

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND THIRTY-EIGHTH**

**JUNE 26, 2008**

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, June 26, 2008, at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors:     Mark Cooper  
                  Michael Jarjura (Present beginning 10:33 a.m.)  
                  Mark Lauretti (Present beginning 10:05 a.m.)  
                  Theodore Martland  
                  Raymond O'Brien  
                  Linda Savitsky (present by telephone)  
                  Steve Edwards, Bridgeport Project Ad-Hoc  
                  Tim Griswold, Mid-CT Project Ad-Hoc (Present until 12:12 p.m.)  
                  Warren Howe, Jr., Wallingford Project Ad-Hoc  
                  Geno Zandri, Jr., Wallingford Project Ad-Hoc

Present from the CRRA staff:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Dave Bodendorf, Senior Environmental Engineer  
Bettina Bronisz, Assistant Treasurer & Director of Finance (present until 11:15 a.m.)  
Michael Bzdyra, Government Relations Liaison  
Peter Egan, Director of Environmental Affairs & Development  
Laurie Hunt, Director of Legal Services  
Lynn Martin, Risk Manager  
Richard Quelle, Senior Engineer  
Chris Hyfield, Human Resources Manager  
Paul Nonnenmacher, Director of Public Affairs  
Mike Tracey, Director of Operations  
Lisa Bremmer, Executive Assistant  
Moirra Kenney, Secretary to the Board/Paralegal

Also present were: Bob Gross of Wallingford, CT, John Pizzimenti of USA Hauling & Recycling, Cheryl Thibeault of Covanta, Jerry Tyminski of SCRRA, and Susan Hemenway of BRRFOC.

Chairman Pace called the meeting to order at 9:55 a.m. and said that a quorum was present.

**PLEDGE OF ALLEGIANCE**

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

## **PUBLIC PORTION**

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

Mr. Gross asked who the owner of the Wallingford landfill is. Mr. Egan explained there is a long term 30 year lease that CRRA is responsible for.

Mr. Egan said for the next 30 years that CRRA is responsible for the post closure care and maintenance obligations with the exception of the hazardous waste cell. Mr. Egan said if there is an issue with the cell that the town of Wallingford is responsible for it.

Mr. Gross asked if the ash landfill portion of the landfill is CRRA's responsibility. Mr. Egan replied that is correct.

Chairman Pace explained that this is a situation in which CRRA acts as an umbrella for the towns.

Mr. Gross asked approximately when management will have make a decision regarding the Wallingford plant following the July 8<sup>th</sup> meeting between CRRA and Covanta. Mr. Kirk replied that the July 8<sup>th</sup> meeting will be followed by an additional meeting with the Wallingford Policy Board. He explained that a decision will be made regarding the four options currently on the table. He said one option is a possible renewal agreement with Covanta.

Mr. Kirk said within a few weeks the examination of the possibility of a public ownership option will be completed. Mr. Kirk said in early August a presentation will be made to the five town councils. He said after the presentation the decision makers for the project will be in a position to commit their garbage to one of the four options.

Mr. Kirk said it is important to note that there will be gaps in the information which is a necessary component in management's decision making. He said that regardless of this possibility a decision regarding the project will still have to be made. Mr. Kirk said that the facts needed in order to make a final decision by the town councils as well as by CRRA will be received late this summer. He explained until the town councils make a decision CRRA can not make a decision either.

Chairman Pace said that this is a collective decision and stated that Mr. Gross's assumption that the decision would be made largely by CRRA and Wallingford is inaccurate. Mr. Kirk said that the community has the responsibility of deciding where to commit its garbage to one of the options. He explained it is management's expectation that the five towns may follow the host community's decision as the remaining options can not be exercised without the host-community's participation.

Mr. Gross asked if CRRA has a ball-park figure of the future price of the plant. Mr. Kirk replied that CRRA has an appraisal but the purchase price is determined by a process laid out in the contract.

Mr. Gross said in 2009-2010 the subsidy for the electric rate ends in Wallingford and will return to market rate. Mr. Gross asked if the Wallingford tip stabilization fund wasn't used how much the tipping fees would be raised. Management discussed the many variables which will affect that eventual figure and said although the fee may be higher until all the legal and economic ramifications are explored.

**APPROVAL OF THE MINUTES OF THE MAY 29, 2008, REGULAR BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the May 29, 2008, Regular Board Meeting. Director O'Brien made a motion to approve the minutes, which was seconded by Director Martland.

Director O'Brien asked that page 5 of the minutes be revised to include who made the motion to table. He also asked that when exiting Executive Session that the time be clearly stated along with a sentence stating the doors were opened and the Board Secretary and members of the public were invited back in.

Chairman Pace noted that the revised compensatory time policy which had been tabled at the prior meeting was on the current agenda and will be discussed and voted on.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport	X		
Tim Griswold, Mid-Connecticut	X		
Warren H, Howe, Jr., Wallingford	X		
Geno Zandri, Jr., Wallingford	X		

**RESOLUTION REGARDING THE MDC MID-CONNECTICUT OPERATING BUDGET**

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

**WHEREAS**, The Metropolitan District Commission prepared a fiscal year 2009 annual operating budget for the Mid-Connecticut Project (the MDCMC budget) and submitted such operating budget to the Authority for review on February 1, 2008; and

**WHEREAS**, upon its review, the Authority determined that the MDCMC Administration Budget submitted by MDC included \$3.0 million related to MDC employee separation costs following the expiration of the CRRA-MDC Agreement to, and the Authority has revised the MDC budget to delete such separation costs; and

**WHEREAS**, upon its review, and following discussion with MDC personnel, the Authority has reduced the MDCMC Waste Processing Facility Budget by a total of approximately \$2.9 million. The reduction reflects a decrease in maintenance costs for power-operated equipment by \$300k due to purchase of four new loaders, decrease in capital outlay by \$1.5M which will be completed by CRRA and is captured in the FY09 CRRA Mid-Connecticut Capital Budget, deletion of contingency fund \$600k, and decreases in overtime pay by \$100k and indirect costs by \$372k related to the decrease in capital outlay;

**NOW, THEREFORE**, it is

**RESOLVED:** That the Board hereby adopts the fiscal year 2009 Metropolitan District Commission Mid-Connecticut Annual Operating Budget in the form presented at this meeting, including the revisions noted herein.

Director Martland seconded the motion.

Director O'Brien noted that the supplemental package contains the cover letter of the response from MDC concerning CRRA's FOIA inquiry. Mr. Kirk explained the supplemental package contains a letter from Chuck Sheehan. He explained the letter was in response to a very modest request from the Board to identify and clarify \$270,000 in costs. Mr. Kirk said there were a number of issues raised in the letter, most importantly an attempt by MDC in one paragraph to unilaterally withdraw from the capital improvement program.

Mr. Kirk said it is both management's and their attorney's belief that MDC does not have the authority to withdraw from portions of their contractual requirement with CRRA. Mr. Kirk said CRRA's attorneys felt it was important to respond to that particular issue immediately and recommended that an immediate notice be sent asking that MDC reconsider withdrawal from a portion of the contract as CRRA does not agree that MDC has the right to do so.

Mr. Kirk explained CRRA's attorney assisted management in drafting a letter to that effect. Mr. Kirk said a letter addressing the other issues raised by Mr. Sheehan is currently under development and will most likely be completed by the following Tuesday. Mr. Kirk said CRRA's position is that MDC would be making a material breach of their agreement should they withdraw from their responsibility to maintain the facility through the capital improvement program. Mr. Kirk said that management is optimistic that MDC will understand and will be waiting for the reply.

Mr. Kirk said that management was very surprised that Mr. Sheehan has concerns over CRRA's attention to safety issues as it has always been a primary concern for CRRA. Mr. Tracey said that when MDC presented their budget to CRRA those particular capital projects were identified as a result of a discussion between MDC and CRRA. He explained a number of those projects were safety related. He said that as a result of the budget review process all of the capital projects that MDC had identified had been identified as CRRA or MDC responsibility. Mr. Tracey said one of the problems concerning Mr. Sheehan's letter stems from the fact that MDC has refused to discuss the budget or the details concerning the budget with CRRA. Mr. Tracey said he believes there has been some internal confusion at MDC concerning the refusal.

Mr. Tracey said all of the safety projects that MDC has requested be included in the budget are in fact included and are MDC's responsibility to execute. Mr. Tracey said that there are a number of capital projects that were broken out for the CRRA staff to execute. Mr. Tracey said several of these projects were identified several years ago by Mr. Sheehan as he became personally involved in the fire safety upgrade work and that management very surprised by his response in the letter.

Chairman Pace asked if it was fair to say that CRRA and the employees of MDC have a strong working relationship. He asked Mr. Tracey if MDC's employees are working well and without issues for CRRA. Mr. Tracey responded that management was very satisfied with the performance of the plant over the last couple of years and that it is doing very well. Chairman Pace said it is at the management level where a meeting of the minds is necessary. Mr. Tracey said that MDC's issue is the \$3 million reduction.

Mr. Kirk said MDC is declining to discuss the budget with CRRA while exploring their post-contract expiration cost issues. Director O'Brien said that despite the implications from Mr. Sheehan that CRRA is concerned with safety issues. He said the Board questioned substantial increases with no explanation in several elements of their operating budget concerning travel, seminars, and training. He said that what was requested by the Board was an explanation of the increases and that in response the Board received a letter stating the questions were compromising safety.

Mr. Kirk said he believed it was Mr. Sheehan's implication that some of those safety issues listed as travel and training expenses are related to safety. Mr. Tracey said the letter contains a statement saying that that management took the \$1 million out of the CIP project, which is incorrect.

Director Lauretti said that CRRA had called attention to an issue and left an adequate paper trail detailing the inquires, responses and efforts to work in cooperation with MDC. He said the Board has a level of comfort with the handling of these issues and that they should move on before belaboring these points. Director O'Brien agreed.

Chairman Pace said that he feels Director Lauretti is correct but he would like the details of the disagreement stated publically. He said there is an agreement regarding the budget which has been thoroughly reviewed by the Finance Committee.

Director Savitsky said that the Finance Committee spent a significant amount of time discussing the MDC proposed budget. She asked management if there had been a review of the material received

after an FOIA request was submitted to MDC. Mr. Kirk said management had not finished reviewing all of the documents requested to assist management in understanding the scope of MDC's liabilities post exploration which will assist in forming mitigation opportunities.

Director Savitsky asked Mr. Bolduc to read an excerpt from the MDC and CRRA agreement that he had shared with the Finance Committee. She said it spoke to the issue of the budget and may assist the Board members in understanding the effects of approving, or not approving the budget.

Mr. Bolduc said that what he had shared with the Finance Committee in Article II section I is a portion of the agreement stating, "The Authority shall adopt an Annual Budget prior to the first day of the applicable fiscal year...within thirty (30) days after the end of each quarter of the fiscal year." Mr. Bolduc said it is important that the agreement uses the term "adopt" versus "approve."

Mr. Bolduc said another important section of the agreement deals with quarterly reviews where MDC has to provide budgets to actually compare, "During such review the Authority may authorize transfers of funds between functions including the Contingency Account and may request or require changes in the Annual Budget pursuant to the terms of this Agreement." Mr. Bolduc explained this excerpt details that MDC has to return to CRRA before they can unilaterally move funds.

Mr. Bolduc said the agreement also says, "The District shall not transfer funds between functions including the Contingency Account without the prior written consent of the Authority. The District shall be permitted to spend up to five thousand (\$5,000) out of any account, including the Contingency Account, for emergency operating and maintenance expenses without the Authority's approval." He explained this portion details that MDC has to come back to CRRA to secure approval before transferring funds.

Director Savitsky said if CRRA does not adopt the budget that she is concerned that management will lose the ability to have some restrictions in place. Director Savitsky said that she was clarifying that the Board was moving forward with adopting of the budget minus the \$3 million that the Finance Committee requested be removed.

Director O'Brien said she was correct and that the resolution states there is an additional \$2.9 million that was reduced, \$1.5 million of which is capital items which will be preformed by CRRA as it is included in the Mid-Ct budget. He said the additional reductions were made from maintenance costs on power equipment, a deletion of the contingency fund, and decreases in overtime pay.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut	X		
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**ADDITION TO THE AGENDA**

Chairman Pace requested a motion to add an item to the agenda. Director O'Brien made the motion which was seconded by Director Savitsky.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING THE REVISED COMPENSATORY TIME POLICY**

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

**RESOLVED:** That the revised Compensatory-time Policy of the Connecticut Resources Recovery Authority be adopted as substantially in the form as approved by the Organizational Synergy and Human Resources Committee.

Director O’Brien seconded the motion.

Chairman Pace said that Director Savitsky had requested that this item be tabled at the prior Board meeting as the write-up had not been included for review. Director Cooper said that this item was thoroughly discussed at the HR Committee meeting.

Mr. Hyfield said this is a necessary provision item for clarification for the comp-time calculation for exempt 40-hour per week employees as there is one employee that presently fits this category. He explained that when he made changes to the compensation policy previously that he neglected to include that one 40 hour schedule. He said the item clarifies how the comp time is calculated for the 40 hour work week, which is the same calculation used on the 37 ½-hour employee schedule.

Director Savitsky asked how many employees are in the exempt 37 ½-hour group. Mr. Hyfield estimated there were about 20 individuals. Director Griswold asked about how many hours in a year are accrued in comp time. Mr. Hyfield replied that the number varied and that he does not have an exact figure. Mr. Kirk said that comp time is monitored closely and that his approval as well as the approval of the respective direct supervisor is necessary prior to any usage.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O’Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			



Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING THE PURCHASE OF WORKERS COMPENSATION**

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

**RESOLVED:** That CRRA purchase Workers Compensation/Employers Liability Insurance with a statutory limit and \$1,000,000 limit for Employers Liability, for a premium of \$54,246 from Connecticut Interlocal Risk Management Agency (CIRMA) for the term 7/1/08 - 7/1/09, as discussed at this meeting.

Director Savitsky seconded the motion.

Ms. Martin said that this resolution is to provide the Board's approval of the workers compensation insurance. She said that CIRMA has provided CRRA with an excellent premium for the policy which is roughly \$200 less than the prior year.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING AUTHORIZING PROJECT FINANCE BANKING SERVICES**

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

**RESOLVED:** That the Authority retain Citigroup Global Markets to provide financing for the acquisition, upgrade and related expenses of the Wallingford project. Such financing may include tax-exempt or taxable, fixed rate or variable rate, long-term or short-term bonds, depending on market conditions at the time of financing. It is anticipated that such a financing will be on a project basis, but may include the ability to convert to a statewide system in the future.

**FURTHER RESOLVED:** That the components of the underwriter's total fee not exceed the following: Takedown: 0.625% of the principal amount of bonds issued; Expenses: 0.02% of the principal amount of the bonds issued; Management compensation (as senior manager) \$150,000 (for only a Wallingford project acquisition bond financing); Underwriter's Counsel fee will be a pass-through cost to the Authority as determined at the time that Underwriter's Counsel is hired; Remarketing fees, if any, 8 basis points per annum.

Director Savitsky seconded the motion.

Director Savitsky said in order to move forward with the purchase of the Wallingford Plant that CRRA needed to obtain the services of an underwriter. She explained the Authority sent out RFP's and that management, in conjunction with the Finance Committee, had interviewed three firms. She explained there was a unanimous decision to use Citigroup Global Markets.

Director O'Brien said that out of the three companies interviewed that Citigroup was able to communicate most clearly to the Committee members and management. Director Savitsky addressed an article she had recently read detailing that Citigroup was laying off employees in their public finance area. She explained she had forwarded the information to management but wanted it made clear that the layoff is a global issue affecting most companies and will not affect CRRA.

Mr. Bolduc said the RFP was focused on the banking position that CRRA needs to establish on the upcoming Wallingford financing. He said management was also looking for an organization that will provide a general line of credit. He said that Citigroup does not provide a general line of credit but will assist in finding such an institution. He said that Citigroup has financed a substantial amount of waste to energy facilities in the last 30 years. Mr. Bolduc said their bankers have substantial experience in waste to energy banking which will become important farther into the process.

Mr. Bolduc said although the interviewed institutions had varying degrees of experience in the related fields that Citigroup was the most knowledgeable. He said a commitment will be looked from Citigroup at the end of September based on less than perfect information such as final pricing and an electric purchase agreement. Director Savitsky said that Citigroup had indicated somewhat reluctantly that their fees are negotiable and she would like to state for the record the Board's approval would be a not to exceed number and that may involve some negotiation.

Ms. Bronisz said management had investigated the report of layoffs at Citigroup for the possibility of an impact to CRRA and that she was confident that no one in the solid waste group will be affected. Director O'Brien said that a representative of CRRA's bond counsel, John Stafstrom of Pullman and Comley, and CRRA's financial advisor, Rick McCarthy, were present at the interviews.

Director Martland said that Citigroup has clearly done the most investigative work into CRRA’s background and was extremely well informed about CRRA and the Wallingford project.

Director Griswold asked what the senior management compensation for \$150,000 detailed. Ms. Bronisz explained that when underwriters are paid for selling bonds they are paid on a gross spread that contains three components. She explained the first component is called the takedown fee to the sales professionals that price and sell the bonds. Ms. Bronisz explained the second component is called expenses which include various fees and expenses relating to the bonds themselves. She said the third component is called the management fee which is paid to structure the bond. She explained in Citigroup’s proposal if they were to underwrite the Wallingford bonds, they would charge a flat management fee of \$150,000. She explained if that number is divided by the principle amount of the bonds to be issued (which she made an assumption of being \$25 million) that that number equates to \$6.00 a bond.

Chairman Pace asked the Board’s Wallingford representatives to feel free to voice questions to management at any time.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford	X		
Geno Zandri, Jr., Wallingford	X		

**RESOLUTION REGARDING THE ASH LOAD OUT BUILDING AND SITE MODIFICATIONS AT THE RESOURCE RECOVERY FACILITY**

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

**RESOLVED:** That the President is hereby authorized to execute an agreement with Merritt Contractors, Inc. to implement modifications to the Ash Load Out Building and the Site at the Resource Recovery Facility (RFF), substantially as presented and discussed at this meeting.

Director Martland seconded the motion.

Director O'Brien noted that this resolution was discussed at length by the Policies & Procurement Committee and needed to be completed by January 1, 2009. Mr. Kirk said the resolution was necessary in order to start shipping CRRA's ash out to the new disposal location after the closing of the Hartford landfill.

Mr. Tracey said that the dump trucks used for the ash disposal use a trailer about 110 feet long which carries about 20 tons of ash. Mr. Tracey said that the Connecticut Department of Transportation weight limit for such transportation is 40 tons.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut	X		
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING THE WPF IMPROVEMENTS FOR PLATFORMS, CATWALKS, STAIRS, LADDERS AND LANDINGS AT THE WASTE PROCESSING FACILITY**

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

**RESOLVED:** That the President is hereby authorized to execute an agreement with Gardner Construction & Industrial Services, Inc. to implement improvements for Platforms, Catwalks, Stairs, Ladders and Landings at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

Director Cooper seconded the motion.

Mr. Tracey said the work detailed in this resolution is safety improvements. Director O'Brien assessed that the work is included in the budget which commences July 1, 2008. Mr. Tracey said the large spread between prices was because the lower priced vendor has done work at the WPF in the past and is familiar with the operation. Mr. Quelle added that the recommended vendor is non union and therefore does not include union costs.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut	X		
Warren H. Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING RATIFICATION OF EMERGENCY PROCUREMENT CONTRACTS**

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

**RESOLVED:** That the Authority Board of Directors ratifies the Emergency purchase as substantially presented and discussed at this meeting.

Director Savitsky seconded the motion.

Director O'Brien noted that the second page of the resolution contained section 5.10 of the Policies and Procedure Policy which states "the Board shall ratify such emergency contract unless it is determined that under no circumstances would a reasonable person believe that an Emergency Situation existed." He said he supports the resolution.

Mr. Quelle said that this was something which should have been handled internally through the MDC existing budget. He explained that due to new protocols in their new purchasing programs they have limited themselves to single sourcing of work. Mr. Quelle said the second 1250-HP motor has also failed and will need to be upgraded. He informed the Board that management will be returning for approval for emergency repair of the second motor as well. He explained the emergency classification is due to the need to have a higher powered motor as the temperatures climb to 85-90 degrees in the coming summer months consequently reducing performance.

Chairman Pace asked Mr. Quelle to elaborate on MDC's procurement issues. Mr. Quelle explained that normally such a failure would be taken care of by MDC, which has monies in its budgets for such issues. He said because MDC has a new initiative, CFO, and protocols on the procurement side they could not take on this repair. He explained management mandated the motor be sent back to the original producer because it was a new motor under a two year warranty. Mr. Quelle said because the motor is with the original producer the repair can not be bid out.

Mr. Quelle explained the repair would have been done by the original manufacturer if the issue was determined to be a result of the fabrication of the unit. He said that the cause was attributed to air lancing performed by MDC employees which caused debris to become lodged in the motor resulting in its' malfunction.

Director O'Brien asked if the debris was a factor in the recent failure of the second motor. Mr. Quelle replied that he was unsure as he is still waiting on the disassembly of the motor. He said that CRRA is presently in a position with no spare motor.

Mr. Kirk said that the excellent performance at the WPF over the last few years is attributable to the improvements done by CRRA in getting the WPF back up to good condition. He said the MDC employees have been working well with management to accomplish those repairs. Mr. Kirk said a big part of that record breaking performance is because of the work by the Operations department to streamline the shredding process using larger motors which increased production rates.

Mr. Kirk said the failures of the motors were a result of the cleaning mechanisms which inadvertently blew debris into the motors. He explained the motors have since been sealed and that air lancing will no longer be used to clean the motors. He praised the engineering capabilities of the CRRA team which have helped bring the WPF performance to record breaking standards.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut	X		
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING RATIFICATION OF EMERGENCY PROCUREMENT CONTRACTS**

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

**RESOLVED:** That the Authority Board of Directors ratifies the Emergency purchase as substantially presented and discussed at this meeting.

Director Cooper seconded the motion.

Mr. Bolduc said three years ago CRRRA purchased an electronic procurement system to utilize for all purchase orders. He explained the goal is to mirror the Policies & Procurement manual. Mr. Bolduc said that management realized changes were necessary and the manufacturer (Epicor) released a newer version.

Mr. Bolduc said the general ledger accounts receivable system (Back Office) is also an Epicor system and also needed to be simultaneously upgraded. He explained the upgrades had to be done quickly due to the approaching fiscal year end on June 30. Mr. Bolduc said that during customization that Epicor found there are certain modifications that were necessary. He explained management is hoping not to spend the full amount requested.

Director O'Brien said that the Policies & Procurement Committee had concurred on the urgency of this matter. He explained they asked that management review the system again in September to ensure the system is one CRRRA should continue to use in the future.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford	X		
Geno Zandri, Jr., Wallingford	X		

**RESOLUTION REGARDING THE INSTALLATION OF A LANDFILL CAP OVER THE CRRA WATERBURY BULKY WASTE LANDFILL**

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

**RESOLVED:** That the President is hereby authorized to execute an agreement with Supreme Industries, Inc., to install a landfill cap over the CRRA Waterbury Bulky Waste Landfill, substantially as presented and discussed at this meeting.

Director Jarjura seconded the motion.

Mr. Egan said this matter involves the Bridgeport Project and a bulky waste landfill that CRRA owns. He explained that CRRA is at the point where this landfill has no more value in terms of remaining capacity and needs to be closed. Mr. Egan said a public solicitation was sent out to identify a construction contractor to perform the closure activities.

Mr. Egan said that three bids were received and that the project was bid two ways. He said the first was in the event that CRRA could provide the 18 inches of lower permeability soil at no charge to the contractor. Mr. Egan explained the soil would be from Phoenix Soil, LLC, a company which takes in contaminated soil and cleans it for reuse by roasting, oxidizing, and treating it. Mr. Egan said in the event that this option is used that CRRA will provide the soil at no cost to the project.

Mr. Egan said the second bid price was based on the assumption that the Phoenix soil is not available and that the contractor supplies the low permeability soil. Mr. Egan explained that the Policies



& Procurement Committee discussed these options at length and that the host community had concerns regarding the possible use of the Phoenix soil. He said the consensus of the Committee was to recommend to the full Board to not use Phoenix soil but an alternate soil source provided by either the contractor or CRRA.

Mr. Egan said there was a not-to-exceed price for the contractor in the resolution. Director Jarjura said that the option where CRRA or the contractor provides an alternate soil source is still lower than the second bid received.

Director Edwards said that the Bridgeport Project has a problem with the additional \$169,000 for the closure of a property that will not result in a possible recoup of funds through sale as the contract is still up in the air. He explained the project was initially under the assumption that they would be able to use Phoenix soil to keep the costs down while also selling the property.

Director Edwards asked Mr. Egan if CRRA needs to move quickly on this issue and if they will be able to explore procuring an alternative soil source at no cost. Mr. Egan said there is an issue with timing as this source of soil was being used at the Hartford landfill. He said there is excess soil and management is working on a program to have the soil delivered to Waterbury without delaying Hartford activities.

Mr. Egan said that CRRA is engaged with the City of Waterbury to come to an agreement on the ownership of the landfill and the adjacent non-landfill 10 acres. He said he is fairly certain that the 10 acre portion will be able to be sold, however that matter is still in discussion. Mr. Egan said in order to ensure CRRA enjoys the price in this contract that the bidder needs to be engaged shortly. He said the next price is a couple of thousand dollars more and going back out to bid may be substantially more expensive. Mr. Kirk agreed. Director Edwards said that he understood but the potentially high tipping fee which may result from these costs is also a matter for consideration.

The Board discussed the issue at length.

Director Martland said that he feels CRRA should use the Phoenix soil, however he will vote in favor of this resolution because it has to be done immediately. Mr. Egan said the Connecticut Department of Environmental Protection (hereinafter referred to as 'CT DEP') has approved Phoenix soil for this application as they understood this landfill was to be closed off and not used for public access. He said they may change their minds if they evaluate the matter knowing there is a chance that the landfill may be converted for public use.

Mr. Egan said due to the CT DEP's sensitivity to public concerns if they were to get involved it may potentially cost CRRA a few weeks to a few months and/or be decided very quickly that the Phoenix soil should not be used.

Mr. Bodendorf said that delays in moving forward may be problematic because work should begin prior to the growing season.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport		X	
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RESOLUTION REGARDING ENGINEERING AND ENVIRONMENTAL CONSULTING SERVICES TO SUPPORT DEVELOPMENT OF AN ASH RESIDUE LANDFILL**

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

**RESOLVED:** That the President is hereby authorized to enter into Request for Services with TRC Environmental Corporation, in fiscal year 2009, to provide engineering and environmental consulting support services associated with development of an ash residue landfill, substantially as discussed and presented at this meeting, and

**FURTHER RESOLVED:** That the President is hereby authorized to expend funds from the Landfill Development Reserve Account for such engineering and environmental consulting services, in accordance with CRRA's Procurement Policies & Procedures.

Director Martland seconded the motion.

Mr. Egan said this resolution is to ask the Board to approve an expenditure of \$660,800 to continue investigations of the Franklin, Ct, prospective ash residue landfill. He said the write-up discusses what the Board has already approved and what activities have already been undertaken. He said the activities are on going.

Mr. Egan said the approval being sought is for phase two, which encompasses additional field investigations designed to prove site suitability. He explained hydrogeological and cultural anthropological investigations, among others, will be examined. Mr. Egan said the CT DEP has identified two potentially endangered plant species, and the Eastern wood turtle. He said in order to

complete the endangered species investigation herpetologists and a biologist from the consulting firm will look for this turtle. He said in the event turtles are found they will be tracked with GPS devices to discover if they live immediately around the site.

Mr. Egan said these funds will come out of the ash landfill development fund. He said in the event development has to be stopped at anytime the contract provides management with the authority to stop activities at any time. Director O'Brien asked that all sub-contractors are bound by the same restrictions.

There was substantial discussion regarding the efforts of CRRA communicate to with the general public regarding this proposal.

Mr. Kirk discussed the public and legislative outreach programs undertaken by CRRA. Mr. Nonnenmacher informed the Board that an informational Web site has been created and a hotline was also created to address any questions. He said that an informational mailing has also been distributed to every household in Franklin, Ct.

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

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**RECESS**

Chairman Pace said there would be a five minute recess.

## **PRESIDENT'S REPORT**

Mr. Kirk said that management has received a letter from MDC providing notification of their withdrawal from the Capital Improvement Plan. Mr. Kirk said that management has sent out a reply to MDC noting this is a material breach and recommending their reconsideration. Mr. Kirk said that the WPF continues to operate and that the capital plan is proceeding.

Mr. Kirk said there was an unusually good response from CRRA's request to meet with the town leaders. He explained about 8 towns responded when there is typically no interest. Mr. Kirk said some of the towns have an interest in avoiding the newest lawsuit.

Mr. Kirk said regarding the Wallingford Project that the MSA is in development and that there has been an unusually good response for routine requests for meetings with CEO's, particularly from the capital region. He said there have been about a dozen meetings with CEO's in the last few weeks with very good results. Mr. Kirk said there is a Policy Board meeting on to July 8<sup>th</sup> to review the Covanta renewal offer.

Mr. Kirk said regarding the Bridgeport Project that the new SWDA is nearly finished. He said the first draft of the MSA is under review and the towns need to finalize their organizational structures. Mr. Kirk said that the Bridgeport attorney has requested that CRRA consider the sale of land under the project facility. Mr. Kirk said that a number of questions are raised by that sale. Mr. Kirk said that management will investigate and get back to the Board and community.

## **EXECUTIVE SESSION**

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

Tom Kirk  
Jim Bolduc  
Laurie Hunt, Esq.  
Paul Nonnenmacher

The Executive Session began at 12:00 p.m. and concluded at 12:30 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:30 a.m., the door was opened, the Board secretary and all members of the public were invited back in for the continuation of public session.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Ad-Hocs</b>			
Steven Edwards, Bridgeport			
Tim Griswold, Mid-Connecticut			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

**ADJOURNMENT**

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

There being no other business to discuss, the meeting was adjourned at 12:31 p.m.

Respectfully submitted,

Moira Kenney  
Secretary to the Board/Paralegal