 2013; the second incorporates the Board resolution providing a PILOT for the City of Hartford, the next effectuates paying the bills as they come due by borrowing money from the Hartford post-closure reserve. He said the funds would be returned with any lost interest which would have normally been accumulating.

Director Griswold asked if the electric rate is also a contributor to this situation. Mr. Bolduc said the electric rate had been anticipated in the FY'13 budget when it was established.

Director Painter asked if borrowing from the post-closure reserve puts that fund at risk if CRRA becomes a transfer station or changes operations. Mr. Bolduc replied yes.

Director Painter asked if CRRA is in same situation in FY'14 with a deficit if the money CRRA has borrowed cannot be paid back. Mr. Bolduc said that is a decision which will have to be made by the Board. He said FY'14 has a significant deficit already and this would only make that deficit larger.

Director Segarra said he was trying to understand. He said the City of Hartford pulls money during the month of December or they do not have enough cash reserves to meet expenditures. He said however, that does not put the City in a deficit situation within the budget itself because during the course of the year they have the \$540 million they need to operate. Director Segarra said any mitigation strategies the City undertakes to balance its budget happens aside from that. He said it seems to him that CRRA is not pulling its cash but is using cash to mitigate a deficit.

Mr. Bolduc said CRRA is not a private industry or municipal government. He said privates can take a line of credit from the bank for short term needs. Mr. Bolduc said municipals don't use lines of credit as they are perceived as being an ongoing entity with taxing authority. He said CRRA is in the middle, it does not have taxing authority and the way these contracts were written thirty years ago, they basically are shutting down a business on Nov. 15, 2012. Mr. Bolduc said there is not enough time to build up cash to pay the expected future bills.

Mr. Bolduc said the backstop to all of this is the State of Connecticut. Director Segarra said we are not reconsolidated at the end of the year. Mr. Bolduc said no. He said because Nov. 15, 2012, is a very odd date he said the resolution is for the end of January, but realistically there is not enough time to accumulate cash in order to pay all the bills on time without this step.

Director Tillinger said some of the unease concerns the predictability of a short term line of credit from a post-closure reserve that is there for legal and important and valid reasons. He said the Board needs to see the cash flow reconciliation and the predictability and repayment within a short term time frame. Mr. Bolduc said the answer with FY' 14 is the issue with the State of Connecticut.

Chairman Stein asked how much management planning on borrowing from the reserve and what the predictability of having enough cash that fiscal year is in order to balance the books and repay that reserve.

Director Griswold said the Board went through the options. He said anyone with a financial background is going to look at this and ask if it can be paid back and how. Director Griswold said it could be accomplished by increasing the tip fee. He said cutting expenses has already been looked into and put into action. Director Griswold said further trimming of expenses may be the only option and one of those expenses may be the PILOT as it is a big number and is not required. He said the Board is going to have to make some difficult decisions. Director Griswold said if the Board does not set up some contingency source of funding management will run out of money to pay expenses.

Director Damer asked if the EPA and CT DEEP rules allow CRRA to borrow from the post-closure. Mr. Bolduc replied yes.

Director Painter said the next two resolves discuss moving funds back and forth from the landfill post-closure reserve. He asked if CRRA needs to pass this. Director Painter said if the Board decides to borrow from the landfill post-closure reserve later on that's fine but it doesn't look like CRRA is currently at that point. Mr. Bolduc said CRRA is at that point. He said Nov. 16, 2012, is only four weeks away and bills will be coming in for which CRRA will not have the needed revenues.

Mr. Bolduc said he is trying to resolve the need for funds for the PILOT resolution which was passed the month prior. He said over the next several months the FY' 14 discussion will take place but putting off the passage of this resolution will not fix the problem and landfill closure takes some time. Director Painter asked if the CT DEEP response to the task force request will come after December.

Mr. Bolduc said December 1, 2012, is the date the task force is supposed to make a report to the Governor. Chairman Stein said it is likely that the report to the Governor will be a longer term strategy. He said he received a promise from Deputy Commissioner McCleary to start a dialogue with CRRA as he recognizes the anxiety of the Board and the towns.

Director Griswold said there is currently no agreement in place for the PILOT and those payments are expected to start in January. He said the second resolve says subsequent to the agreement which has not been executed.

Chairman Stein said he had discussed the principal of honoring the PILOT at length and stated an agreement was reached with the City of Hartford and the PILOT will be paid. He argued on behalf of the City and stated not providing the PILOT would not be in good faith. Chairman Stein said the physical agreement between the CRRA and the City of Hartford still needs to be crafted. Director Griswold said if Mr. Bolduc is told to make a bunch of payments and he doesn't have the fund that puts him in a difficult position.

Director Freedman asked what would happen if this resolution is not approved. Mr. Bolduc said he will have to start literally choosing which expenses to pay for on a day to day basis. He said there are going to be other bills which need to be paid as there is no accumulated working capital.

Chairman Stein said the first further resolve in the resolution relating to the PILOT is superfluous because the agreement has already been passed. He said if this is purely a cash flow issue he does not feel that paragraph is necessary and suggested removing it to allow management to borrow as needed with the stipulation that it be repaid.

Mr. Kirk said management requires access to the cash as the new CSWS system starts in three weeks. He said the 2014 tip fee, as Mr. Bolduc explained, will be higher because it is CRRA's intent to necessitate the borrowing of the reserves over a two year cycle. He said the 2014 tip fee will be higher in order to repay that reserve. Mr. Kirk said that tip fee is not in management's control as they are waiting on the CT DEEP to provide a resolution to CRRA's long term revenue problem.

Mr. Kirk said CRRA is down to two options for the facility, that the plant continues to operate as a trash to energy plant, and in that scenario and in order to stay competitive, the tip fee must be under a certain amount or there will not be enough customers. He said under the second option, the plant will evolve into a transfer station to serve the 800,000 tons which will need to leave the State of Connecticut.

Mr. Kirk said management's plan as presented intends to use the landfill post-closure reserve which will be repaid and fully contributed. Mr. Bolduc said this plan is based on budget assumptions which are driven by tonnage, electricity rates, and spot rates. Mr. Kirk said in future years it will be up to the Board to ensure funds are set aside for similar occurrences to ensure that tip fees remain stable despite the possibility of a bad economy or other issues.

Director Painter said he appreciates the difficult position that CRRA is currently in. He said although he has voted in the past to borrow from the landfill closure fund, circumstances are different now. Director Painter said he does not want to be viewed as supporting a resolution which may put the landfill closure reserve in jeopardy and as a result he feels he must vote against this action.

Chairman Stein asked how much money is currently in the landfill post closure reserve. Mr. Bolduc replied \$21 million. Chairman Stein asked how much money management is anticipating borrowing. Mr. Bolduc provided a rough estimate of around \$2 million plus any funds for the PILOT. Director Adams asked what liabilities over the next five years will be addressed by that. Mr. Bolduc said about \$800,000 a year is needed to maintain the landfill once it is certified closed. Mr. Egan said the costs decline over time.

Director Griswold said while he appreciates Director Painter’s concern over possibly jeopardizing the landfill fund in the future he is concerned that CRRA will not be able to pay its obligations with an insufficient cash flow. He said if that were to happen he would suggest making a motion to reduce the PILOT payment to Hartford by an equal amount. Director Griswold said funds need to be set aside to meet obligations or reduce expenses. He said it is important to make a decision to move forward at this meeting.

AMENDMENT TO THE MOTION

Director Damer made a motion to remove the first “Further Resolved” concerning the PILOT and to delete the extra “in” in the first resolve and to remove the first”. The motion was seconded by Director Adams.

The motion to amend was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Nunn, Director Painter, and Director Wawruck voted yes. Director Segarra voted no.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra		X	
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck Mid-Ct	X		

FINAL VOTE ON THE RESOLUTION REGARDING APPROVAL OF FY13 CSWS BUDGET MODIFICATIONS AND USE OF HARTFORD LANDFILL POST CLOSURE RESERVE AS AMENDED

Chairman Stein requested a motion on the above referenced item which was originally made by Director Damer and seconded by Director Adams.

WHEREAS, it is unlikely that CSWS will have sufficient and timely cash flow to meet its obligations; and

WHEREAS, the Connecticut Resources Recovery Authority (CRRA) operates a transfer station in the Town of Ellington to aggregate Municipal Solid Waste (“MSW”) for specific municipalities to deliver to the Authority’s South Meadows waste to energy facility; and

WHEREAS, CRRA's long-term Municipal Solid Waste Agreements ("MSA") with these specific municipalities expire on November 15, 2012; and

WHEREAS, several of the municipalities that currently use the transfer station in Ellington have not entered into new MSAs with CRRA, thereby reducing the quantity of MSW to a level not sufficient to continue to economically aggregate; and

WHEREAS, Connecticut General Statutes Section 22a-270 provides that the Authority shall be exempt from state and local taxes but may enter into agreements to make payment in lieu of taxes ("PILOT"); and

WHEREAS, the agreement between the City of Hartford and CRRA pursuant to which CRRA pays a PILOT to the City will expire November 15, 2012; and

WHEREAS, at its September 27, 2012 board meeting, this Board resolved to pay a PILOT to the City of Hartford in an amount to be determined on an annual basis as part of CRRA's budgeting process; and

WHEREAS, CSWS's Fiscal Year 2013 budget, established by this Board at its February 23, 2012 meeting, included a PILOT payment; and

WHEREAS, the CSWS initial revenues will potentially be received after its initial expenses creating the need for a line of credit; and

WHEREAS, CRRA's reserve for the post-closure care and maintenance of the Hartford Landfill will be fully funded as of November 15, 2012, but most of the funds will not be needed for well into the future;

NOW THEREFORE, it is hereby

RESOLVED: That management is authorized to suspend operations at the transfer station in located in Ellington Connecticut effective January 2013; and

FURTHER RESOLVED: In the event that CSWS has insufficient cash on hand to meet its obligations, the President is authorized to move sufficient funds from CRRA's Hartford Landfill Post-Closure Reserve into the CSWS Operating Account, and to use such funds to pay operating expenses; and

FURTHER RESOLVED: That the amount "borrowed" from the Hartford Landfill Post-Closure Reserve, with interest based on the Treasurer's Short Term Investment Fund ("STIF") thereon, be returned in the subsequent year by inclusion in the CSWS net cost of operations.

The motion previously made and seconded to approve the minutes as amended and discussed was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer,

Director Freedman, Director Griswold, and Director Nunn voted yes. Director Painter and Director Segarra voted no.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra		X	
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct		X	
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING APPROVAL OF THE RESERVE ANALYSIS

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Griswold and seconded by Director Adams.

WHEREAS, the Mid-Connecticut Project’s bonds will be paid off on November 15, 2012 and the bond Trustee holds several accounts and reserves related to these bonds; and

WHEREAS, the Authority has a Post Litigation Reserve related to continuing legal fees associated to Enron which will need to be maintained after November 16, 2012; and

WHEREAS, on November 16, 2012 the Connecticut Solid Waste System will begin operation and will have to establish operating and reserve accounts; and

WHEREAS, the Rolling Stock Reserve and the Facility Modification Reserve are reserves intended to fund normal capital expenditure to the facilities that makes up the South Meadows’s waste to energy system and the concurring recycling system; and

WHEREAS: on November 16, 2012 the Mid-Connect Project will end and in order to continue to fund Project expenditures the Project Closure Reserve was established and funded; and

WHEREAS, the Authority has established Mid-Connecticut Project reserves that will need to be closed and dissolved once their intended function is completed and the balance becomes zero; and

WHEREAS: the Authority has established reserves related to the Hartford Landfill closure and post-closure liabilities and wants to ensure post-closure activities are properly funded once the landfill is certified closed; and

WHEREAS: the Authority has established the Bridgeport Post Project Reserve and the Wallingford Project Closure Reserve to ensure funds were available to pay the Bridgeport and Wallingford Projects' liabilities and now some of the funds are no longer needed; and now, therefore, be it:

RESOLVED: That once the Mid-Connecticut Project's bond has been retired, any remaining funds after November 15, 2012 in the Trustee accounts and reserves be transferred to the Mid-Connecticut operating account and the Trustee accounts be closed the funds transferred from the Operating & Maintenance Fund and Renewal & Replacement Fund accounts be redirected to the Hartford Landfill Post-Closure Reserve per the February 24, 2011 Board of Directors' resolution;

FURTHER RESOLVED: That the Post Litigation Reserve's name be changed to the Enron Litigation Reserve and the Facility Modification Reserve's name be changed to the CSWS Capital Expenditure Reserve and their net assets be transferred to the CSWS; and

FURTHER RESOLVED: That the any remaining funds in the Rolling Stock Reserve be transferred to the CSWS Capital Expenditure Reserve and the Rolling Stock Reserve be dissolved and its corresponding Treasurer's Short Term Investment Fund ("STIF") account be closed; and

FURTHER RESOLVED: That in accordance with the Mid-Connecticut Fiscal Year 2013 Budget in the caption "Use of Board Designated Reserve" when the Recycling, Education, and Solid Waste Initiatives Fund ("RESWI") is exhausted, the reserve be dissolved and the corresponding STIF account be closed; and

FURTHER RESOLVED: That the President is authorized to approve the use of funds from the Mid-Connecticut Project Closure Reserve to pay the Mid-Connecticut Project costs and fees incurred after November 15, 2012; and

FURTHER RESOLVED: That once the activities associated with the Mid-Connecticut Transition Funds Reserve are completed any remaining funds be transferred to the Mid-Connecticut Project Closure Reserve to off-set any residual Mid-Connecticut liabilities and the Mid-Connecticut Transition Fund be dissolved and its corresponding STIF account closed; and

FURTHER RESOLVED: That once the Mid-Connecticut Project Reserves are depleted that they be dissolved and their corresponding STIF account be closed; and

FURTHER RESOLVED: That once the Stratford Recycling Capital Reserve and the Commodity Revenue Share Reserve are distributed that they be dissolved and their corresponding STIF account be closed; and

FURTHER RESOLVED: That once all the closure activities at the Hartford Landfill are completed any remaining funds in the Hartford Landfill Closure Reserve be transferred to the Hartford Landfill Post-Closure Reserve, the Hartford Landfill Closure Reserve be dissolved and its corresponding STIF account be closed; and

FURTHER RESOLVED: That the funds in the Wallingford Project Risk Fund Reserve (approximately \$663,000) be distributed to municipalities that constituted the Wallingford Project in the same manner as the previous Project distributions and that the Wallingford Project Risk Fund Reserve be dissolved and the corresponding STIF account closed; and

FURTHER RESOLVED: That \$146,945 from the Bridgeport Post Project Reserve be distributed to municipalities that constituted the Bridgeport Project in the same manner as the previous Project distributions.

Mr. Bolduc said that every October for the last ten years management has brought the reserve analysis to the Finance Committee for review. He said the review shows each reserve, what it was set up for, the purpose, its current balance and what action management recommends based on the reserves' current status.

Mr. Bolduc explained the reserves will be in one of two categories, restricted, which are reserves for which the Board has no input on and contain mostly trustee accounts and contractual agreements. He said the second are unrestricted reserves.

Mr. Bolduc said many of these reserves concern the Mid-CT bonds, which are being paid off on Nov. 15, 2012, and as a result there are trustee accounts which need to be dissolved and any residual funds will be moved back to CRRRA.

Mr. Bolduc said the first resolve involves moving funds to the Hartford Landfill Post-Closure Reserve. He said a year ago management stabilized the tip fee at \$69.00 by using the \$1.5 million in operation and maintenance and renewal and replacement funds. Mr. Bolduc said those funds cannot be moved until the bonds are paid off.

Mr. Bolduc said the second resolve concerns the post litigation reserve which will be changed to be more aptly titled; Enron Litigation Reserve. He said that Facility Modification Reserve's name will be changed to; CSWS Capital Expenditure Reserve and its net assets will be transferred to the CSWS.

Mr. Bolduc said the next resolve concerns transferring any remaining funds from the Rolling Stock Reserve to the CSWS Capital Expenditure Reserve. He said this is the only reserve out of the old Mid-CT Project being moved into the CSWS based on an analysis which determined funds were required to be set aside for plant maintenance.

Mr. Bolduc said the next resolution is to close out the Board designated Recycling, Education, and Solid Waste Initiatives Fund. He said in FY'13 it was agreed by the Board to use that money to defray the tip fees in FY'13 and this provides authority to close that account.

Mr. Bolduc said as with the Wallingford and Bridgeport Project, there are tail end responsibilities and liabilities associated with the closure of the Mid-Ct Project. He said the Mid-Connecticut Project Closure fund was set aside to handle such activities. Mr. Bolduc said going forward the funds will be tracked and when the amount to be returned is sizable a distribution will be made.

Mr. Bolduc said the next resolve concerns the transition of the two vendors from the WPF and the PBF. He said a fund has been set up for that specific reason and this resolution provides for any residual funds to be placed in the Mid-CT Project-Closure reserve. Mr. Bolduc said once the Mid-CT Project reserves are depleted they will be dissolved.

Mr. Bolduc said when the Stratford Recycling Capital Reserve and the Commodity Revenue Share Reserve are distributed they will be dissolved and their STIF account closed.

Mr. Bolduc said the next further resolved concerns the Hartford Landfill closure reserve. He said once the monies and the Project are certified closed any residual funds will be placed in the Hartford landfill post-closure reserve.

Director Adams said CRRA continues to place funds in the closure reserve as management accepts soil deliveries. Mr. Bolduc said some of those dollars have already been reflected in the forecast of those numbers. Director Adams asked if a fund has been designated for the electric generation dollars earned from the solar project. Mr. Bolduc said as he understands, the revenues are included in the costs and will not be a significant source of income. He said as a result he doesn't expect to see any major dollars which would likely be contained in the landfill division.

Mr. Bodendorf noted there are costs associated with maintaining the solar project. He said when it was approved based on the expected electricity revenues and the ZREC expected revenue of about \$165,000 a year management expects electricity revenues of \$130,000 - \$140,000 a year.

Director Painter said there was also discussion on virtual net metering. He said that would include the CRRA landfill operation and the City of Hartford. Mr. Egan said the issue with virtual net metering at the landfill is that the City of Hartford will have to own a generating asset, which is an integral component of the landfill cap. He said CRRA needs to own the environmental protection equipment and systems and the City of Hartford cannot own the cap. He said there is an issue with establishing a virtual net program at the landfill as a result.

Chairman Stein asked how often management reviews the reserve funds. Mr. Bolduc said for the last ten years every fund has been looked at on an annual basis. He said it is done in October in advance of the budget cycle and provides information on whether the funds are adequate and properly funded. Mr. Bolduc said based on that information any necessary action is taken before putting the budget together.

Mr. Bolduc said the next further resolves concerns the distribution of funds from the Bridgeport and Wallingford Project Risk Reserve Funds. He said the supplemental package describes the tail end responsibilities for the Projects, the resolutions of those tail end responsibilities, the current status, what has been paid, and what is still required to be held. Mr. Bolduc said based on that information it was determined that \$146,946 will be distributed to the Bridgeport towns as well as a \$663,000 distribution to the Wallingford Project towns.

Director Adams asked if there is specific timing in the bylaws as to when the distributions are required to be made. Mr. Bolduc replied no. He said the distributions are driven by the descriptions as to

why those reserves are held. He said the reserves are held in separate STIF accounts. Mr. Bolduc said the auditors also review the various reserves.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, and Director Nunn voted yes. Director Segarra voted no.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra		X	
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

POLICIES & PROCUREMENT COMMITTEE

RESOLUTION REGARDING REQUEST FOR WORK FOR OPERATION & MAINTANENCE AT THE HARTFORD LANDFILL

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the President is hereby authorized to execute a Request for Work with Botticello, Inc. for the operation and maintenance of the CRRA Hartford Landfill as presented and discussed at this meeting.

FURTHER RESOLVED: That the funds necessary to support the activities associated with this Request for Work that are not already included in the FY13 Landfill Division Budget for the Hartford Landfill will be funded from the Hartford Landfill Closure Reserve.

Mr. Kirk said this resolution is very straight forward and authorizes management to continue to utilize the market selected low bidder Botticello, Inc. He said their work load has increased due to the placement of contaminated soil deliveries and this authorizes CRRA to continue using Botticello Inc. under the three year market placed agreement.

Director Griswold asked why Board approval is needed for the resolution as the contract runs until Feb. 28, 2015. Mr. Kirk explained authorization is required to spend over \$50,000. He said the

current contract is for work on an on-call basis which requires Board approval after the last agreed upon amount.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Martland, Director Nunn, Director Painter, Director Segarra, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Ted Martland	X		
Andrew Nunn	X		
Pedro Segarra	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING DELIVERY OF COVER SOILS TO THE HARTFORD LANDFILL

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the President is hereby authorized to enter into an agreement with Phoenix Soil, LLC for delivery of soil to be used as contouring and cover material at the Hartford Landfill, and as approved by the Connecticut Department of Energy & Environmental Protection, substantially as discussed and presented at this meeting.

FURTHER RESOLVED: That the revenue received from this contract will be deposited into the Hartford Landfill Closure Reserve.

Mr. Kirk said this is a routine resolution. He said this is a good price and these resolutions continue to benefit the project. Director Griswold asked why the amount per ton continues to vary. Mr. Kirk said generally speaking there are two driving issues affecting the price; distance from the alternative disposal location, and the quantity of soil which the alternative location can accept.

Mr. Bodendorf said the \$11 a ton price provided to the CT DEEP was very soon after the deal with the City of Hartford which was also for \$11 a ton. He said CRRA needed a lot of material at that

point and is now closer to its soil goal. Mr. Bodendorf said that fact, and the increasingly high prices in Massachusetts have helped to allow CRRA to command higher prices per ton for the soil as of late.

Mr. Egan said the CT DOT was not in a position where the soil had to be moved immediately as they had an alternative to dispose of the soil for free sometime in the future. Director Griswold asked how much more soil CRRA requires. Mr. Bodendorf said although CRRA commits to certain quantities they do not always come in at the estimated number. He said it is management’s current goal to over subscribe, as the capping project will begin somewhere around July 1, 2013, and CRRA retains the ability to terminate at any time once the required soil amount is met. Mr. Bodendorf said CRRA can still accept tens of thousands of tons of soil beyond this agreement.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Martland, Director Nunn, Director Painter, Director Segarra, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Ted Martland	X		
Andrew Nunn	X		
Pedro Segarra	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING THE RESOLUTION TO AMEND AN EASEMENT AGREEMENT BETWEEN CRRA AND CL&P AT THE SOUTH MEADOWS FACILITY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the President of CRRA is authorized to execute and Amendment to the Easement Agreement with the Connecticut Light & Power Company, associated with property at the South meadows site, substantially as presented and discussed at this meeting.

Mr. Egan explained this is a contract for a term greater than five years. He said at the South Meadows site CRRA owns about 80 acres of real estate. He said there is an electric equipment switchyard on the property which CRRA owns, however CL&P owns and operates the switchyard along an easement which allows CL&P to enter and run its business. Mr. Egan explained because of enhanced

and more rigorous electric standards that were promulgated several years ago CL&P has to upgrade its switchyard.

Mr. Egan explained in order to do this CL&P must construct a larger relay and control and closure building and needs to extend it on to land where they do not currently have an easement. He said this matter is for CRRA and CL&P to amend the easement agreement by about 2,500 square feet which will allow CL&P to expand the building in order to comply with NERC reliability standards for electric power stations.

Mr. Egan said this is a key transmission switchyard in New England which could impact interstate supply. He said the appraisal CL&P had done indicated the land is valued at \$8,900. Mr. Egan said CRRA did not do its own appraisal. He said CRRA will be paid by CL&P when the agreement is signed and noted that CL&P has also agreed to pay all reasonable attorney fees for CRRA to negotiate and develop the agreement and also put a memorandum of understanding in place.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Martland, Director Nunn, Director Painter, Director Segarra, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Ted Martland	X		
Andrew Nunn	X		
Pedro Segarra	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING ADOPTION OF REVISED PERMITTING, DISPOSAL & BILLING PROCEDURES

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the Board of Directors hereby adopts the CONNECTICUT SOLID WASTE SYSTEM PERMITTING, DISPOSAL AND BILLING PROCEDURES, amending and superseding the Mid-Connecticut Project Permitting, Disposal and Billing Procedures in their entirety, as presented and discussed at this meeting.

Mr. Kirk said this issue resulted in an in depth conversation at the Policies & Procurement Committee meeting. He said two issues which continue to be of concern to the haulers were raised, the first being the deliverability of recycling residue, and the second the definition of waste facility. Mr. Kirk said resolution of these procedures is important and noted that management prides itself on having a cooperative working relationship with its haulers and customers. He said this is exemplified in the proposed changes which have been made to these procedures since its first inception at the Committee as a result of input from the haulers.

Mr. Kirk said management is surprised that recycling residue has been a significant issue. He said historically CRRA has not welcomed recycling residue because it is more expensive to deal with additional waste at the CRRA facility. Mr. Kirk said spot waste was more expensive to deal with at \$85.00 to \$95.00 a ton and as a result CRRA did not encourage its delivery. He said that has since changed and CRRA welcomes recycling residue which management defines as MSW and is managed as such by the CT DEEP.

Mr. Kirk said the change before the Board today does not require recycling residue to be brought to CRRA, a change which was requested by the haulers which management has accommodated. He said CRRA wants to be clear that it welcomes recycling residue. Mr. Kirk said CRRA's recycling residue at the IPC runs at about 2-3%, which is essentially a small amount of tons.

Mr. Kirk addressed the definition of a waste facility. He said the waste facility definition from the MSA's mirrors what is being inserted into the procedures. Mr. Kirk said legal counsel advised consistency between the documents which govern the operation of the facility and the contracts of the haulers that service it. He said that approach is valid to the extent that new facilities are introduced into the system or changes on designated facilities are identified for CRRA's haulers as the contracts require CRRA to pay direct costs for those diversions.

Mr. Kirk said it is the intent of management to keep the haulers going to where it is most convenient for them while also minimizing the amount of transfer and tonnage being moved across the State.

Mr. Egan said management believes it has addressed the concerns expressed by Mr. Paine and Mr. Spinella. He said management believes it has changed the procedures so that recycling residue from the hauling companies is not required to be delivered to CRRA facilities regardless of where it's generated. Mr. Egan said the word "shall" was replaced with the word "may". He said on pg. 2 of the procedures in the package #7; at the top is where CRRA removed a line which read "recycling residue as a type of acceptable waste".

Mr. Egan said in paragraph 9 CRRA has maintained deletion of "recycling residue" in order to avoid creating an ambiguity in the procedures, which is what management was attempting to correct. He said CRRA can take recycling residue and may contract with a private waste management company to take recycling residue.

Director Griswold asked for an explanation on recycling residue. Mr. Egan explained recycling residue is a very broad definition, which management agrees with. He said it can include residue from a single stream recycling facility which takes cans, bottles and fiber. Mr. Egan said it may come from a

facility which takes commercial recyclables from commercial businesses which may have a lot of cardboard and also garbage.

Mr. Egan said the residue CRRA would want to take is the residue left over after sorting single stream recyclables or commercial recyclables which may have some municipal solid waste in the residue. He said CRRA has the ability to take that and the procedures have been changed to make it clear this is not a material which is required to be delivered by private haulers regardless of whether it is generated in a participating municipality town.

Director Damer asked if it is clear in the procedure that C&D recycling residue is not acceptable waste. Mr. Egan replied that management has removed recycling residue from the list of definitions. Mr. Gaffey said CRRA has the sole determination of whether materials are acceptable or not. He said the version of the procedures in the package did delete the major exception from Attorney Spinella, Esq. with regards to the requirement of delivering recyclable residues.

Mr. Gaffey said Mr. Spinella also contacted Ms. Hunt on Monday and said there was an additional section under definitions where management has inadvertently left in the words “recycling residue”, which has since been changed. He said the recycling residue which management is referring to, when it is delivered to a waste to energy plant, whether by CRRA’s or not, the ticket provided to the driver indicates the load is MSW. Mr. Gaffey said CRRA is trying to make sure that waste which is under contract to come to CRRA doesn’t wind up at other facilities under the guise of recycling residue, which has occurred. He said management wanted to clear up any ambiguity for the haulers.

Director Freedman asked where the definition of recycling residue is being removed from. Mr. Gaffey said on pg. 2 under the definition of “acceptable solid waste” recycling residue has been removed. Director Damer said this change makes it clear that it is not specifically excluded but is also not specifically required.

Director Painter said the revisions to this document are extensive and it was challenging to understand. He asked what exactly has changed for municipalities. Director Damer said this was not meant to be the major change in this procedure. He said changing the procedures name so that is consistent with the MSA’s was the goal.

Mr. Egan said management revised the definition of waste facilities to include those other than the ones which have been defined as waste facilities. He said in the procedures waste facilities are essentially restricted to CRRA’s transfer stations and waste to energy plants and recycling facilities. Mr. Egan said CRRA occasionally needs to be able to direct a municipality to another facility.

Chairman Stein asked what the implication of the requested change by Mr. Spinella is relative to the waste facility. Mr. Egan replied that he thinks the concern is that it is not clear what CRRA means by other facilities which CRRA may choose to include. Mr. Kirk asked what the impact to CRRA would be if it was to not include this change. Mr. Egan said CRRA would have to amend the definition of waste facilities to include the landfill; the Wallingford waste to energy plant, Bridgeport, and others as revising these procedures is so difficult.

Director Griswold asked if the haulers objection is to CRRA adding more facilities or being directed to a more remote facility. Mr. Spinella said that predictability is the main objection. He said if the term is left in the way that CRRA has currently changed it CRRA can unilaterally add waste facilities at any time. Mr. Spinella said it is very difficult to have an organized predetermined route and business model if CRRA makes a sudden unilateral change.

Mr. Spinella said his clients would prefer that CRRA identify and include in its policies any other locations for predictability. He said without that his clients will be concerned about their business model, and their routes and the way they are set up.

Mr. Paine said the haulers like to know when and where they are going. He said it is helpful when the facilities are planned in advance so that extra miles are not added to the drivers' route. Director Adams asked if the agreements with the haulers had a make whole provision for added miles. Mr. Kirk replied yes but noted there may be indirect costs associated, which CRRA does not cover.

Mr. Kirk said CRRA has an excellent relationship with its haulers and would never move them without justification. He said in addition CRRA currently has the capability to move the haulers from one transfer station to another because the transfer stations fall under waste facilities. Ms. Hunt said in addition CRRA has the right to send the haulers somewhere that is not a CRRA transfer station. Mr. Kirk said this re-definition does not send the haulers elsewhere it potentially expands the list they may be sent to by adding more facilities.

Director Damer said it was his understanding that CRRA has not historically redirected someone unless it was requested by a customer or CRRA felt it was in their best interest. Chairman Stein said the issue here is the concern that CRRA would move a hauler without justification and that it may harm their business. Mr. Paine agreed.

Mr. Egan said without changing the procedure today CRRA can designate another facility to the hauler and compensate them for the additional costs regardless of whether this agreement is changed, as it is in the hauler agreement.

Ms. Hunt said the MSA change to date to broaden the definition is a cost issue as well as an operational issue. She said as CRRA goes from the Project mentality and budgeting to a system management wanted to add a transfer station and in the constraints of the opt-out to roll that cost of operating it into the budget procedure for setting a tip fee, and to be sure management had that latitude to do so.

Director Griswold asked Mr. Paine if historically he had been asked to go to a less convenient facility. Mr. Paine said he did not believe so. Director Griswold asked if there had been instances that give Mr. Paine concerns. Mr. Paine replied no.

Director Adams said the members of the Policies & Procurement Committee were expecting a revised version of the policies. He said it seems that the most correct revision is consistent with the discussions held at the Committee level. Director Damer said the discussion concerning recycling residue was broached subsequent to the Policies & Procurement Committee meeting.

Mr. Kirk said that CCM has called management requesting clarifications. He said he believed those concerns were addressed. Mr. Gaffey said as he explained to the CCM representative CRRA has a capacity agreement and the towns of Durham and Middlefield which handle waste regionally requested to go to the Wallingford facility under the capacity agreement as it would save them money and CRRA accommodated that.

Chairman Stein said the paragraph still under discussion is on pg. 9, and the change is that management replaced “landfills or the Project” with “any municipal solid waste facilities”. Director Freedman asked operationally how much lead time management provides a hauler before sending them to another facility. Mr. Kirk replied is if it an emergency issue it could be that morning, he said in such cases the haulers prefer not to wait in line. He said he believes that the concern here is being asked to move the waste somewhere else for a long term period of time. Mr. Kirk said it has not been CRRA’s practice to take such action and management will always attempt to work cooperatively with the haulers in the future.

Director Adams asked if the changes which are being discussed are relative to the Ellington Transfer Station closure. Mr. Kirk replied no. He said the concern being expressed is in possible potential problems, but what will not change is management’s commitment to work cooperatively with its customers.

Chairman Stein stated what is now being voted on is the amendment to the document which deletes “recycling residue” under acceptable solid waste on pg. 9 of the revised policies which was discussed and accepted by the haulers and includes the definition of solid waste facilities. He said everything else remains the same.

Director Freedman suggested an amendment be made to make this clear. Mr. Kirk said management will continue a dialogue with the haulers to ensure this works for them as well.

AMENDMENT TO THE MOTION

Director Adams made a motion to amend the version of the policies within the package by deleting what was 7, “recycling residue”. Director Damer seconded the motion to amend.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Nunn, Director Painter, Director Segarra, Director Slifka, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Slifka	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

FINAL VOTE ON RESOLUTION REGARDING ADOPTION OF REVISED PERMITTING, DISPOSAL & BILLING PROCEDURES AS AMENDED

Chairman Stein requested a motion on the above referenced item as amended and discussed. The motion was made by Director Damer and seconded by Director Segarra.

RESOLVED: That the Board of Directors hereby adopts the CONNECTICUT SOLID WASTE SYSTEM PERMITTING, DISPOSAL AND BILLING PROCEDURES, amending and superseding the Mid-Connecticut Project Permitting, Disposal and Billing Procedures in their entirety, as presented and discussed at this meeting.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Nunn, Director Painter, Director Segarra, Director Slifka, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Slifka	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING THE PURCHASE OF A RELAY PANEL FOR THE SOUTH MEADOWS FACILITY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the President of CRRA is authorized to purchase an Electric Relay Panel, substantially as presented and discussed at this meeting.

Mr. Egan said this resolution is related to the matter involving amending the easement agreement with CRRA. He said the switchyard is being upgraded by CL&P. Mr. Egan said in order to comply with enhanced electric reliability standards CL&P has to upgrade the 115 kv switchyard at South Meadows and CRRA will also have to undertake upgrades to its equipment which communicates from the waste to energy plant and the jet turbine facility to CL&P’s equipment in the switchyard. He said that activity is being planned and Board approval for an engineer to oversee design and installation of some equipment for roughly \$400,000 will be brought to the Board soon.

Mr. Egan said the current matter involves giving management authority to purchase a relay panel for approximately \$48,500. He said management wants to do this now because CL&P bid and determined what they want for equipment in the market. Mr. Egan said they have selected a preferred bidder, which is also the low bidder and they intend to order 14 of these panels. He said one of the panels is exclusively to communicate with CRRA’s assets. Mr. Egan said CRRA has a contractual obligation to pay for that panel.

Chairman Stein said this is before the Board because it is an exception to the competitive bid process although CL&P actually undertook the competitive process. Director Edwards asked if the panel costs and the proposed work will be coming from the facility modification reserve. Mr. Egan replied yes.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Nunn, Director Painter, Director Segarra, Director Slifka, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Slifka	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING SHORT TERM MUNICIPAL SERVICES AGREEMENT

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Damer.

RESOLVED: The President is hereby authorized to enter into a Short Term Firm Disposal Capacity Agreement for the provision of acceptable solid waste and acceptable recyclables services with the Connecticut municipalities, substantially as presented and discussed at this meeting.

Mr. Kirk said management would like to have this agreement available in the unlikely event that one of CRRA’s member towns is unable to complete its consideration post Nov. 15, 2012, for a disposal agreement and is in need of a place to take its waste.

Mr. Kirk said CRRA cannot legally allow the haulers across the scale without an agreement. He said management would like this agreement in place as it is necessary. Mr. Kirk said for CRRA \$83.00 a ton is the existing cost to take tons out of State.

Director Adams asked if this action can be viewed as violation of the 6b clause in the original town provisions. Ms. Hunt said no, the section requires CRRA to provide the town with the option of having the same terms and conditions as any other town and the towns have the option of entering into a Tier 1 contract and are getting the best price on the same terms and conditions.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Painter, and Director Slifka voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Scott Slifka	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING DISTRIBUTION OF STRATFORD RECYCLING CAPITAL RESERVES

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Edwards and seconded by Director Adams.

WHEREAS, in October 2005, CRRA established the Stratford Recycling Capital Reserve “...to cover capital repairs and/or replacement costs for the Stratford intermediate processing center...”, and subsequently deposited funds received from the settlement of various disputes regarding municipal non-delivery of recyclables; and

WHEREAS, the Stratford intermediate processing center ceased operations on June 30, 2011, and the site has been converted to a transfer station; and

WHEREAS, CRRA does not anticipate the use of the site or the IPC by SWEROC after June 30, 2013; and

WHEREAS, CRRA does not anticipate the need for the funds on or before June 30, 2013 for the purposes for which they were reserved; and

WHEREAS, although the Garbage Museum has been closed for over a year, the Museum exhibits, owned by SWEROC, are still on site;

NOW THEREFORE, it is hereby

RESOLVED: That \$489,000 of the funds in the Stratford Recycling Capital Reserve shall be distributed to the Southwest Connecticut Regional Recycling Operating Committee checking

account upon receipt by CRRA from SWEROC of 1) SWEROC's commitment to remove all of the SWEROC Property from the Stratford IPC by February 1, 2013, and 2) SWEROC's agreement that, in the event that it fails to remove all said property by February 1, it will immediately transfer ownership of and SWEROC Property remaining at the IPC to CRRA and CRRA may use the remaining funds in the Stratford Recycling Capital Reserve in its sole discretion for the removal and disposal of such property; and

FURTHER RESOLVED: That, upon removal by SWEROC, AT SWEROC's expense, of all of the Stratford Property from the IPC, all remaining funds in the Stratford Recycling Capital Reserve shall be distributed to the said SWEROC checking account; and

FURTHER RESOLVED: That, in the event that SWEROC transfer and of the SWEROC Property to CRRA, and there are funds remaining in the Stratford Recycling Capital Reserve following CRRA's use of Reserve funds to pay for the removal and disposal of such property, all such remaining funds shall be promptly distributed to the said SWEROC checking account.

Director Edwards said the resolution which was presented contains a contingency that the SWEROC group does not feel is necessary, he said the "Resolved" states that the museum exhibits must be removed prior to receiving the distribution. He said the SWEROC Committee would like to see a distribution of a portion of the funds, \$489,000 to cover a \$20.00 rebate for the funds delivered last year which would leave about \$150,000 remaining which would certainly cover any cleaning and removal costs for the museum. Director Edwards said the Committee is currently negotiating a contract to dismantle the museum regardless and does not assume those funds will be needed for clean-up.

Mr. Bolduc said he is concerned that CRRA will have the responsibility to clean out that museum. He said the contract to dismantle the museum may not take place for another year and if the facility needs to be broken down there will be an issue if CRRA does not have the authority to empty the museum. Mr. Bolduc suggested providing SWEROC with the requested funds on the condition that they provide a plan of action for the museum clean-up.

Mr. Kirk said this resolution provides \$489,000 in order to provide a \$20.00 per ton rebate to the SWEROC towns, and also provides Feb. 1, 2013, as a deadline for the SWEROC towns to commit to either move their materials and assets or abandon them to CRRA. Mr. Kirk said at that point the remaining funds would go back to the SWEROC Committee. He said Mr. Bolduc's concerns are valid.

Director Edwards said SWEROC has not agreed to the conditions within this resolution with the exception of the agreement to distribute the \$20.00 recycling rebate. He said there is a SWEROC meeting on Dec. 5, 2012, at which point this resolution will be discussed. Director Edwards said if the SWEROC Board agrees to this resolution, which he suspects they will, the distribution checks will be cut after Christmas. He said the building will be in use until June 30, 2013 as an IPC operation is being run out of the facility.

Director Griswold asked if the disposal costs have been quantified. Director Edwards said the new vendor will move the exhibits at his expense to the new location. He said if that does not come to fruition the remaining funds will be used for the clean-up process. Mr. Nonnenmacher said management

did look into moving the exhibits up to the Mid-CT facility and the estimated costs were about \$30,000 in total between moving and shipping.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Slifka, and Director Tillinger voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Scott Slifka	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

PRESIDENT’S REPORT

Mr. Kirk said all facilities are still struggling with fuel availability and pricing due to the economic situation and diversion issues. He said Mid-CT in particular has turned down some operating hours due to a fuel shortage.

Mr. Kirk said 44 towns have signed with the CSWS Project with a handful of towns still undetermined. He said the Town of Waterbury has elected to go with Covanta; however they have a contract with CRRA thorough June 30, 2013. Mr. Kirk expects all towns to have disposal facilities selected by Nov. 16, 2012.

Director Painter said that he wanted to remind the Board at its last meeting a discussion was held concerning CRRA’s finance and its ability to pay the PILOT agreement to the City of Hartford. Mr. Kirk said management is moving forward with the budget as passed, including the PILOT payment. He said when the FY’14 budget discussion takes place again that decision can be reviewed.

BREAK

The Board took a short break from 12:12 -12:23 p.m. before breaking for Executive Session.

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP’s, and feasibility estimates and

evaluations with appropriate staff. The motion, made by Director Damer and seconded by Director Wawruck, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

- Tom Kirk
- Peter Egan
- Laurie Hunt

The Executive Session began at 12:23 p.m. and concluded at 1:30 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Tillinger, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Ad-Hocs			
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

ADJOURNMENT

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Adams and seconded by Director Bingham and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 1:30 p.m.

Respectfully Submitted,

Moira Benacquista
 HR Specialist/Board Administrator