

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-EIGHTH

FEB. 20, 2014

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Feb. 20, 2013, in the Board Room at 100 Constitution Plaza, Hartford, CT. Those present were:

Directors: Chairman Don Stein
Vice-Chairman Barlow
John Adams
Ralph Eno
Jim Hayden
Andy Nunn (present by telephone)
Scott Shanley
Steve Edwards, Bridgeport Project Ad-Hoc
Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Mark Daley, Chief Financial Officer
Jeff Duvall, Director of Budgets and Forecasting
Peter Egan, Director of Environmental Affairs and Operations
Laurie Hunt, Director of Legal Service
Tina Mateo, Assistant Director of Budgets and Cash Management
Moirra Kenney, HR Specialist/Board Administrator

Others present: John Pizzimenti, USA Hauling; Jim Sandler, Esq., Sandler & Mara.

Chairman Stein called the meeting to order at 9:30 a.m. and said a quorum was present.

PUBLIC PORTION

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

As there were no members of the public present wishing to speak, Chairman Stein proceeded with the meeting agenda.

REVIEW AND RECOMMEND RESOLUTION REGARDING DISPOSITION OF ACCOUNTS AND FLOW OF FUNDS ASSOCIATED WITH THE CONNECTICUT RESOURCES RECOVERY AUTHORITY'S PROPERTY DIVISION

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

WHEREAS, The Authority has developed a Transition Plan and Ten Year Financial Plan in response to the requirements of Section 9 of Public Act 13-285; and

WHEREAS, Such plan anticipates that certain actions be taken to ensure that the Authority remains a financially self-sufficient public instrumentality and political subdivision of the State for a period of at least ten years; and

WHEREAS, such actions include, but are not limited to, establishing a Tip Fee Stabilization Fund, making certain funds available for the Connecticut Solid Waste System (CSWS) Major Maintenance and Capital Improvement Program, and utilizing the Authority’s bonding capability to provide further funding for such program; and

WHEREAS, Utilizing the Authority’s bonding capability will ultimately require an integrated financial structure including a defined flow of funds and pledge of revenues derived from the Authority’s Property Division; and

NOW THEREFORE, be it

RESOLVED: The Board of Directors approves the Property Division Flow of Funds attached hereto as Exhibit A.

RESOLVED: The Board of Directors approves the establishment of new accounts, closing of existing accounts and redistribution of funds within the Property Division as described in Exhibit B attached hereto.

RESOLVED: The Board of Directors authorizes Authority Management to undertake such actions as described on Exhibits A and B effective as of March 1, 2014.

The motion previously made and seconded was passed unanimously by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director MacDougald, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, CSWS	X		

Steve Edwards, Southeast			
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REVIEW AND RECOMMEND RESOLUTION REGARDING PROPERTY DIVISION

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

RESOLVED: That the fiscal year 2015 Connecticut Resources Recovery Authority Property Division Operating Budget attached hereto as Exhibit A be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the applicable Property Division accounts and reserves to pay for costs and fees incurred during Fiscal Year 2015 in accordance with the operating budget adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority’s Procurement Policies and Procedures; and

FURTHER RESOLVED: That the Authority contribute \$85,000 to the Severance Reserve; and

FURTHER RESOLVED: That \$3,000,000 be contributed to the CSWS Improvement fund from existing resources of the Property Division; and

FURTHER RESOLVED: That the Authority establish a Property Division General Fund and contribute all remaining operating funds as described in the Disposition of Accounts and Flow of Funds which is anticipated to be \$2,194,000 in Fiscal Year 2015.

The motion previously made and seconded was passed unanimously by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director MacDougald, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, CSWS	X		
Steve Edwards, Southeast			

REVIEW AND RECOMMEND RESOLUTION REGARDING DISPOSITION OF ACCOUNT

AND FLOW OF FUNDS ASSOCIATED WITH THE CONNECTICUT RESOURCES RECOVERY AUTHORITY’S CSWS DIVISION

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

WHEREAS, The Authority has developed a Transition Plan and Ten Year Financial Plan in response to the requirements of Section 9 of Public Act 13-285; and

WHEREAS, Such plan anticipates that certain actions be taken to ensure that the Authority remains a financially self-sufficient public instrumentality and political subdivision of the State for a period of at least ten years; and

WHEREAS, such actions include, but are not limited to, establishing a Tip Fee Stabilization Fund, making certain funds available for the Connecticut Solid Waste System (CSWS) Major Maintenance and Capital Improvement Program, and utilizing the Authority’s bonding capability to provide further funding for such program; and

WHEREAS, Utilizing the Authority’s bonding capability will ultimately require an integrated financial structure including a defined flow of funds and pledge of revenues derived from the Authority’s CSWS Division; and

NOW THEREFORE, be it

RESOLVED: The Board of Directors approves the CSWS Division Flow of Funds attached hereto as Exhibit A.

RESOLVED: The Board of Directors approves the establishment of new accounts, closing of existing accounts and redistribution of funds within the CSWS Division as described in Exhibit B attached hereto.

RESOLVED: The Board of Directors authorizes Authority Management to undertake such actions as described on Exhibits A and B effective as of March 1, 2014.

The motion previously made and seconded was passed unanimously by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director MacDougald, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		

Ad-Hocs			
Bob Painter, CSWS	X		
Steve Edwards, Southeast			

REVIEW AND RECOMMEND RESOLUTION REGARDING CSWS DIVISION BUDGET

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

RESOLVED: That the fiscal year 2015 Connecticut Resources Recovery Authority CSWS Division Operating and Capital Budgets attached hereto as Exhibits A and A1 be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That the following tip fees be adopted for the Fiscal Year 2015 operating budgets; and

WASTE STREAM	TIP FEES
Base Disposal Fee/Tier 1 Short-Term (per ton)	\$64.00
Tier 1 Long-Term/Tier 3 (per ton)	\$62.00
Tier 2 (per ton)	\$66.00
Spot Waste (per ton)	Market Rate
Bulky Waste (per ton)	\$85.00
Ferrous (per ton)	Market Rate
Mattress/Box Springs Surcharge (per unit)	\$30.00
Recycling; Single or Dual Stream (per ton)	No Charge

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the applicable CSWS accounts and reserves to pay for costs and fees incurred during Fiscal Year 2015 in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority’s Procurement Policies and Procedures; and

FURTHER RESOLVED: That the Authority contribute \$85,000 to the Severance Reserve, \$100,000 to the Legal Reserve and \$191,000 to the CSWS Risk Reserve; and

FURTHER RESOLVED: That a the Authority contribute \$7,425,000 to the CSWS Improvement Fund from the Fiscal Year 2015 CSWS operating budget and adopted CSWS flow of funds; and

FURTHER RESOLVED: That the Authority establish a CSWS General Fund and contribute all remaining operating funds as described in the Disposition of Accounts and Flow of Funds which is anticipated to be \$500,000 in Fiscal Year 2015.

MOTION TO AMEND THE CSWS DIVISION BUDGET

Chairman Stein requested a motion on the above referenced item. The motion was made by Vice-Chairman Barlow and seconded by Director Eno.

Mr. Daley suggested adding a resolve (after the first resolve) stating that the Board reserves the right to increase the budgeted amount for the Hartford Pilot should there be excess revenues based on assessment to occur six months after the first payment is made.

The motion previously made and seconded to approve the amendment was passed unanimously by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director MacDougald, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, CSWS	X		
Steve Edwards, Southeast			

MOTION TO APPROVE THE CSWS DIVISION BUDGET AS AMENDED

Chairman Stein requested a motion on the above referenced item. The motion to approve the budget as amended was made by Vice-Chairman Barlow and seconded by Director Eno.

RESOLVED: That the fiscal year 2015 Connecticut Resources Recovery Authority CSWS Division Operating and Capital Budgets attached hereto as Exhibits A and A1 be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That the Board reserves the right to increase the budget for the City of Hartford PILOT should surplus revenues be available. Such adjustment to occur within six months of the first payment to Hartford; and

FURTHER RESOLVED: That the following tip fees be adopted for the Fiscal Year 2015 operating budgets; and

WASTE STREAM	TIP FEES
Base Disposal Fee/Tier 1 Short-Term (per ton)	\$64.00
Tier 1 Long-Term/Tier 3 (per ton)	\$62.00
Tier 2 (per ton)	\$66.00
Spot Waste (per ton)	Market Rate
Bulky Waste (per ton)	\$85.00
Ferrous (per ton)	Market Rate
Mattress/Box Springs Surcharge (per unit)	\$30.00
Recycling; Single or Dual Stream (per ton)	No Charge

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the applicable CSWS accounts and reserves to pay for costs and fees incurred during Fiscal Year 2015 in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority’s Procurement Policies and Procedures; and

FURTHER RESOLVED: That the Authority contribute \$85,000 to the Severance Reserve, \$100,000 to the Legal Reserve and \$191,000 to the CSWS Risk Reserve; and

FURTHER RESOLVED: That a the Authority contribute \$7,425,000 to the CSWS Improvement Fund from the Fiscal Year 2015 CSWS operating budget and adopted CSWS flow of funds; and

FURTHER RESOLVED: That the Authority establish a CSWS General Fund and contribute all remaining operating funds as described in the Disposition of Accounts and Flow of Funds which is anticipated to be \$500,000 in Fiscal Year 2015.

The motion previously made and seconded was passed unanimously by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director MacDougald, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, CSWS	X		

Steve Edwards, Southeast			
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MOTION TO TABLE THE RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES

Chairman Stein requested a motion to table the above referenced item. The motion to table was made by Vice-Chairman Barlow and seconded by Director Eno.

WHEREAS, CRRA obtained Board authorization to pay projected legal fees and expenses from appropriate budgets and reserves in May, 2013; and

WHEREAS, Public Act 13-247, approved in June, 2013, states that CRRA shall enter into a memorandum of understanding with DEEP for the assumption by DEEP of CRRA’s post-closure obligations for the Hartford, Ellington, Wallingford, Shelton, and Waterbury landfills; and

WHEREAS, CRRA has engaged its environmental counsel to provide legal advice and assistance with the drafting and negotiation of the required MOU; and

WHEREAS, CRRA expects to incur greater than authorized legal expenses for these services;

NOW THEREFORE, it is

RESOLVED: That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2014:

<u>Firm:</u>	<u>Amount:</u>
Brown Rudnick	\$85,000

The motion to table was approved by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director MacDougald, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, CSWS	X		
Steve Edwards, Southeast			

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. The motion, made by Director Adams and seconded by Director Eno, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

- Tom Kirk
- Mark Daley
- Peter Egan
- Laurie Hunt
- Eric Womack

The Executive Session began at 12:11 p.m. and concluded at 1:15 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded to go into Executive Session was approved unanimously by roll call. Chairman Stein, Vice Chairman Barlow, Director Adams, Director Eno, Director Freedman, Director Hayden, Director Painter and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Stein	X		
Vice-Chairman Barlow	X		
John Adams	X		
Ralph Eno	X		
Joel Freedman	X		
James Hayden	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, CSWS	X		
Steve Edwards, Southeast			

ADJOURNMENT

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

There being no other business to discuss, the meeting adjourned at 1:15 p.m.

Respectfully Submitted,

Moira Kenney
HR Specialist/Board Administrator