

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND FORTY-SIXTH **APRIL 23, 2009**

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, March 26, 2009, at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: David B. Damer
 Alan Desmarais
 Michael Jarjura (present beginning 11:15 a.m.)
 Mark Lauretti (present by phone until arriving in person at 10:32 a.m.)
 Timothy Griswold
 Theodore Martland
 Raymond O'Brien
 Linda Savitsky
 Steve Edwards, Bridgeport Project Ad-Hoc
 Warren Howe, Wallingford Project Ad-Hoc
 Geno Zandri, Wallingford Project Ad-Hoc

Present from CRRA management:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Dave Bodendorf, Senior Environmental Engineer
Michael Bzdyra, Government Relations Liaison
Tom Gaffey, Director of Recycling and Enforcement
Laurie Hunt, Director of Legal Services
Trevor Nichols, Senior Operations Analyst
Paul Nonnenmacher, Director of Public Affairs (present by telephone)
Mike Tracey, Director of Operations
Lisa Bremmer, Executive Assistant
Moirra Kenney, Secretary to the Board/Paralegal

Also present were: Shawn Duffy of FCR; Bob Gross of Wallingford; John Pizzimenti of USA Hauling & Recycling; Jim Sandler of Sandler and Mara; and Jerry Tyminski of SCRRA.

Chairman Pace called the meeting to order at 9:48 a.m. and noted that there was a quorum.

PLEDGE OF ALLEGIANCE

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

PUBLIC PORTION

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

Chairman Pace asked Mr. Sandler if he cared to speak. Mr. Sandler declined.

Mr. Gross said that the Wallingford trash-to-energy plant turbine has to be updated. He said because it is not operating at 100% efficiency it takes more steam to produce electricity. Mr. Gross asked how this affects Wallingford, the residents and the five communities financially.

Mr. Kirk said that the short answer is yes. He explained there is a revenue penalty because the production in kilowatts (which is sold) is reduced on a unit basis. Mr. Kirk said assuming that the plant makes the same amount of steam there is a small reduction in the electric revenue. He said that management is discussing this issue with the operator in terms of contractual restrictions and minimal performance levels.

Chairman Pace said that the maintenance of the turbine is the responsibility of Covanta.

Mr. Tracey said that CRRA is well aware of the issue with the turbine and that a letter was sent out to Covanta about three weeks ago regarding the issue. Mr. Tracey said that he believed the turbine was supposed to be serviced this fall and that Covanta has opted to push that service back even further. Mr. Tracey said that management did not think that this was a good idea and had indicated as such to Covanta as well as informing the Wallingford Policy Board of the situation as well.

Chairman Pace said that management has brought the issue to the Wallingford Policy Board's attention. Mr. Gross asked out of the Policy Board and CRRA who has the bigger say concerning this issue. Mr. Kirk said the larger say would be the CRRA Board. He said management has been tracking production and that they disagree with Covanta's decision to push back the scheduled maintenance.

Mr. Gross asked if the cost to the five communities will come out of the tip fee stabilization fund. Mr. Kirk said it either reduces the tip fee stabilization fund or increases the tip fee.

Mr. Gross said some of the trash to the Wallingford plant has been diverted which also affects the revenue for the plant. He said it was his understanding that CRRA has had a difficult time receiving cooperation from Covanta to look at the plant and asked if there are any other steps that management can take.

Chairman Pace said that management has taken aggressive action to investigate the diversion. He said that he has been party to a meeting which discussed the problems and issues that CRRA is experiencing. Chairman Pace referred Mr. Gross's repeated line of questions concerning this matter to Mr. Tracey. Mr. Gross asked if the expense that the turbines issues are costing the five communities can be provided by Mr. Tracey. Mr. Tracey said that he believes that Mr. Gross's questions can be answered after some investigative work.

APPROVAL OF THE MINUTES OF THE MARCH 26, 2009, REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the March 26, 2009, Regular Board Meeting. Vice-Chairman O’Brien made a motion to approve the minutes, which was seconded by Director Martland.

The minutes were approved as amended and discussed by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O’Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C. Howe, Jr., Wallingford	X		
Geno Zandri, Wallingford	X		

FINANCE COMMITTEE UPDATE

Director Savitsky said that the Finance Committee had met by telephone the prior week due to a brief agenda. She said that there were two items which were discussed in detail by the Finance Committee. Director Savitsky said that an amended version of the resolution contained in the Board package concerning the Wallingford reserve and distribution was being handed out as the Board package copy contained a typo.

Director Savitsky said that CRRA’s auditor Carlin Charron & Rosen issued a report contained within the write-up detailing the components necessary to shut down a project. She said the original resolution contained a change due to a request from the Wallingford Policy Board.

AMENDED RESOLUTION REGARDING THE WALLINGFORD RESERVE AND DISTRIBUTION

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O’Brien made a motion to approve the amended resolution which was handed out concerning the Wallingford reserve and distribution.

Director Desmarais seconded the motion.

Mr. Bolduc said that the total number in the resolution has not changed and is still \$26 million. He explained the only major change from this resolution and the one included in the Board package was that a column was added for the tons delivered. Mr. Bolduc said that the changes were made at the request of the Wallingford Policy Board which wanted to change the original method for distribution. He said that in addition the dollars were rounded to whole dollars instead of decimal points at the request of the CRRA Finance Committee.

Vice-Chairman O'Brien clarified the changes for Director Lauretti. Chairman Pace stated for the record that Director Lauretti is a member of the Finance Committee and the clarification serves to explain the document because he has called in on his way to CRRA and does not have the document in front of him. Chairman Pace said that as a member of the Finance Committee that Director Lauretti is well aware of these changes.

Mr. Bolduc said that the Wallingford Policy Board and the Finance Committee reviewed the methodology for the distribution of the three accounts. He said that this resolution is only dealing with two of the accounts because the tip fee stabilization account cannot by contract be distributed until post the conclusion of the project on June 30, 2010. He said that at that point a similar closing and audit process will be undertaken similar to the steps taken for closing the Bridgeport Project.

Mr. Bolduc said that the Wallingford Policy Board tweaked the methodology primarily because the original submission used percentages and whole numbers without using decimal points and that a small level of precision was lost. Mr. Bolduc said that the Policy Board thought to get that level of precision a comparable dollar per ton basis was needed. He said as a result the numbers were tweaked and that methodology and resolution are detailed in the amended handout which was distributed.

Mr. Bolduc said assuming that this resolution is approved the dollars need to be moved out of the State Treasurers' STIFF account and that the distribution would be set up tomorrow with the wire transfers occurring on Monday. He said the dollars will continue accruing interest and that an option to release the funds by check was also extended to the Wallingford communities. Mr. Bolduc said that management has notified the Treasurer's Office of their intent to remove the \$26 million.

Director Savitsky said that she was impressed with management's proposed timeline and that the CEO's and CFO's of the five communities should be pleased.

Director Howe and Director Zandri said that they had read the resolution thoroughly and are in favor.

Director Damer asked if the Board was voting on two separate resolutions. Mr. Bolduc said that there are two resolutions the first for transferring the funds and the second for distributing it.

Director Savitsky suggested that the two resolutions be split for clarity.

WITHDRAWAL OF THE ORIGINAL MOTION TO APPROVE THE AMENDED RESOLUTION REGARDING THE WALLINGFORD RESERVE AND DISTRIBUTION

The maker of the motion (Vice-Chairman O'Brien) and Director Desmarais (who seconded the motion) agreed to withdraw the motion to approve the amended resolution regarding the Wallingford reserve and distribution.

AMENDED RESOLUTION REGARDING THE WALLINGFORD DISTRIBUTION

Chairman Pace requested a motion to approve the above referenced motion. Director Savitsky made the motion, which was seconded by Vice-Chairman O'Brien.

WHEREAS, the balance as of January 31, 2009 in the Wallingford Project Operating Account ("Operating Account") was \$18,470,574; and

WHEREAS, the Board of Directors, in consultation with and with the unanimous consent of the Wallingford Project Policy Board (the "Policy Board"), has authorized the transfer of \$10,704,005 from the Wallingford Project Future Use/Planning Reserve to the Operating Account, thereby bringing the balance in the Operating Account to \$29,174,579 (the "Undesignated Balance"); and

WHEREAS, the Board of Directors, in consultation with and with the unanimous consent of the Policy Board has unauthorized \$2,500,000 to be retained in the Operating account as working capital; and

WHEREAS, Section 22a-267(6) of the Connecticut General Statutes authorizes the Board of Directors to segregate such Authority revenues as may at any time be adjudged by said directors to be surplus to the needs of the Authority to meet its contractual and other obligations and to provide for its operations or other business purposes, and to equitably redistribute such segregated surplus revenues to some or all of the users of the system in accordance with applicable provisions of the state solid waste management plan; and

WHEREAS, the Authority's Procedures For The Use of Surplus Funds (the "Procedures") authorize the Authority, with respect to unbudgeted surplus funds received from a particular project and subject to the requirements of Section 22a-267(6) of the Connecticut General Statutes, to use the surplus funds as follows:

1. to utilize such unbudgeted surplus funds in accordance with any contract or agreement for the use of such funds; or
2. to appropriate such unbudgeted surplus funds to future budgets for such project; or
3. upon approval of a majority of directors present, to utilize the funds in a way other than as so expressly specified in the Procedures; and

WHEREAS, the Board of Directors has adjudged that \$26,674,579 of the Undesignated Balance is surplus to the needs of the Authority to meet its contractual and other obligations and to provide for its operations or other business purposes (the "Surplus Revenues") relative to the

Project and the Authority’s independent auditor has certified that the amount of the Undesignated Balance identified as Surplus Revenues is represented by cash and/or investments; and

WHEREAS, the Policy Board has unanimously requested that the Surplus Revenues be equitably distributed to the Wallingford Project member towns, consisting of the towns of Cheshire, Hamden, Meriden, North Haven, and Wallingford, Connecticut (the “Towns”);

NOW THEREFORE, IT IS HEREBY

RESOLVED: That \$26,674,579 of the Undesignated Balance in the Operating Account is adjudged by the Board of Directors to be surplus to the needs of the Authority to meet its contractual and other obligations and to provide for its operations or other business purposes relative to the Wallingford Project; and it is

FURTHER RESOLVED: That such \$26,674,579 shall be equitably distributed to the Towns based on the relative amounts of Acceptable Solid Waste delivered by each Town during the time period beginning July 1, 2003 and ending June 30, 2008, and distributed on a comparable dollar per ton basis for each municipality as follows:

FURTHER RESOLVED: That such \$26,674,579 shall be equitably distributed to the Towns based on the relative amounts of Acceptable Solid Waste delivered by each Town during the time period beginning July 1, 2003 and ending June 30, 2008, and distributed on a comparable dollar per ton basis for each municipality as follows:

Town:	Total Tons delivered FY 2003-2008:	Amount to be Distributed:
Cheshire	98,860	\$3,471,075
Hamden	171,174	\$6,010,094
Meriden	169,569	\$5,953,740
North Haven	114,959	\$4,036,328
Wallingford	205,159	\$7,203,342
TOTAL	759,721	\$26,674,579

and it is

FURTHER RESOLVED: That to the extent the foregoing resolutions constitute a use of surplus funds in a way other than as expressly specified in the Procedures, such alternative use is hereby approved, as permitted by Section 2 of the Procedures.

Mr. Bolduc said that the resolution looks at the reserve and operating funds to ensure the amounts of money in the accounts certified by CRRA’s outside auditors are available for distribution. He said the resolution details the procedure of the distribution of surplus funds by state statute. Mr.

Bolduc said included is also an analysis which was done internally that concerns the flow of funds through the reserves and the operating funds.

Mr. Bolduc said the dollars from the future use planning reserve were calculated and withheld to pay remaining and outstanding bills. He explained that as result management said that certain transfers could be made out of the future use fund to the operating account. Mr. Bolduc said that the future use fund is an unrestricted Board designated account and that any money out of that account requires Board action which is what this resolution is providing.

The motion previously made and seconded was approved unanimously.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C. Howe, Jr., Wallingford	X		
Geno Zandri, Wallingford	X		

RESOLUTION REGARDING THE WALLINGFORD RESERVE

Chairman Pace requested a motion to approve the above referenced motion. Director Martland made the motion, which was seconded by Vice-Chairman O'Brien.

WHEREAS, at its April 2005 meeting, this Board established the Wallingford Future Use/Planning Reserve (the "Future Use Reserve") for the purpose of funding termination costs associated with the Wallingford Project (the "Project"), extension costs associated with the Project, or costs associated with developing a new strategy for the Project's member towns upon termination of the Project on June 30, 2010; and

WHEREAS, the Project member towns, consisting of the towns of Cheshire, Hamden, Meriden, North Haven, and Wallingford, Connecticut (collectively, the "Towns") have all executed new agreements with Covanta for post-Project municipal solid waste disposal services (the "New Agreements") which agreements commence July 1, 2010; and

WHEREAS, at its meeting on January 29, 2009, this Board authorized the creation of a Project Closure Reserve to cover costs associated with the closure/termination of the Project and also authorized the transfer of \$820,000 from the Future Use Reserve to the Project Closure Reserve; and

WHEREAS, the Authority, in light of the New Agreements and in consultation with the Wallingford Project Policy Board (the "Policy Board"), has determined that the purposes for which the Future Use Reserve was established in 2005 have either been concluded or adequate provision has been made for such purpose through the Project Closure Reserve; and

WHEREAS, the current balance in the Future Use Reserve is \$10,894,005, reflecting the transfer of \$820,000 to the Project Closure Reserve; and

WHEREAS, the Authority, in consultation with the Policy Board, has determined that \$190,000 is sufficient to pay certain invoices outstanding as of January 31, 2009, which sums are properly payable from the Future Use Reserve.

NOW THEREFORE, it is

RESOLVED: That \$10,704,005 be transferred from the Future Use Reserve to the Wallingford Project Operating Account, leaving a balance of \$190,000 in the Future Use Reserve; and it is

FURTHER RESOLVED: That the funds remaining in the Future Use Reserve be used to pay certain outstanding invoices totaling \$190,000, as agreed by the Authority and the Policy Board; and it is

FURTHER RESOLVED: That should any funds remain in the Future Use Reserve following payment of such invoices, such funds shall be transferred to the Project Operating Account; and it is

FURTHER RESOLVED: That upon disbursement of all funds in the Future Use Reserve, the Future Use Reserve fund shall be dissolved.

Director Lauretti said that a lengthy discussion was held concerning this matter at the Finance Committee meeting.

Director Damer said that this resolution inserts a third whereas which talks about the consultation between the Board and the Wallingford Policy Board for the operating account.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C. Howe, Jr., Wallingford	X		
Geno Zandri, Wallingford	X		

UPDATE CONCERNING AUDITOR RFP

Director Savitsky said that a package has gone out to the members of the Finance Committee. She said the hiring and retaining of the independent auditor is a Board action and responsibility. She said that management has put together a sizable package containing a schedule of the process. Director Savitsky said that surprisingly only three responses were received to the auditor RFP one from New York and two from Connecticut.

Director Savitsky said that she was recommending to the Finance Committee that before the Board Meeting adjourns they identify a date to hold auditor interviews.

Chairman Pace asked if CRRA's current auditor is up. Director Savitsky said that the current auditor is ineligible because of the time and that a lengthy discussion was held concerning the fact that the six year provision had actually come into effect after their contract had expired. She explained in theory they had one more year that they could have worked for CRRA however, the contract with CRRA did not contain any extension provisions. Director Savitsky said that as a result the Finance Committee decided to go out to bid.

The Finance Committee agreed to meet on May 5, 2009, to perform the interviews.

Director Edwards asked Director Savitsky if she had any idea why only three responses to the RFP were received. She responded that she did not know and that she and Director Desmarais had supplied lists to management containing accounting firms which do work in Connecticut. Director Savitsky said that the largest was precluded because they do work for the MDC.

Mr. Bolduc said that letters were sent out along with the advertisements and that two of the solicitations came in through advertising. He said there was certainly good coverage and that he did not expect the big firms to respond.

CHAIRMAN'S REPORT

Chairman Pace asked Director Griswold to provide the Board with an update concerning the Mid-Connecticut Project Municipal Advisory Committee (hereinafter referred to as 'MAC') meeting which has occurred earlier that day.

Director Griswold said that the meeting was attended by a number of CEO's and town managers from the Mid-Connecticut Project, as well as representatives from the union at MDC. He said during the public comment portion of the meeting there were some comments by Mr. Bironi who is President of the AFSCME-Council 4 and Brian Anderson who is a legislative representative from the union. Director Griswold said those remarks were critical of the CRRA Board. He said that Mr. Sandler (the MDC attorney) also had some similar remarks, copies of which were made available to the Board.

Director Griswold said following those remarks the Committee went through the agenda. He said the group passed the resolutions which were enclosed, one with some modifications. Director Griswold said the resolution which detailed holding off on merit increases for CRRA employees was passed by the group. He said the position of SB 3 passed with some modifications, specifically dropping the reference to the town of Franklin and inserting "following regulatory process through the CT DEP" which prompted a discussion on the state of Solid Waste Management. He said another resolution which was passed was to proceed with the media awareness campaign.

Director Griswold said that Mr. Gaffey had made an excellent presentation concerning the diversion of waste from CRRA facilities to other facilities. He said Mr. Gaffey illustrated the loss of spot waste by demonstrating the lower prices at surrounding facilities. Director Griswold said that Mr. Gaffey recommended that towns have ordinances and other regulations to prohibit trans-diversion and to use permits and the like to stem diversion. He said while CRRA has enforcement to stop diversion there are still millions of dollars that should go to CRRA the cost of which flows to the various towns and cities which pay the bills.

Director Griswold said that there was a good discussion concerning single stream in conjunction with the awareness campaign, as well as some discussion concerning a media campaign being wise before all of the towns were on board. He said it was thought that educating the public is the main concern. He said that many of the Mid-Connecticut Project towns are already participating in the program and that many of the other towns will hopefully get on Board. Director Griswold said he thought it would be wise to have more communication between CRRA and the member towns concerning this particular issue as they have to adopt single stream. Director Griswold said there was also discussion held concerning the trash museum.

Director Lauretti asked what the criticism was which was levied against the CRRA Board. Director Griswold said that Mr. Bironi had a communication (of which is attached as "Exhibit A"). Director Griswold shared an excerpt from the communication "We are here to protest the CRRA's attempt to break the lawfully executed contract with our local and our employer, the Metropolitan District Commission. We are here to protest the hypocrisy of CRRA management giving themselves pay raises while attacking the pay, pension and health care of our blue collar members".

Director Griswold read a second excerpt from Mr. Bironi's letter "CRRA 's management continues to be among the highest paid state employees. Yet, CRRA's responsibility has drastically shrunk, with the loss of two of the four facilities that it was supposed to control. Also, CRRA continues

to operate in a clandestine manner at its board meetings. We believe that the board and management have violated both the spirit and the letter of Freedom of Information law”.

Director Desmarais asked Mr. Sandler (MDC’s attorney) if Mr. Bironi is the President of the union. Mr. Sandler said that he did not know. Director Desmarais said that the issue that Mr. Sandler addressed was public control of waste to energy facilities and that public control was probably a good public purpose. He said from his discussions with the Board that there is not much disagreement about and that given the choice of public control or private control of the facilities that public is the agreed upon choice.

Chairman Pace said that this continues along the typical strategy of confuse and diffuse by MDC. He said that there are a lot of claims in this communication that are incorrect and that there are also comments routinely made which he would say are equally at question, which is why he asked Mr. Sandler if he had any comments for the Board at the beginning of the meeting.

Director Savitsky asked that those Board members who could not attend the MAC meeting receive a copy of the material being discussed. She said secondly that she is very troubled by the allegations that the Board acts in a clandestine manner. Director Savitsky said that she is offended and that since she has been on the CRRRA Board all meetings are held in public with adequate notice in reasonably accessible locations and that the Board does everything in its power including making the Board meetings available in Stratford as well. She said that she is extremely disturbed by a swipe like that which is totally unfounded.

Chairman Pace said that he would solely truly support the Governor’s office taking a look at the management and the operation of the Board’s of both organizations. Chairman Pace said that he thinks it is well in time for MDC to be looked at. He said he would support their prerogative.

Director Lauretti said that the reason he asked the question concerning what was said was that he did not have an opportunity to attend the meeting. He said that he has wanted to go to one of these meetings for quite some time just because of this. Director Lauretti said when you spend six or seven years at this and people repeatedly take shots and say things that are factually untrue in the public arena he is always of the position of mind to respond and let people know there is another point of view based on fact as opposed to another agenda and that he thinks the Board should have to continue to do that. He asked that he be noticed in advance of future meetings and that he will be happy to attend and to respond to some of these things.

Director Griswold said these comments were made in public comment at the MAC meeting and that they didn’t want to get into a debate with the speakers at that point. He said whether this was an effort to communicate from the Union to the CEO’s and so forth.

Director Lauretti said even if the comments were made during the public portion there is still a message which is sent by the speaker. Chairman Pace said that MDC’s management and at least one member of their Board are putting fear in the union and the workers. He said that is a position this Board is not taking.

Chairman Pace said that he believed the Board members’ points had been taken and that he was disappointed when he saw this again because he thinks for the workers (and he has said this on the record before) that CRRRA has tried everything it can to keep the workers insulated from the dispute with

MDC and that has never been the CRRA Board's position. He said it has always been with the management of MDC. He said the whole dispute about the post contract costs, some of the towns had asked the Board to see what they could do to work this thing out. He said the Board had tried to work it out. He said he has not seen a formal claim yet he has seen a lot of numbers, a lot of FOIA, and a lot of smoke and mirror things. Chairman Pace said we had come to the table to resolve this and yet this is again using public people to confuse and diffuse what MDC's strategy is and to misrepresent the CRRA. He said that is why he asked Mr. Sandler if he cared to speak at the beginning of the meeting.

Director Desmarais said that he is probably much less upset than some other Board members. He said there is an old saying that in war the first casualty is the truth. He said CRRA is in a discussion with MDC over \$30 plus million dollars and he thinks we have seen the first casualty. Chairman Pace said that was well said.

Director Lauretti said that he does know through experience in the political arena that perception unfortunately carries the day good, bad or indifferent. He said to sit on the sidelines and not respond to some of these things is a mistake. Director Desmarais said he would trust his judgment.

Chairman Pace said he would wonder what it would cost the towns to have MDC continually monitor CRRA.

Mr. Kirk asked Director Lauretti if he had any suggestions on how CRRA should respond to the comments.

Director Lauretti said management has to look at the comments and put the facts before the Board. He said you go there as a representative and say there is another side to this which we want you to hear and here it is, and this is where we disagree.

Mr. Kirk said that he is suggesting that management put together a statement addressing those points made at the MAC meeting. Director Savitsky said that she believes that the CRRA Board has a responsibility to the towns which were not present at the meeting because they are all part of the same Mid-Connecticut group. She said she thinks the Board has a responsibility to them to make them aware of what went on at the meeting and what the Board's response is. She said that she tends to get very uneasy when everyone is screaming and yelling and the person that is being attacked is continually silent. She said she thinks it creates bigger problems. Director Savitsky said there is a point in time when one has to push back and say enough.

Director Desmarais said the Board has not taken a position and is not going to take a position suggesting that any of the pensions for the MDC workers should be removed or eliminated. He said that was stated as a fact and that bothered him the most. Director Desmarais said that this Board was credited with opposing pension for MDC workers and he understands the legal ramification in terms of the fiduciary responsibilities and he is not taking any position nor has he heard any one else take that position. He said the employees stated that as a fact and that is incorrect.

Director Lauretti said when you sit here year after year and one group after another taking shots and taking issue with the credibility of the people that sit on this Board he said he is not going to sit on the sidelines. He asked in what bankruptcy do people recover the kind of monetary gain that CRRA recovered for Mid-Connecticut a \$150 plus million out of the \$220 million. He said that gets shadowed

all the time about the competence of this Board. He said the newspapers don't want to print the other side. Director Lauretti said we have got to create a forum to be heard. This is unfortunately politics 101.

Director Martland said that he wants to agree with what was said and he said he was going to take advantage of his age. He said there was a gentleman named Goebbles who repeated a lie, and repeated a lie and eventually people believed it.

Vice-Chairman O'Brien said that he agrees with Director Lauretti. He said he would come right out and say these things are not true and that these are straight out not factual.

Chairman Pace said that this Board may recognize that every once and awhile he will make a clarification statement of something that happens so that people can write the correct notes. He said this is typical of the strategy of confuse and diffuse. He said he also thinks there is a malicious intent and that it has some legal ramifications. He said this Board's credibility and what goes on with MDC trying to knock it and taking a look at both organizations he would have no problem with the Governor giving us an opinion and would also ask that the Governor give an opinion as to the leadership of the Board and management of MDC.

Director Martland said that this issue relates to the group that is supposed to oversee the CRRA Board. He said his point is that the legislature appointed the Board members.

Director Damer asked how many of the towns were represented at the meeting. Director Griswold said there was probably about a dozen. Director Damer asked if the letter went just to them. Director Griswold said this was a copy of the remarks stated at the meeting and a transcript of what was said. Director Damer asked if we know if a copy was sent to the other towns which were not represented.

Mr. Kirk said managements' practice is to copy these letters and insert them into the minutes as public comment. Director Damer said it seems to him that a written response should be ready to go so that the towns can see. Mr. Kirk said that he would prepare a response. Director Desmarais asked that the response carry the entire Board's signature. He said he is not sure if the fact that the Board is composed predominantly of municipal officials rather than predominantly state appointed political people is well understood out there.

Director Savitsky asked if there had been a date set for the next MAC meetings. Director Griswold said that copies of the letter as well as the planned MAC dates would be distributed to the Board. He said the proposed MAC by-laws require a quorum of 36 people which will not happen. He said everyone was asked to annotate to get the by-laws drafted and that the group will be very realistic on the attendance requirement.

Director Desmarais said there was a request from one of the representatives to allow towns to appoint one representative. He said that pretty much the statement was we will rotate a CEO through this position. Director Griswold said there may be a proxy set-up and that the group would like to require a high level of participation however the down side is if they don't show up they are stuck.

RESOLUTION CONGRATULATING SHELTON INTERMEDIATE SCHOOL

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O'Brien made the motion, which was seconded by Director Martland.

WHEREAS education and public awareness have been proven to increase recycling; and

WHEREAS education of young people about recycling prompts them to spread that message to their parents and other family members; and

WHEREAS since 1993 the Garbage Museum in Stratford, Connecticut, has been teaching people how to protect their environment by recycling and thinking before throwing something into the trash; and

WHEREAS the Garbage Museum has been operated by the Connecticut Resources Recovery Authority since 1997; and

WHEREAS the Garbage Museum has become a favorite destination for students and created a positive image for the Connecticut Resources Recovery Authority; and

WHEREAS a group of students from Shelton Intermediate School created a news report about the Garbage Museum for WTIC-TV's "Fox 61 Student News;" and

WHEREAS the contest judge, upon viewing the segment, commented, "Good job finding a good story and making me care;" and

WHEREAS that segment was awarded First Prize for Best Environmental Story and the Outstanding Achievement Award in the Fox 61 Student News Middle School Division contest; now therefore,

BE IT RESOLVED that the Connecticut Resources Recovery Authority Board of Directors congratulates students **SELINA JOSE, KAITLYN MARISCO** and **CHELSEA RODRIGUES** of Shelton Intermediate School, along with their teacher, **DENNIS DAVID**, for their success in the Fox 61 Student News contest and wish them continued success in all their future endeavors.

Vice- Chairman O'Brien asked that this item be printed on CRRA letterhead and presented to the Shelton Intermediate School.

Director Lauretti said that when you are the Mayor of a City that gets statewide recognition that is always a proud moment. He said Shelton has an active contingency in towns for recycling as well as an anti-litter campaign in Shelton which has organized a week long clean sweep which includes a variety of activities including recycling and litter control throughout the city. Director Lauretti said that when you see awards like this being given out you recognize that people are getting the message.

Vice-Chairman O'Brien said that he has put Mr. Nonnenmacher in touch with a corporate executives with regards to the Stratford museum funding. He asked if it is possible to get a copy of this item and send it down to Atlanta. Mr. Kirk said that management has a video copy as the story was on Channel 61.

Director Lauretti asked if there is a plan to make a formal presentation to the kids at the school. Chairman Pace said he would take Director Lauretti’s lead on that. Director Savitsky said as a former native of Shelton she was thrilled to see this. She added that it would be great if someone from the Board could be at that presentation. Chairman Pace said that Vice-Chairman O’Brien could represent the Board.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O’Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C, Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

RESOLUTION REGARDING THE DELIVERY OF COVER SOILS TO THE HARTFORD LANDFILL

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O’Brien made the motion, which was seconded by Director Martland.

RESOLVED: That the President is hereby authorized to enter into a contract with Earth Technology, Inc. for delivery of soil to be used as cover material at the Hartford Landfill, and as approved by the Connecticut Department of Environmental Protection, substantially as discussed and presented at this meeting.

Chairman Pace said that the Board has reviewed similar resolutions over the past few months. Vice-Chairman O’Brien said that these resolutions are very similar to those recently approved.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

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Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			
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Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O’Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

RESOLUTION REGARDING CONSULTING SERVICES RELATED TO THE MID-CONN POWER BLOCK FACILITY

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O’Brien made the motion, which was seconded by Director Desmarais.

RESOLVED: That the President is hereby authorized to execute an agreement with the Nels Consulting Services Inc. for the analysis of air flow and air loss at the Mid-Connecticut Project Power Block Facility, substantially as presented and discussed at this meeting.

Vice-Chairman O’Brien said that this resolution was well presented and thoroughly discussed at the Policies and Procurement meeting. He said their was one change from the original resolution which adds a step in the process that will provide for a review of the field measurements and testing before proceeding to ensure adequate review. Vice-Chairman O’Brien said that this is a good and necessary project.

Mr. Kirk said that there was a very through review and examination at the Policies and Procurement meeting.

Director Griswold asked if this resolution creates a functioning floor model. Mr. Kirk said yes. He explained the model is a very common approach used in engineering process design to allow management to better understand the flow dynamics and therefore effect engineering changes to minimize very expensive problems.

Vice-Chairman O'Brien said that a good statement of what the objectives are was also added to this resolution. Chairman Pace asked if these are budgeted funds, Vice-Chairman O'Brien replied yes.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

RESOLUTION REGARDING THE PURCHASE OF TWO SPARE FREE TURBINES FOR THE JET TURBINE FACILITY

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O'Brien made the motion, which was seconded by Director Martland.

RESOLVED: That the President is hereby authorized to execute an amendment to the existing agreement with Northeast Generation Services Company, Inc. to purchase two spare free turbines for the Mid-Connecticut Jet Turbine Facility, substantially as presented and discussed at this meeting.

Vice-Chairman O'Brien said that the Policies & Procurement Committee had done a through review of the resolution. He thanked Director Damer for his insight and understanding of these problems. He said the Committee also received a review of the consultant reports which led to this resolution. Vice-Chairman O'Brien said this is clearly a worthwhile project and this is a valuable asset

and will protect CRRA's revenue stream between now and 2012. He said CRRA is also setting itself up either to continue generating for the long term or to sell the facility at a profit which may be what CRRA should do to allow for a concentration on waste-to-energy rather than jet-fuel-to-energy.

Vice-Chairman O'Brien said in the financial summary in the second paragraph if one turbine is lost for one month the loss is \$388,000 in just revenue from electricity sales and doesn't count towards the damage to capacity payments and other payments. He said the loss for two months is $\frac{3}{4}$ of a million dollars and that a very thorough evaluation is contained.

Vice-Chairman O'Brien said that management plans to start doing some of the maintenance on the turbines which have not had major overhaul when the spare turbine is available. He said this is a project that CRRA should be doing and has a payback and that CL&P is going to pay the 7% management fee of \$145,000.

Chairman Pace said in the write-up he saw the investment was \$2 million however the equity will go up by more than that amount. Mr. Bolduc said that it has the potential considering market value.

Director Damer said Mr. Tracey did an excellent job answering his questions from the Policies and Procurement meeting by providing the consultants' report and adding information to the write-up. He said his concerns were on the level of confidence management had on the value of this item moving forward. Director Damer said those questions have all been answered and detailed and noted that there is always some risk.

Vice-Chairman O'Brien said that the R.W. Beck report shows very clearly that the net revenue including the capital costs for these turbines through 2012 will be \$11.8 million if it went out to 2028 (which CRRA may be able to move to with a free turbine) it will be a \$112 million payback and that CRRA is protecting that revenue stream by having it.

Mr. Kirk said the discussion held by the Policies & Procurement Committee went into depth concerning the engineering aspects of this resolution. He said that between Vice-Chairman O'Brien and Director Damer (who was a mechanical engineer graduating from WPI) the issue was examined thoroughly from an engineering standpoint.

Director Desmarais said this might be a way to capitalize this asset and use it for funding mechanisms which should be explored.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C. Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

RESOLUTION REGARDING THE FOURTH AMENDMENT TO THE AGREEMENT WITH CASELLA WASTE SYSTEMS, INC. AND FCR, LLC. FOR DESIGN, UPGRADE, RETROFIT AND OPERATION/MAINTENANCE SERVICES FOR THE REGIONAL RECYCLING CENTER FOR THE MID-CONNECTICUT PROJECT

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O'Brien made the motion, which was seconded by Director Martland.

WHEREAS: Global recycling markets experienced unprecedented reductions in commodity pricing beginning in October 2008 and continuing into calendar year 2009 that has resulted in significant negative impacts on revenues realized by recycling facility operators and;

WHEREAS: The Operating Agreement between CRRA and FCR, LLC provides CRRA with very favorable per ton rebate revenues for all recyclables delivered to the Mid-Connecticut Regional Recycling Center and receipt of 50% of all commodity sales revenue and;

WHEREAS: CRRA and FCR, LLC have had a very successful long-term partnership including retrofitting the Recycling Center in 2006 and again in 2008 when Single Stream technology was added to the facility and has proven to significantly raise participation and recycling rates in the member municipalities and;

WHEREAS: FCR, LLC has requested temporary financial relief by reducing the per ton rebate payments to CRRA until commodity market pricing returns to more reasonable levels and;

WHEREAS: FCR, LLC has agreed to increase CRRA's share of commodity sales revenue and substantially increase the guaranteed per ton rebate payment for all recyclables delivered well beyond current contract requirements once commingled containers reach an average commodity revenue benchmark of \$80 per ton and;

WHEREAS: the municipalities of the Mid-Connecticut Project will continue to benefit from a very favorable contract and increased recycling opportunities therefore;

RESOLVED: That the President is hereby authorized to execute a fourth amendment to the agreement with Casella Waste Systems, Inc. and FCR, Inc. for the design, upgrade, retrofit and operation/maintenance services for the Mid-Connecticut Regional Recycling Center modify the per ton rebate and commodity revenue sharing payments substantially as presented at this meeting.

Vice-Chairman O'Brien clarified that although the information provided concerning this matter indicated that CRRA will be incurring a loss that it is only partially true. He explained CRRA will be seeing less revenue but recycling will not present a cost to CRRA or to the Mid-Conn Project. Vice-Chairman O'Brien said that according to the analysis by year three CRRA will have recovered any losses. Mr. Kirk said that is correct with reasonable assumptions.

Vice-Chairman O'Brien said that the Board is aware that the bottom has fallen out of the recyclables market and it is unfortunate that the Stratford group was unable to secure a deal like the Mid-Conn Project and that there is no Stratford group.

Mr. Kirk said that as of the prior day there is a Stratford group. Director Edwards said that the SWEROC group had voted the prior day to maintain the facility at a lower rate and unfortunately the group does not have the 50,000-55,000 tons they would like to have but they do expect to have 40,000 tons going forward. Director Edwards said the loss of the Stratford garbage museum is unfortunate but there are currently no funds for its continuation.

Vice-Chairman O'Brien said this is more incentive to approve this resolution in order to keep FCR in the game.

Mr. Gaffey introduced Mr. Duffy who heads FCR which is CRRA's partner in the Hartford Regional Recycling Facility, Mid-Connecticut Recycling Facility and the Southwest Regional Recycling Facility in Stratford. He explained Mr. Duffy started out in the business in Fairfield when it was Fairfield County Redemption and knows a lot about the bottle bill. Mr. Gaffey said that Mr. Duffy is one of the leading experts on recycling and is up from Charlotte, N.C. He said CRRA is still hopeful it will get some stimulus money to retrofit the Stratford Recycling Facility for single stream recycling.

Mr. Gaffey said that Mr. Duffy contacted management when the commodities market crashed shortly after the end of October 2008 and asked for some relief from the current contract with CRRA into November 2008. Mr. Gaffey asked the Board to keep in mind that in his opinion CRRA enjoys the most lucrative public entity contract in America through FCR.

Mr. Gaffey said that CRRA is paid for every ton of recyclables which go over the scale and most facilities in the country are paying their vendor upward from \$50.00-\$60.00 a ton for the same service. He said management wants to help keep FCR healthy and that its parent company Casella (which is also on the agreement) has seen stock prices drop from \$14.00 down to .55 cents back to \$1.70.

Mr. Gaffey said that the contract summary provided contains some updated numbers because it was initially calculated with an amendment going out to May 1, 2009. He explained Mr. Duffy had asked for relief going back to February which led to an agreement between both parties to begin March

1, 2009. Mr. Gaffey said that net present value analysis demonstrates the effect of this amendment from March 1, 2009 going forward. He said that CRRA will be temporarily losing some revenue that it will eventually realize and make out better in the third year than it would under the current contract.

Mr. Nichols said in year one CRRA will lose about \$433,000 against the existing contract based on the modification. He explained the average commodity rate (hereinafter referred to as "ACR") goes up for co-mingled materials and CRRA will almost be at the point of breaking even in year two and by year three all costs will be re-couped. Mr. Nicholas said that the break even point on the ACR is \$80.00 and that is where CRRA will start to gain money back.

Vice-Chairman O'Brien asked what the current equivalent of the \$80.00 ACR is. Mr. Gaffey said it is probably around \$40.00-\$45.00. Mr. Kirk said that is not an unrealistic assumption even though it's around half of the number needed. He said the markets have been up and down for years and the consensus is clear that is expected to recover and the ACR figure with it.

Mr. Kirk said that CRRA does not have to relieve FCR but that from a management standpoint FCR has worked well with CRRA on this and other projects and CRRA continues to work closely with CRRA on solid waste issues. Mr. Kirk said that FCR's parent company owns landfills that CRRA may have interest in utilizing in the future. Mr. Kirk said CRRA has an opportunity to improve their upside down the road and that this sort of arrangement is demonstrative of the kind of flexibility and cooperation that CRRA asks for from contractors.

Director Griswold asked how the financial health of the parent company is. Mr. Duffy said Cassella is still making money. He said that this amendment is to guarantee payments to CRRA even at a reduction which is truly unique in the industry.

Director Martland said that he thinks this is a good business deal.

The Board undertook a substantial discussion concerning the current recycling market.

Director Edwards asked Mr. Duffy how the ACR is at Mid-Conn in comparison to Stratford as one is dual stream versus single stream. Mr. Duffy said the ACR is extremely similar at both. He explained the state of the art facility is run at less than two percent residual and in most cases less than one percent. Mr. Duffy explained the Mid-Conn project has the advantage of rail in Hartford for more volume and the ability to lock into higher fiber prices which are able to support the rebate structure which was implemented. He explained this has been communicated to the Stratford community.

Director Edwards said that it was encouraging that FCR is able to keep the same high ACR with a greater volume or weight without a drop-off. Mr. Duffy said FCR's source of income is based on the quality and recovery of the plant and as a result that is their focus. Director Edwards said that this is a plus for the larger communities looking into single stream.

Director Desmarais said that he does not like the idea of a proposed ACR figure. He said the bigger issue is that CRRA has the obligation to keep the golden goose alive and in that sense a formula should be in place for restructuring. He said in that sense that this contract should be kept alive.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

RESOLUTION REGARDING REQUEST FOR SERVICES FOR SINGLE STREAM RECYCLING MARKETING AND PUBLIC RELATIONS CAMPAIGN

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O'Brien made the motion, which was seconded by Director Desmarais.

RESOLVED: That the President is hereby authorized to approve a Request for Services with Pita Communications LLC for services associated with CRRA's single-stream recycling marketing and public relations campaign substantially as presented and discussed at this meeting.

Chairman Pace said that there had been some discussion concerning this resolution at the prior Board meeting. He said that Director Griswold held a conversation concerning this matter with the MAC Board as well.

Director Griswold said that this matter was favorably received by the MAC Board. Chairman Pace said the Board's prior request was for Director Griswold to get feed-back from the MAC group which he has since done. Director Griswold said the group has adopted this resolution.

Director Edwards said at the last meeting he asked for this resolution to be held off until negotiations were completed he said he is in support now that those negotiations are completed.

Chairman Pace said the Board also wanted the Mid-Conn CEO's to know this was coming before it was undertaken. Mr. Kirk said that CRRA committed to providing each Mid-Conn town's CEO with advice on how CRRA is proceeding with this matter. He said the conclusion of the MAC meeting was that this is important public information.

Mr. Kirk said there were a number of very important questions raised at the last Board meeting and said he is confident that this revised resolution and write-up answers them. Mr. Kirk said the MAC meeting walked through the process of the radio buys with two representatives from Pita

communications. He said that management recognizes it is tough to quantify success with radio advertising. He said that the MAC group was favorably impressed with the presentation such that there is recognition that this is an important job for CRRA as implementers of the Solid Waste Management Plan.

Chairman Paces asked that the public works directors receive these communications as well with a direct e-mail.

Director Martland asked if CRRA goes single stream than in effect Waterbury gains an advantage because they do not pay for the recyclables in trash. Mr. Kirk said this is true as any town that goes to single stream will see a double digit increase in their recycling rate and a corresponding decrease in the amount of garbage they are paying to get rid off.

Director Martland asked if commercial carriers were involved in single stream if it would be an advantage to the town. Mr. Kirk said this is correct.

Vice-Chairman O'Brien asked if the recycling coordinators used by many towns have been identified and notified of this information. Mr. Kirk said that he believes that management has identified most of these representatives.

Director Savitsky said it is impossible to get a perfect mailing list for such information but that management is doing the best it can. She said secondly that she still has an issue with the radio method of communication. She said that she doesn't listen to commercial radio and thinks the Connecticut Public Radio system should be approached to broadcast this as a public service announcement.

Director Savitsky said that she is concerned that a certain demographic is not being reached. She asked if management has also thought about approaching a television program which is required to air public service announcements. Mr. Kirk said that he would try and time this possibility with the radio ads.

Director Desmarais said Pita communications professionals have the job of targeting the largest number of target audience members and that their expertise should be trusted. He said the MAC meeting well received this initiative.

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

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Timothy Griswold	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			
Geno Zandri, Wallingford			

PRESIDENTS REPORT

Mr. Kirk said that the significant water quality test for Franklin landfill is now in progress and that test results for whether the site is suitable for the municipal water supplies will be back in a few weeks.

Mr. Kirk said that the Town of Franklin has formed an advisory non-binding referendum on the landfill and that CRRA is not involved. He said CRRA's position is that they will provide information as its implementation of the Solid Waste management plan and that he does not expect the results of the referendum to be good however it is a non-binding opinion of the town.

Mr. Kirk said that CRRA is in the process of affecting a multiple series of informational advertising of 4-6 ads in the local paper over the next few weeks.

Mr. Kirk said the tonnage diversion problem continues to be a problem and legal actions has taken place in one case and in other cases CRRA is in negotiations with haulers. He said a 433 submittal has been made which is a state statue which requires agencies to provide notice to the controllers of situations where the State has been financially compromised. He said that submittal was made associated with diversion issues.

Mr. Kirk said the surplus has been quantified and well received by the Wallingford towns. He said their participation in the CRRA project has been beneficial and successful.

Mr. Kirk said that the town of East Haven has decided to re-join the SWEROC project. He said the project's agreement has been extended by two years until July 1, 2011, and that management is still optimistic that the project will be on the short list for stimulus programs.

Mr. Kirk said that SB 3 is on the go list for the Senate which means that it will most likely be voted on that day. He said that management is pleased with the comments the bill left with from the

Planning and Development Committee where it passed by ten to seven. Mr. Kirk said that he is not optimistic that it will be killed in the Senate. He said management is cautiously optimistic that it will be thoroughly debated by the House.

Mr. Kirk said that HB 54-74 is a bill that CRRA has been helping with. He explained that Representative Bye is interesting in ensuring that towns are not financially penalized when they recycle down their put-or-pays.

Mr. Kirk said the HB 1058 is the bill concerning the oversight committee. He said an amendment was made that management believes protects the CRRA bond holders and bond indentures and essentially makes that oversight Board an advisory Board.

Director Martland asked if the Board could address people in the legislature concerning the oversight Committee bill. He said the Board was appointed by the legislature to do specific jobs which they do. Director Martland said the Board should decide who should contact whom.

Chairman Pace suggested a letter be written to the Governor's office at this point relating to issues with MDC and others and wrongful allegations. He said CRRA would welcome the Governor's office to investigate the workings and operations and Board leadership and Board actions of both the MDC and CRRA and stands welcome to their advice and consideration.

Director Savitsky said the auditors of public accountants are the legislative investigatory group and that they are in doing what they are supposed to be doing in accordance with the statute. She said it is important to remind people that not only does an independent public auditor come to CRRA for an audit but also the public accountants.

The Board discussed possible methods of communication concerning Chairman Pace's suggestion.

RECESS

Chairman Pace asked the Board to take a brief recess at 11:47 a.m.

The meeting reconvened at 11:53 a.m.

ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE

Director Jarjura said that Organizational and Synergy Committee had met earlier that week and there are two items for presentation to the full Board.

Director Jarjura said as Mr. Kirk and Mr. Bolduc have stated that they will not receive any increases and their evaluations were approved by the Committee which wanted to report to the Board that fact as well as the fact that Director Damer abstained from the vote.

Director Damer noted that he and Mr. Kirk had a prior work relationship as he once reported directly to Mr. Kirk and therefore excused himself from the evaluation.

Director Desmarais asked if any goals or objectives of the CEO and CFO had been illustrated. Director Jarjura said that those were outlined for the benefit of the Committee.

Director Jarjura said that there has been discussion on this matter for 4-5 months. He said the Stratford museum is closing as there is no further funding. He said as of July 1 the two individuals working there will be terminated. Director Jarjura said that two employees have been with CRRA for a considerable amount of time and that the third has already left voluntarily. He said that the Committee wanted to get the approval of the full Board prior to providing any kind of package or transitional payment package.

Director Jarjura said that the Committee met with their designated personnel director and was in concurrence that they wished to offer something but wanted the consensus of the Board. He said he hadn't realized that the CRRA employees do not have sick time or banked days to carry with them at separation. Director Jarjura said once a decision is made it will send a signal to other employees.

Director Jarjura said the Board has already agreed that there will not be merit increases for the other employees. He said they will receive the scheduled cost of living increase but there will not be a merit increase.

Mr. Kirk said that management has the ability through procedures to offer a settlement in exchange for a release and this has been done in the past.

Director Desmarais asked if CRRA was to offer a payment what the funding source would be. Mr. Kirk replied that the funding is in the budget. Mr. Bolduc said it is part of the Bridgeport Project decommission costs but that a decision needs to be made promptly in order to close the audit for the Bridgeport Project.

Director Edwards said a precedent was set when the services of another employee were terminated many years before with a settlement package. Mr. Kirk said the Bridgeport Project acknowledged, voted and accepted that there would be severance arrangement. Director Edwards said it was anticipated that this is a project close-out expense.

Director Edwards requested that the Board receive the consensus of the Executive Committee of the SWEROC group.

After discussion the HR Committee thanked the Board for its insight and perspective and noted that the HR Committee will direct management accordingly.

EXECUTIVE SESSION

Upon inquiry by Chairman Pace no executive session was deemed necessary.

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion made by Director Martland and seconded by Director Griswold was passed unanimously.

The meeting was adjourned at 12:08 p.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal

