

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND FIFTY-FIFTH **JULY 23, 2009**

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, July 23, 2009, at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: David Damer
 Timothy Griswold
 Mark Lauretti (present beginning 10:35 a.m.)
 James Miron (present beginning 10:10 a.m.)
 Raymond O'Brien
 Linda Savitsky
 Steve Edwards, Bridgeport Project Ad-Hoc
 Warren Howe, Wallingford Project Ad-Hoc

Present from CRRA management:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs
Thomas Gaffey, Director of Recycling and Enforcement
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Mike Tracey, Director of Operations
Marianne Carcio, Executive Assistant
Moirra Kenney, Secretary to the Board/Paralegal

Also present were: Peter Graczykowski of the Town of Vernon, Conn.; Bob Gross, resident of the Town of Wallingford, Conn.; Susan Hemenway of BRRFOC; Mike Paine of Paine's Inc.; John Pizzimenti of USA Hauling; Jim Sandler of Sandler and Mara; and Cheryl Thibeault of Covanta.

Chairman Pace called the meeting to order at 10:05 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.

Mr. Paine said that his family owns Paine's Rubbish & Recycling and that he is also representing the Connecticut Chapter of Waste Haulers of the National Solid Waste Association. Mr. Paine said he is present to address the change in the delivery standards for single-stream recycling. Mr. Paine said the haulers are concerned that they will now be required to bring commercial, institutional and industrial recycling to CRRA. He asked for an acknowledgment from the CRRA Board that haulers do not have to bring commercial recycling to CRRA, as many haulers have contracts where they are required to deliver to specific vendors.

Chairman Pace said that it is his understanding that the change in delivery standards is to enable CRRA to receive and that it is not mandatory for the haulers to deliver commercial recycling to CRRA. Mr. Kirk said that was correct. Vice-Chairman O'Brien suggested that this item be clarified for the benefit of the haulers.

Mr. Gross said that he had several questions for the CRRA Board. He said there have been several incidents concerning strong smells coming from the Wallingford plant. He asked the CRRA Board if it could assist with controlling this issue. Mr. Gross said that he did call the EPA but the EPA was unable to go out to the plant as the incident was a Sunday violation. He explained the plant's doors were open and the pits were being cleaned out which created a noxious smell. He said there was also a second incident.

Ms. Thibeault said that Covanta is aware of one of the complaints. She said due to waste volumes being low Covanta has requested spot waste on several occasions and has had to dig out the pits as a result. She said unfortunately the bottom of the pit does contain the worst offending smells. Ms. Thibeault said that the employees have been keeping the doors closed and that Covanta has educated its employees to be very sensitive concerning these issues. Ms. Thibeault said that Mr. Gross can call at any time as there is a control room operator and shift supervisor on at all times.

Mr. Gross asked whether the turbines are going to be replaced. Mr. Tracey said that they are not scheduled to be replaced but retrofitted. Ms. Thibeault said that the retrofit is scheduled to take place in May. She said diagnostics are currently being performed and a vendor is performing a detailed analysis which Covanta is waiting for.

Mr. Gross asked whether there has been a resolution between the State of Connecticut and Covanta concerning its emissions violation. Mr. Egan said that the answer is not yet. He explained that Covanta has the lead on negotiating the final terms of the consent order with the Connecticut Department of Environmental Protection (hereinafter referred to as the "CT DEP").

Mr. Gross asked whether the emission testing has taken place for this year. Mr. Egan said that the answer is yes and all tests indicate that the plant is compliant. Ms. Thibeault said that Covanta held discussions with the CT DEP the day before today's meeting. She said that due to staff shortages and other issues the CT DEP has expressed apologies for the delay and indicated that a final meeting would be held concerning the emission violation matter in the following weeks.

APPROVAL OF THE MINUTES OF THE MAY 28, 2009, REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the May 28, 2009, regular Board Meeting. Vice-Chairman O’Brien made a motion to approve the minutes, which was seconded by Director Savitsky.

Vice-Chairman O’Brien noted that the revisions conformed to the recording of the May 28, 2009, meeting.

The minutes were approved as amended and discussed by roll call. Director Griswold abstained as he was not present at the meeting. Chairman Pace, Vice-Chairman O’Brien, Director Damer, Director Miron, Director Savitsky, Director Edwards, and Director Howe voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Timothy Griswold			X
James Miron	X		
Raymond O’Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C, Howe, Jr., Wallingford	X		

APPROVAL OF THE MINUTES OF THE JUNE 18, 2009, REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the June 18, 2009, regular board Meeting. Director Savitsky made a motion to approve the minutes, which was seconded by Vice-Chairman O’Brien.

The minutes were approved by roll call. Vice-Chairman O’Brien abstained as he was not present at the meeting. Chairman Pace, Director Damer, Director Griswold, Director Miron, Director Savitsky, Director Edwards, and Director Howe voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Timothy Griswold	X		
James Miron	X		
Raymond O’Brien			X
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C, Howe, Jr., Wallingford	X		

FINANCE COMMITTEE UPDATE

Director Savitsky said she would like to report that the Finance Committee met and discussed both the funding of the Shelton landfill and the proposed recycling rebate at length.

RESOLUTION REGARDING APPROVAL OF FUNDING FOR THE SHELTON LANDFILL POST CLOSURE RESERVE

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, On July 1, 2009, the Connecticut Department of Environmental Protection (CT DEP) issued a tentative determination and a draft permit for a stewardship permit for the Shelton landfill which required a 15% contingency be added for the entire landfill due to the presence of a hazardous waste cell located within the Shelton landfill; and

WHEREAS, CRRA reviewed the assumptions for the reserve earnings rate and the annual inflation rate and adjusted these rates to account for present economic conditions;

NOW, THEREFORE, it is

RESOLVED: that to meet the additional funding requirements, \$1,300,000 be transferred from the Bridgeport Project Operating Account to the Shelton Landfill Post Closure Reserve STIF.

Director Edwards asked that this item be tabled. He explained he was not able to meet with the SWEROC group in order to receive its members' opinions and feedback on the item, which he would like to have before it is voted on by the CRRA Board.

Vice-Chairman O'Brien asked for confirmation from management that delaying this item until September will not compromise CRRA's efforts with the CT DEP. Mr. Egan replied that it will not create any issues with the CT DEP. Mr. Kirk said that Mr. Bolduc will reserve for this amount which will not further delay the close-out of the project or the final reconciliation of the project.

MOTION TO TABLE THE RESOLUTION REGARDING APPROVAL OF FUNDING FOR THE SHELTON LANDFILL POST CLOSURE RESERVE

Chairman Pace requested a motion to table the resolution regarding funding of the Shelton Landfill post-closure reserve.

The motion to table was made by Vice-Chairman O'Brien and seconded by Director Savitsky.

The motion to table was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Griswold, Director Miron, Director Savitsky, and Director Edwards voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Timothy Griswold	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C, Howe, Jr., Wallingford			

RESOLUTION REGARDING THE FUNDING OF THE BRIDGEPORT POST PROJECT RESERVE AND BRIDGEPORT RISK RESERVE

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

WHEREAS, On March 26, 2009, the Connecticut Resources Recovery Authority's (the "Authority") Board of Directors ("Board") adopted a resolution authorizing the establishment of a Post Project Reserve and a Risk Reserve relating specifically to the former Bridgeport Project; and

WHEREAS, upon its review, the Authority has determined the initial funding amounts for these reserves.

NOW, THEREFORE, it is

RESOLVED: that two separate and distinct Short Term Investment Funds ("STIF") administered by the Office of the Connecticut State Treasurer be established for these two reserves; and

RESOLVED: That \$725,000 be transferred from Bridgeport project subaccount STIF account to the following STIF accounts:

\$625,000 to the Bridgeport Post Project Reserve STIF account

\$100,000 to the Bridgeport Risk Reserve STIF account

Mr. Bolduc said that management is in the process of closing the various accounts to come up with a final balance sheet for the Bridgeport Project in order to perform a disbursement of any excess cash. He explained there are several items that first need to be dealt with. He referred the Board to a table in the write-up which illustrates the Bridgeport Post-Project Reserve and the Bridgeport Risk Project Reserve. Mr. Bolduc explained these tables illustrate the remaining items that require action before Carlin Charron & Rosen's (hereinafter referred to as "CCR") final review on July 31, 2009.

Mr. Bolduc said the Bridgeport Post Project Reserve is for items that are in progress or will be in progress shortly. He said the Bridgeport Risk Project Reserve is for items that are longer in duration and do not follow a timetable. He explained the second reserve involves litigation and may not be resolved for years. He said that in addition the executive summary plan discusses how these items will be reviewed on a quarterly basis going forward. Mr. Bolduc said as items are taken care of additional disbursements will be made.

Mr. Bolduc said that concerning the Waterbury Landfill sale potential, there are several related items that must be resolved by management before the land can be sold. He explained dollars have been set aside to resolve those issues.

Mr. Bolduc said that the write-up contains notes which discuss that there are two towns which have outstanding receivables of a sizable amount. He said as the project is closed out a bad debt reserve for 100% of those amounts will be set up. Mr. Bolduc said the debt should not impact the remaining towns. He explained there should be a \$1 million to \$2 million in excess reimbursement and because these two towns will owe the project money the Bridgeport and East Haven debt will be roughly a wash. Mr. Bolduc said that this does make the issue a little more complicated. Mr. Bolduc said that there is also an outstanding payable (although Bridgeport has yet to bill CRRA) for which management will reserve \$145,000.

Mr. Bolduc said another item to note concerns the Bridgeport project. He said there is a Stratford recycling capital reserve with approximately \$650,000. He said those dollars came from settlements with Stamford, Greenwich and East Haven and were set aside for the IPC and that unfortunately how those disbursements will be made was never determined in the documents or by the attorneys. Mr. Bolduc said at this point how to make that distribution can't be made until further accounting and legal review.

Vice-Chairman O'Brien said that because the audit is due to take place at the end of the month to facilitate the audit being able to do a final, it may be appropriate to set up three STIF funds and designate \$2.085 million to be distributed to the STIF funds with the third STIF fund receiving the full amount which is on the agenda concerning the Shelton landfill. He said that this way CCR can do their final audit and the money is all accounted for.

Mr. Bolduc said that CCR is doing a review and not issuing an opinion. He said the resolution does call for establishing separate STIF accounts and the residual amount will stay in the Bridgeport operating STIF account. He said this resolution separates that one STIF account into three.

Vice-Chairman O'Brien asked what CCR is doing. Mr. Bolduc said that it is doing an agreed upon procedures review. Vice-Chairman O'Brien said that he believes distributions from the Board should be made on the basis of an audit.

Director Savitsky said that it can't be an audit as CRRA has hired new auditors. She said that when new auditors close out the year this project will be part of that audit. Director Savitsky said assuming that BST stays on a second year the final close out of the Bridgeport Project will occur through the June 30, 2010, audit. Director Savitsky said that CCR is performing a review with a discreet set of tasks. She said this is where it starts to get confusing when more than one auditor is involved. Director Savitsky asked if this review would be the final thing CCR is doing for CRRA. Mr. Bolduc replied that is correct.

Mr. Bolduc said that due to the timing of the project there was not a separate audit because only a segment is being closed. He said the supplemental package contains the separate review which is similar to an audit with the exception of the auditor's opinion.

Vice-Chairman O'Brien said that the CRRA audit is due to the State September 30, 2009, which means it will need to come to the Finance Committee well before that. He asked if that will include the Bridgeport Project. Mr. Bolduc said that is correct. Vice-Chairman O'Brien asked how BST is going to include the Bridgeport project if CRRA does not have these funds accounted for.

Mr. Bolduc said that finishing the review will flow to the audit. Vice-Chairman O'Brien asked if the new auditors will use the CCR review as part of their audit. Mr. Bolduc said that they will use the CRRA books that reflect these entries and these adjustments. Vice-Chairman O'Brien asked then why we are having CCR do anything.

Mr. Bolduc said that the review needs to be done to try and accelerate the distribution. He said as items are deferred it gets more complicated to close out.

Director Savitsky said that she believes there is redundancy here. She said if CRRA is not at a point where they are sure what CCR is doing there needs to be a date certain when they are done so that CRRA is not paying for a redundancy. She said that the reason CCR was brought in to do a review is because CRRA did not have an auditor at that time. She suggested that because there are going to be redundant costs that there be a drop dead day and if the review isn't done its done. Director Savitsky said that new auditor will fold in the same numbers and use the same diligence with reviews and analysis.

Vice-Chairman O'Brien asked Mr. Bolduc if he feels there is value to having CCR continue performing this review. Mr. Bolduc said that he believes that closure is needed for this project. He said if it isn't done now a substantial effort to educate the new auditors is necessary and that a delay of the initial distribution to the project member towns may take place.

Director Edwards said that in reality the project will not be wrapped up in August. He said he would be surprised if the quarterly updates end before July of 2010, therefore, the new auditors will be dealing with it either way.

Director Lauretti said that he agrees with Director Edwards if there's a redundancy there's no need to pay twice. He suggested that if CCR is not charging CRRA additional fees for the audit, then it wouldn't hurt to have two sets of eyes look at the project. Mr. Kirk reminded him that the Towns' want their funds as quickly as possible.

Director Edwards said that he would defer to the Finance Committee.

Chairman Pace referenced the resolution on the table and said that the Finance Committee can have its own discussion with the auditors later.

Director Savitsky said that whether CCR continues or not these reserves need to be established.

Director Griswold asked how the \$625,000 amount was determined. Director Savitsky said that the number was rounded at the request of Vice-Chairman O'Brien. Director Savitsky said that at the Finance meeting the original number was reduced from \$667,000 to \$625,000 and \$60,000 was pulled

out and the final number was rounded to \$607,000. Mr. Bolduc said that \$118,000 of that figure was not identified as it pertains to legal costs. Director Savitsky asked that the record show that the sum total of the individual parts does not agree with the number and is a combination of rounding and the legal costs.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Griswold, Director Lauretti, Director Miron, Director Savitsky, and Director Edwards voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
David Damer	X		
Timothy Griswold	X		
Mark Lauretti	X		
Jim Miron	X		
Ray O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C, Howe, Jr., Wallingford			

RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2010 GARBAGE MUSEUM OPERATING BUDGET

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

WHEREAS: The Garbage Museum has collected a total of \$99,000.00 from admission fees and museum tours, donations and grants, and fundraising activities; and

WHEREAS: The Garbage Museum will receive a fund transfer of \$100,000.00 from Southwestern Connecticut Regional Recycling Operating Committee (SWEROC) as approved at their July 8, 2009 meeting; therefore be it

RESOLVED: That the fiscal year 2010 Garbage Museum Operating budget totaling \$199,000.00 be adopted as presented at this meeting.

Director Edwards said that this budget includes means to keep the Garbage Museum open for hopefully another year. He credited the efforts of Mr. Nonnenmacher and Mr. Kirk and said that this is a smaller budget than in the past and that the SWEROC project is pleased to be able to keep the doors open using these efforts and concessions.

Director Damer asked whether the \$99,000 has been collected or is anticipated for collections. Mr. Nonnenmacher explained the answer is both. He said the museum began collecting fees last September knowing that there would be a change to funding. He said that the fee structure did not anticipate the economy change or the plunge in the commodities market.

Mr. Nonnenmacher said the SWEROC Board allowed the museum to accrue the fees as a reserve for FY'10 and that close to \$60,000 in contributions was collected. He said the Museum expects another \$40,000 to \$50,000 through fees in the upcoming year and along with the \$100,000 SWEROC provision that the museum will be able to stay open this coming fiscal year. Mr. Nonnenmacher thanked the Board for assisting with a salary provision.

Mr. Nonnenmacher said that the Museum staying open will provide for the sourcing of additional funds and also provide potential donors the security of an ongoing operation.

Mr. Kirk noted that management plans to have the September Board meeting in Stratford.

Director Savitsky asked that a monthly report on the museums numbers be provided for the Board. She said that keeping the museum open needs to be looked at as part of the core message of CRRRA. Director Edwards said that SWEROC has made the same requests and that any reports provided to them should also go to the Board.

Director Miron asked if there is a Committee that looks at the ability of the museum to perform concerning public relations efforts as well as an educational component. Chairman Pace said that the Policies and Procurement Committee will be taking a look at these factors. Mr. Nonnenmacher said that additional information will be added to the informational section of the Board package which currently contains numbers and attendance reports from the museums.

Mr. Nonnenmacher thanked the Accounting and Finance department for setting up accounts to assist with fundraising and reserving funds to keep the Museum open.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Griswold, Director Lauretti, Director Miron, Director Savitsky, and Director Edwards voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
David Damer	X		
Timothy Griswold	X		
Mark Lauretti	X		
Jim Miron	X		
Ray O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren C, Howe, Jr., Wallingford			

RESOLUTION REGARDING DISTRIBUTION OF RECYCLING REBATES TO MID-CONNECTICUT PROJECT MEMBER MUNICIPALITIES

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

WHEREAS, The Authority has encouraged member municipalities to recycle to the maximum extent possible by not charging a tipping fee for the acceptance of recyclables at the Authority's regional recycling facilities since commencing operations; and

WHEREAS, The Authority spent \$3 million to install single-stream sorting equipment its Mid-Connecticut Project Regional Recycling Center with the expectation that single-stream recycling would increase recycling in its member cities and towns; and

WHEREAS, Mid-Connecticut Project cities and towns delivered more than 79,000 tons of recyclables in FY 2009; and

WHEREAS, While recycling tonnages decreased from year to year in the remainder of the state, the Mid-Connecticut Project cities and towns delivered approximately 81,000 tons of recyclables in FY 2009, an increase of about 2%; and

WHEREAS, The Board of Directors adopted the FY 2009 Mid-Connecticut Budget that included a \$10.00 per ton rebate provision for member municipalities based on the amount of acceptable recyclable tons annually delivered; and

WHEREAS, Despite the unfavorable commodity market conditions, the Mid-Connecticut Project Regional Recycling Center operations generated sufficient revenues in excess of expenses to rebate \$5.00 per ton delivered by the municipalities; now therefore be it

RESOLVED: That the Board of Directors approves the use of approximately \$405,000.00 to provide a \$5.00 per ton rebate to the municipalities based on their pro-rata share of acceptable recycling tonnage delivered to the Mid-Connecticut Regional Recycling Center system.

Director Savitsky said that the third whereas in the write-up should say 2009 and not 2008. Vice-Chairman O'Brien noted that his motion includes that amendment.

Director Savitsky said that this item was discussed in depth at the Finance Committee meeting. She said that if these monies are distributed in July or August it is not inconceivable that those municipalities may book this as 2009 revenue. She said that if this occurs the public-relations impact would be lessened. Director Savitsky said that she is prepared to table this motion until September.

Vice-Chairman O'Brien said that he supports this resolution and that it is up to the towns to book for these funds as they see fit. He said he also believes it should be done now because this resolution is not for public-relations impact but because this is the right thing to do. Vice-Chairman O'Brien said that this rebate was provided as an incentive to return recyclables. He said in return solid-waste costs are reduced for the towns and that a portion of the money earned is returned to the towns as a reward.

Chairman Pace said that he was in support of this resolution. He said that as a public official he can vouch that towns will be appreciative of any additional funds. He noted this was more of a rebate than management had initially expected to provide.

Director Savitsky said that there were not firm numbers for June at the Finance meeting which is cause for concern. Director Lauretti asked when that issue would be wrapped up. Mr. Bolduc said that those numbers will be wrapped up in August.

Mr. Bolduc said that the dollars are not certified until the auditors come through, however the tonnage numbers are in and have been used to establish these numbers. Vice-Chairman O’Brien said that Mr. Duvall has also verified both the tonnage and the dollars with the plant operator.

Mr. Kirk said that MSW tonnage is down substantially due to economic activity. He said recycling tonnage is up slightly and the percentage increase works out to about a 7.8% increase which offers proof positive of the benefit of single-stream recycling which was embraced by the haulers. He said it is notable to see a 7.8% increase in recycling at a time when trash tonnage reports have dropped by more than 10%.

The motion previously made and seconded was approved by roll call. Director Savitsky voted no. Chairman Pace, Vice-Chairman O’Brien, Director Damer, Director Griswold, Director Lauretti, and Director Miron voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
David Damer	X		
Timothy Griswold	X		
Mark Lauretti	X		
James Miron	X		
Ray O’Brien	X		
Linda Savitsky		X	
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			

POLICIES & PROCUREMENT COMMITTEE

RESOLUTION REGARDING BOARD APPROVAL OF EMERGENCY PROCUREMENTS FOR WASTE EXPORTS

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

RESOLVED: That the CRRR Board of Directors ratifies the Emergency procurement as substantially presented and discussed at this meeting.

Chairman Pace said that the definition of an emergency procurement was discussed in depth at that Policies & Procurement meeting. He said it is important to note that the haulers don’t like long lines and it costs CRRR substantial dollars.

Vice-Chairman O'Brien noted that he was making the motion noting that unless there is reasonable belief by the Directors that this does not qualify as an emergency the Board has little discretion in this matter.

The motion was approved unanimously by roll call. Chairman Pace, Vice-Chairman O'Brien, Director Damer, Director Griswold, Director Lauretti, Director Miron, and Director Savitsky, voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
David Damer	X		
Timothy Griswold	X		
Mark Lauretti	X		
Jim Miron	X		
Ray O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			

ITEMS 2-5

Ms. Hunt explained that any contract with a payment of over \$50,000 in a 12 month period requires two thirds of the full Board (eight votes) which is currently not available at this meeting.

Chairman Pace noted that he had heard a replacement for former Director Cooper had been nominated and that he will follow up on the appointment and meet with the new Director when appropriate.

RESOLUTION REGARDING THE ADOPTION OF THE REVISED MID-CONNECTICUT PERMITTING, DISPOSAL AND BILLING PROCEDURES

Ms. Hunt said that any policy that effects CRRA's interaction with the public needs 30 days notice and eight votes. Chairman Pace explained this matter to Mr. Paine.

Director Damer said that on page A-3 under the definition for glass, food and beverage containers there is a comma missing.

Chairman Pace asked that it be made clear for the record that the revisions to the billing procedures are not an attempt by CRRA to enforce flow control for commercial recyclables. Mr. Kirk said that is correct. Mr. Gaffey said that state statues do not allow for this authority within CRRA.

CHAIRMAN'S REPORT

Director Griswold said that the Mid-Connecticut Advisory Committee (hereinafter referred to as "MAC") meeting had been attended by many of the member towns. He said the MAC was

successful in passing modified bylaws that stipulated that 25% of the member towns (or 18 towns) are necessary for a quorum to be present.

Director Griswold said that there was discussion which determined a delegate may represent more than one town if he or she possesses prior written notice. He said Steve Wawruck of Windsor Locks was nominated as Vice-Chairman. He said that a Chairman will be elected at the next meeting. Chairman Pace said it is important to keep all 70 towns aware of the importance of their participation.

Director Griswold said that there was a healthy discussion on MSW trends, recycling and single-stream recycling. He said the group was updated on the boilers and the \$6.00 credit per town. Director Griswold said that Mayor Currey had suggested that while there is no action required by member towns to receive the credit that perhaps an affirmation from the towns should be taken. Mr. Bolduc said that 18 towns have elected to defer and provided indication of this preference.

Director Griswold said that Mr. Kirk had addressed the issue of leakage of tonnage from the system which affects the fees directly and results in 40-50 thousand diverted tons a year. He said there was discussion on the Franklin ash landfill and the potential \$9.00 per ton savings that may result. Director Griswold said that there was also discussion on post-2012. Chairman Pace said that he will send a communication to Mayor McCoy of Vernon stating that he will be happy to educate him on the particulars of the statutes, contract and whether departing towns from the Mid-Connecticut Project would be compensated from the Franklin reserves.

Chairman Pace said during a meeting between the Executive Committee and the MDC representatives an agreement was made concerning the exchange of information between actuaries. He said a second follow-up meeting is planned to discuss the issue of the dollar value, if any, owed to MDC by CRRA concerning post-retirement benefits.

Chairman Pace said that the August retreat for the CRRA Board is tentatively planned for August 27, 2009. Director Savitsky suggested that the annual retreat be placed on the typical Board meeting schedule for the future.

PRESIDENT'S REPORT

Mr. Kirk said that the recycling rate for the Mid-Connecticut Project rose 7.8% and there was not a similar rise in the Southwest Project which he believes is due to a lack of single stream recycling.

Mr. Kirk said that concerning tonnage the effects of the economy continue to be apparent in diversions due to unprecedented discounts at private facilities during the summer months. Mr. Kirk said these discounts have exacerbated the diversion problem.

Mr. Kirk said Wheelabrator is continuing to accept CRRA controlled waste. He said that discussion continues with Wheelabrator and that CRRA does not intend to pay for any shortfall as long as Wheelabrator continues to accept flow-controlled waste.

Mr. Kirk said that at the Mid-Connecticut Project power side unscheduled outages due to pressure-part failures continue to be a problem. He said that management is creating a plan to address the availability issue in cooperation with CRRA's contractor Covanta. Mr. Kirk said it will likely require justifiable capital spending to fortify the pressure parts inside the boiler. He said management believes this is the best option for CRRA to increase the availability and reliability at the facility.

Mr. Kirk said a recent inspection of a 5.5-million storage fuel tank at the Mid-Connecticut facility has indicated an area of concern. He said that management anticipates a repair will be required and there is no cheap way to do so. Mr. Kirk said although there are significant reserves for jet repairs management will fully explore the issues as repair costs will be expected to be a minimum of \$1 million.

Chairman Pace asked why there is so much oil on site if the jets burn 4,000 gallons an hour. Mr. Kirk said that they run 168 hours a year. Chairman Pace asked why CRRA pays to store all that fuel. Mr. Kirk said that CRRA's contractor pays for the storage and that when the jets are running there are not enough trucks in the state to keep it fueled. Mr. Kirk said that management believes that the amount of fuel necessary to keep the jets available is 800,000 gallons. The Board discussed options for the fuel tank repair and/ or replacement.

Director Savitsky asked why the larger cites have such lower recycling tonnage in terms of their population. Mr. Gaffey said the challenge with big cites is multi-family housing where the owner and/or managers are not typically assisting with the cities' mission of recycling and are not properly making provisions for recycling containers for the residents of those apartments to appropriately recycle.

Mr. Gaffey said that the City of Hartford has a program under way to get those property managers on board. He said that in the Southwest region Mayor Finch is planning for conservation corps to go door to door, a program that Mr. Nonnenmacher and the educators are assisting with. Mr. Gaffey said in Milford a letter is being sent from the Department of Public Works to all condos and apartment owners alerting them that their haulers have to be permitted with the City and also that there is a requirement that their recyclables have to go to the Stratford recycling facility.

Mr. Kirk said that single-stream recycling is the best way to get to those multi-family homes as one container can provide for the entire building. He said the faster CRRA can implement single stream in Stratford the better. Director Edwards noted that Bridgeport nearly doubled its recycling.

Mr. Nonnenmacher said that the program in the City of Hartford involved educating residents' on the implementation of single stream in about 4,000 homes. He said that recyclables year to year are up about 40-50% and that the City of Torrington rolled out single stream in June and recyclables between May and June have more than doubled. Mr. Nonnenmacher said that the combination of single stream along with public awareness and education builds momentum and does work.

Director Griswold said that he had recently attended a trade conference concerning the energy block grant. He said he believes if the towns want to buy the carts for single stream that those funds can be used for that purpose and that every towns gets at least \$25,000.

LEGISLATIVE UPDATE

Chairman Pace said that Mr. Bzydra's report was well written and self explanatory. The Board agreed.

RECESS

The Board took a brief recess between 11:10 a.m. and 11:42 a.m.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation. The motion made by Vice-Chairman O’Brien and seconded by Director Savitsky was approved unanimously by roll call. Chairman Pace requested that the following people remain for the Executive Session, in addition to the Board members:

Tom Kirk
Jim Bolduc
Laurie Hunt, Esq.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
David Damer	X		
Timothy Griswold	X		
Michael Jarjura	X		
Mark Lauretti	X		
Ray O’Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren C, Howe, Jr., Wallingford			

The Executive Session began at 11:42 a.m. and concluded at 12:57 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:57 p.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion made by Vice-Chairman O’Brien and seconded by Director Savitsky was passed unanimously.

The meeting was adjourned at 12:58 p.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal