

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-FOURTH

NOV. 29, 2012

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Nov. 29, 2012, in the Board Room at 100 Constitution Plaza, Hartford, CT 06103. Those present were:

Directors: Chairman Don Stein
John Adams
Dick Barlow
David Damer
Joel Freedman
Timothy Griswold
Pedro Segarra (present until 11:50 a.m.)
Scott Shanley
Steve Edwards, Bridgeport Project Ad-Hoc
Mark Tillinger, Bridgeport Ad-Hoc
Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
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
Eric Womack, Human Resources Manager
Moirra Benacquista, HR Specialist/Board Administrator
Marianne Carcio, Executive Assistant

Others present: Jessica Campbell, Covanta; John Pizzimenti, USA Hauling; Jim Sandler, Esq., MDC; Patrick McHale, Esq. Kainen, Escalera & McHale.

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

APPROVAL OF THE MINUTES OF THE REGULAR OCT. 25, 2012, BOARD MEETING

Chairman Stein requested a motion to approve the minutes of the regular Oct. 25, 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 Damer, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Segarra, and Director Tillinger voted yes. Director Barlow and Director Shanley abstained.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow			X
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley			X
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

FINANCE COMMITTEE

RESOLUTION REGARDING APPROVAL OF THE AUTHORITY BUDGET

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

RESOLVED: That the fiscal year 2014 Authority Operating Budget be adopted substantially in the form as presented and discussed at this meeting.

Mr. Bolduc said this budget begins July 1, 2013. He said budget approval is required as management must also include this budget in the SouthEast SCRRRA budget, which goes to the SCRRRA budget for approval in December so that SCRRRA’s tip fee can be set.

Mr. Bolduc said pgs. 4-5 contain the detail of the budget line by line. He said it is important to note pg. 4 includes labor costs, which are obtained after canvassing management for the time expected by various CRRA employees on different Projects. Mr. Bolduc said pg. 3 shows the total Authority budget allocated amongst the various activities.

Mr. Bolduc said there are several footnotes of importance. He said the SouthWest budget is not based on an allocation formula but on a contractual fee arrangement with the SouthWest towns which escalates by several factors. Mr. Bolduc said the last two pages show the methodology formula used by management. He said the next page shows the actual allocation process. Mr. Bolduc said in some cases management makes adjustments, for example the \$575,000 was directed to SouthWest as it is a fixed contractual arrangement.

Mr. Bolduc said another adjustment is for the SouthEast Project. He said SCRRA has an Executive Director who administers many of the activities and this Project has its own small staff. He said CRRA does the accounting, budget prep, year-end close, auditor related activities and bond related work. He said management tries to make a fair and equitable allocation of CRRA's time which takes into consideration SCRRA has its own personnel.

Mr. Bolduc said pg. 3 shows the total Authority expenditures of \$3.8 million which include the overhead. He said the new CSWS Project will be allocated about \$2.1 million of all the labor, benefits and overhead costs, as shown on pg. 3.

Chairman Stein asked if there would be an opportunity to go back and modify this budget if CRRA goes through a restructure of the former Mid-Conn Project. Mr. Bolduc said yes. He said the other documents which the Board has been receiving over time in order to reduce costs are reflected in the budget. Mr. Bolduc reminded the Board that the merit increases and COLA have been eliminated and these and other reductions are reflected in the budget to the extent over which management has control over those documents at this time.

Chairman Stein said by approving a budget today, the dynamics are such that approving a reduced headcount may change depending on the ultimate resolution. Director Tillinger asked if the drivers for the reduction of about 7-8% were due to headcount reductions which have already occurred. Mr. Bolduc replied yes.

Director Shanley asked when the Board had last reviewed the formula which was used in the budget allocation. Mr. Bolduc explained the Finance Committee reviews that formula as part of an annual ongoing process and that it has evolved as the Projects come to culmination.

Director Barlow asked if this budget needs to be passed today. He said there are significant external drivers which will occur in the next month with regard to the Mid-Conn Project. Director Barlow asked if passing this budget can be delayed until those external factors are weighed in. Mr. Bolduc replied that SCRRA has to approve its budget in December before the next CRRA Board meeting. He explained SCRRA's timetable is dictated by contracts with its member towns.

Mr. Bolduc said this is just a budget, and by the time CRRA gets to the CSWS budget it can be changed if needed. Director Barlow said setting the budget sends a message in terms of the direction that the organization is going. He said given some of the external factors he believes there is a need, at least from his perspective, to send a message of belt tightening activities on behalf of the Board.

Mr. Bolduc said this budget already incorporates belt tightening and should be seen as such. He said management has implemented many reductions and has been implementing costs saving activities for several years now.

Chairman Stein said the driving force in the overall budget approval is for the Southeast Project to have some assurance that certain costs will flow down to them from the Authority. Mr. Bolduc agreed. Director Freedman said this is only a budget and can be revisited if necessary.

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

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow			X
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra			X
Scott Shanley			X
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

RESOLUTION REGARDING APPROVAL OF THE SOUTHEAST BUDGET

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

RESOLVED: That the fiscal year 2014 Connecticut Resources Recovery Authority Southeast Project Operating and Capital Budgets be adopted subject to the Southeastern Connecticut Regional Resources Recovery Authority’s (“SCRRA”) approval of this budget and as substantially presented and discussed at this meeting.

Mr. Bolduc said CRRA approves its portion of the SouthEast budget at which point the SCRRA Board then adds in their administrative costs. Mr. Bolduc said CRRA’s portion is about \$300,000, along with \$830,000 of local SCRRA administration budget which is added to it. He said these get added to all the other operating costs for the facility which is run by Covanta.

Mr. Bolduc said this facility is extremely profitable because its original electric contract runs through 2017 and is currently receiving close to 30 cents a kilowatt hour. He said to put that in perspective CRRA is getting about 3.5 cents a kilowatt hour. He said as a result SCRRA has put about \$7 million away in order to level out likely future cost increases which would cause the tip fee to increase.

Mr. Bolduc said SCRRA also funds its recycling activities through its tip fee. Mr. Bolduc said SCRRA has a tonnage supply formula with Covanta. He said the plant operates to achieve a maximum electric output and Covanta brings in spot waste to achieve maximum output.

Director Damer asked how much money SCRRA has in its future needs reserve fund. Mr. Bolduc said about \$7 million.

Chairman Stein asked where the allocation shows up. Mr. Bolduc said on pg. 9, as part of the \$225,000. Director Shanley asked if there is a report that shows whether the CRRA employees are direct or indirect. Mr. Bolduc referred Director Shanley to Tab 2, which shows labor, benefits and overhead.

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

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

RESOLUTION REGARDING ELECTRIC POWER SALES FOR THE SOUTH MEADOWS RESOURCE RECOVERY FACILITY

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

WHEREAS, CRRA’s current Electric Sales Agreement with Constellation Energy Commodities Group, Inc. will expire on June 30, 2012; and

WHEREAS, without an executed power sales agreement in place in February 2013, CRRA will have to incorporate a non-fixed price power sales revenue assumption in preparing its FY 14 budget and the calculation of the FY 14 tip fee; and

WHEREAS, the Authority has been working closely with the State of Connecticut to sell its power on a fixed contract price basis, however no final terms have been established; and

WHEREAS, notwithstanding the difficulty of adopting a budget and setting a tip fee based upon wholesale power price prognostications, contracting for a fixed sale of the CSWS FY 14 power output would be inconsistent at this time;

NOW THEREFORE, it is hereby

RESOLVED: That the Authority should not auction its power to obtain a fixed price in conjunction with setting its FY 14 budget and tip fee; and

FURTHER RESOLVED: That the Authority should use for budgeting purposes a conservative forecast of FY 14 power prices utilizing the ISO New England Real Time Market; and

FURTHER RESOLVED: That the Authority proceed to instigate and execute contractual arrangements to participate in said Real Time Market.

Mr. Kirk said this resolution is fairly simple. He said historically CRRA has had long term firm sales' agreement for its power. He said that is the preferred method as it allows CRRA to confidently predict the revenue line for its budget. Mr. Kirk said this year is different as the Connecticut Department of Energy and Environmental Protection (hereinafter referred to as "CT DEEP") has asked CRRA not to commit to a sale of power because they are interested in an innovative power sales approach with the State, which if found reasonable and acceptable will hopefully improve CRRA's revenue picture.

Mr. Kirk said there is significant uncertainty considering how much waste CRRA will have and what its operating profile will look like moving forward. He said given those uncertainties management is not confident CRRA will be able to get the best price from the market as it is expected that the potential bidders would discount the rate due to questions about waste supply and CRRA's operating profile. He said with those two factors as drivers management is recommending that the CRRA Board direct management not to pursue an auction of its power as CRRA typically would at this time of year.

Mr. Kirk said management is recommending pursuing the sale of CRRA's power in what is known as the real time market, which is a day ahead market. He said revenues are expected to be the same if the market fairly prices CRRA's power in a long term agreement in an auction. Mr. Kirk said however, that it is not assured and is dependent on several variables including weather, availability and capacity, all of which impacts the price on a quarter hour basis. He said management believes this is the best course of action given the uncertainty of exactly how much of CRRA's power will be available given the potential for the innovative solution with the CT DEEP and the State and the operating profile and waste delivery questions.

Director Damer asked if he was correct that this is only for the waste to energy facility and does not affect the jets. Mr. Kirk said that was correct. Director Damer asked what pricing management would have expected in the day ahead market versus CRRA's present contract rate. Mr. Kirk replied the expert's management has spoken to say historically there has been a minor discount associated with selling into the day ahead market but accurate predictions are impossible.

Chairman Stein asked how this process works. Mr. Kirk explained CRRA would use a lead market participant to represent the CRRA generator inside the ISO continuous auction. Mr. Egan said CRRA would essentially do at the waste to energy plant next fiscal year what CRRA is doing with the jet turbine facility today. He said CRRA has a lead market participant (Nextera Energy) which calculates every day at a specific time for the next day what CRRA wants for its power in the event that ISO wants to use it. He said the difference will be that CRRA is essentially selling into real time. Mr. Egan said it will be a very similar contract to the Nextera contract.

Director Tillinger asked if going through a fixed long term auction is still an option as CRRA is not bound to take a bid. Mr. Kirk said yes, that is an option and was management's recommendation before CT DEEP expressed its preference that CRRA does not undertake a sale. Director Tillinger asked if he was correct in stating that the request was to not execute a contract and the bid process can still be undertaken. Mr. Kirk said that distinction was not made with the CT DEEP and it is likely that CRRA could undertake the auction and then reject the bid in the twenty four hour waiting period. He noted there is a significant cost associated with undertaking the auction process.

Mr. Kirk said management is also concerned that the bidders may react negatively to a test of the market by CRRA. He said management is curious if the instability of the market would have an effect on bid prices. Mr. Egan said one other variable is that CRRA would have to insert a restriction in the contract allowing CRRA the ability to cancel the contract if in fact it worked out with another bidder. He said that would create a significant discount by the bidders and they may not even bid if that caveat is included.

Director Freedman asked what the latest date CRRA could hold the auction is, and also what the cost of undertaking the auction is day by day, and lastly why CRRA needs to decide this now. Mr. Kirk said the latest the auction can be undertaken is at CRRA's discretion, however it will need to be done in the next few weeks if CRRA hopes to have a number to use in the setting of the tip fee for Feb. 28, 2013. He said an assumption could be made, and then CRRA could do a bid in May and still be able to sell July power.

Mr. Kirk said costs for the auction are not insignificant. Ms. Hunt said the costs are hard to quantify on the legal side because CRRA kept working on whether or not to include the jets in the recent auction, which resulted in higher legal costs. She said the costs were about \$85,000. Mr. Kirk noted that this auction would be less costly as the jets would not be included and there would be no indecision involved. Mr. Egan said he would expect CRRA's energy consultant cost to be about \$30,000 - \$40,000 in addition to substantial in house work.

Chairman Stein asked if a firm decision is not being made today due to the variables involved in order to provide management with a tentative budget number and the option to go out to bid in the future. Mr. Kirk agreed. He said management is asking the Board if they are comfortable with not plugging a firm number into the CSWS budget in February. He said if the answer is yes, then all options are on the table and management will prepare the opportunity to use the day ahead market.

Director Tillinger asked if the Board votes no, does that mean the Board will not have the opportunity to change its mind and go to auction to see what the market would pay for committed power. He said with the timing the CT DEEP offers there is no predictable certainty this may be a bigger issue.

Mr. Kirk said the proposal from the CT DEEP is to purchase from the State account, at a significant premium over CRRA's current 3.5 cents a kilowatt hour, (which is also a savings from what the State pays making it beneficial for both parties). He said this would also allow towns participating in the CRRA project to purchase power for their accounts from the remaining power. Mr. Kirk explained many towns already have long term agreements or are in buying agreements with CROG and COST and this aspect of the plan is still in development.

After substantial discussion the Board agreed to table this resolution in order to address the matter further in Executive session.

MOTION TO TABLE THE RESOLUTION REGARDING ELECTRIC POWER SALES FOR THE SOUTH MEADOWS RESOURCE RECOVERY FACILITY

Chairman Stein requested a motion to table the resolution regarding electric power sales for the South Meadows Resources Recovery Facility. The motion to table was made by Director Damer and seconded by Director Adams.

The motion to table was approved unanimously by roll call. Chairman Stein, Director Adams, Director Barlow, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Segarra, Director Shanley, and Director Tillinger voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

MOTION TO ADD AN ITEM TO THE AGENDA CONCERNING RENEWAL OF THE HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE PROGRAMS

Chairman Stein requested a motion to add an item to the agenda concerning renewal of the health, dental, vision, and life and disability insurance programs. The motion to add item to the agenda was made by Director Damer and seconded by Director Adams.

The motion to add an item to the agenda was approved unanimously by roll call. Chairman Stein, Director Adams, Director Barlow, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Segarra, Director Shanley and Director Tillinger voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

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

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 authorizes the renewal of the employee health insurance benefit plans with ConnectiCare (medical), Ameritas (vision), MetLife (dental) and Lincoln Financial (life and disability), for the period of January 1, 2013, through December 31, 2013, for an estimated net combined premium of \$667,000.

Mr. Kirk said the Organizational Synergy & Human Resources Committee thoroughly vetted this item with CRRA’s broker, Kurtis Dennison. He said Mr. Dennison explained due to pressures in the industry and the current marketplace management believes that the negotiated increase CRRA was provided by its current carrier represents a good value for CRRA and is preferable to testing the market again. Mr. Kirk said testing the market has costs and risks associated with it and CRRA’s current provider has an understanding of CRRA’s business and the reduced increase is preferable to doing a bid which would likely yield much higher prices.

Director Griswold said rate increases are currently in the 7-12% range. He said CRRA’s 8% rate is in the lower end of the range and is good considering the current marketplace. Director Griswold said most of the premiums have been reduced from the prior years and Connecticare further reduced CRRA’s premiums by an additional 1% for staying with them. He said the increase in dental usage also affected CRRA’s profile negatively as well.

Director Freedman asked how many employees use the medical coverage. Mr. Womack said there are 7 employees which opt-out of the plan, 39 which are fully enrolled, and about 110 total lives covered including those employees’ families.

Director Shanley asked when CRRA last changed providers. Mr. Kirk said CRRA went out to bid in 2011 but did not change providers. Director Shanley said insurance coverage is an important issue for employees. He said if CRRA changed carriers recently he would be inclined to stay with the current carrier.

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

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

CHAIRMAN’S REPORT

Chairman Stein said there was a vacancy on both the Policies & Procurement Committee and the Finance Committee. After some discussion it was determined that Director Barlow would be appointed to the Policies & Procurement Committee and Director Shanley would be appointed to the Finance Committee.

PRESIDENTS’ REPORT

Mr. Kirk said CRRA has operated this period without any environmental safety or public health problems. He said it is still too early to provide any definitive fiscal year end information but CRRA has started the CSWS Project and is still trying to evaluate the movement of waste with those changes. Mr. Kirk said there have been some changes concerning where the spot waste is going.

Mr. Kirk said management has completed the renovation of the front end WPF trammel units which are now consuming the 1 inch and under process residue which historically was screened out and trucked to a landfill. Mr. Kirk said those screening holes are now closed off and the residue is going into the furnace which increases the amount of ash that CRRA produces and eliminates the previous associated disposal costs of 120,000 tons at \$60 plus dollars a ton.

Mr. Kirk said the renovations also reduce the appetite and capacity of the plant which was in the 840,000 tons per year range and is now about 712,000 tons. He said that reduction is because the plant is

BTU limited. Mr. Kirk said as a result there are less tip fees due to the reduction in tons however; CRRA's appetite for waste and waste across the State has been reduced by 100,000 tons which management hopes has a positive impact on spot waste prices. Mr. Kirk said the full effect will take several months to evaluate and he will keep the Board posted.

Director Barlow asked out of the Mid-Conn towns how many opted not to bring their recyclables to CRRA. Mr. Kirk replied nine towns will be provided waste services and not recyclables by CRRA. Director Barlow said at some point he would raise the issue that if CRRA uses the former recycling rebates to offset operational costs on the waste to energy side there is an inequity there if those nine towns are benefiting. Mr. Kirk said that issue will have to be addressed when the Board considers rebates with those new arrangements as recyclables and MSW were co-mingled and subsidized that way.

Mr. Kirk said the potential recycling rebate funds are currently being used to subsidize education and those funds go into one pool. Mr. Bolduc said the MSA's include education funding which is requiring subsidization.

Director Damer asked if any operational problems or risks are expected from the process residue entering the boiler. Mr. Kirk said it has been evaluated and there are some risks associated with it. He said CRRA's contractor Covanta requested additional maintenance funding when CRRA suggested making this conversion. Mr. Kirk said as a result management waited until that contract with Covanta was over. He said it is being closely monitored and management is anticipating increases in erosion and corrosion rates in the boilers. Mr. Kirk said management is not anticipating issues which can't be handled with regular maintenance.

Mr. Kirk said there has been a significant reduction in recyclables delivered to the CSWS. He said much of the recyclables from the former Mid-CT Project are migrating to other providers and is expected to continue dropping. Mr. Kirk said in addition the Bridgeport are towns are discontinuing trans-loading its member towns recyclables to Hartford in June, at which point the business plans of the Murphy Rd. facility will have to be evaluated.

Mr. Kirk referred the Board to the supplemental package. He said the numbers haven't changed much, waste is still way down and recycling is stable.

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 Adams, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

Tom Kirk
Peter Egan
Laurie Hunt
Patrick McHale, Esq.
Eric Womack

The Executive Session began at 11:57 p.m. and concluded at 1:01 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 Barlow, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Segarra, Director Shanley, and Director Tillinger voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

MOTION TO PLACE THE RESOLUTION REGARDING ELECTRIC POWER SALES FOR THE SOUTH MEADOWS RESOURCE RECOVERY FACILITY BACK ON THE TABLE

Chairman Stein requested a motion to put the resolution regarding electric power sales for the South Meadows Resources Recovery Facility back on the table. The motion was made by Director Barlow and seconded by Director Adams.

Mr. Kirk said there is some value in knowing what the market will yield, as it brings information which is valuable when putting together pricing. He said the risk of going out to bid is what impact that may have on potential bidders in the future. Mr. Kirk said however if CRRA goes out to bid and does not like the price the chances of CRRA going out to bid again are very slim because the prices will change dramatically. He said CRRA could go through the costs and the trouble of a bid and have a firm number for the budget.

Chairman Stein asked if the approximate \$50,000- \$100,000 cost of putting together this bid would provide enough information to warrant that spending. He said the 3.5 cents estimate is a close approximate of the day to day market. Chairman Stein said he does not feel going out to bid is worth the cost.

Director Damer agreed. He said it sounds to him that the amount of information CRRA already has without going out to bid is fairly close to what CRRA would gain by going out to bid. Director Damer said the costs and time are not worth the costs. He asked that it be made clear that the last resolution which reads as: “That the Authority proceed to instigate and execute contractual arrangements to participate in said Real Time Market” does not have to be done right away.

Chairman Stein suggested removing the third whereas as it is redundant.

AMENDMENT TO THE MOTION REGARDING ELECTRIC POWER SALES FOR THE SOUTH MEADOWS RESOURCE RECOVERY FACILITY

Director Adams made a motion to add “at this time” to the Resolved which states: “That the Authority should not auction its power at this time to obtain a fixed price in conjunction with setting its FY 14 budget and tip fee; and”, and to remove the third whereas altogether. The motion was seconded by Director Damer.

The motion to approve the amendment was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Segarra, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		

FINAL VOTE ON THE RESOLUTION REGARDING ELECTRIC POWER SALES FOR THE SOUTH MEADOWS RESOURCE RECOVERY FACILITY AS AMENDED

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

WHEREAS, CRRA’s current Electric Sales Agreement with Constellation Energy Commodities Group, Inc. will expire on June 30, 2012; and

WHEREAS, without an executed power sales agreement in place in February 2013, CRRA will have to incorporate a non-fixed price power sales revenue assumption in preparing its FY 14 budget and the calculation of the FY 14 tip fee; and

WHEREAS, the Authority has been working closely with the State of Connecticut to sell its power on a fixed contract price basis, however no final terms have been established; and

WHEREAS, notwithstanding the difficulty of adopting a budget and setting a tip fee based upon wholesale power price prognostications, contracting for a fixed sale of the CSWS FY 14 power output would be inconsistent at this time;

NOW THEREFORE, it is hereby

RESOLVED: That the Authority should not auction its power at this time to obtain a fixed price in conjunction with setting its FY 14 budget and tip fee; and

FURTHER RESOLVED: That the Authority should use for budgeting purposes a conservative forecast of FY 14 power prices utilizing the ISO New England Real Time Market; and

FURTHER RESOLVED: That the Authority proceed to instigate and execute contractual arrangements to participate in said Real Time Market.

The motion previously made and seconded was approved as amended by roll call. Chairman Stein, Director Adams, Director Barlow, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Segarra, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		

ADJOURNMENT

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

There being no other business to discuss, the meeting adjourned at 1:14 p.m.

Respectfully Submitted,

Moira Benacquista
HR Specialist/Board Administrator