

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND SECOND MEETING

APRIL 27, 2006

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, April 27, 2006 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Mark Cooper
 James Francis
 Michael Jarjura (Present beginning at 10:35 a.m.)
 Edna Karanian
 Mark Lauretti (Present beginning at 10:05 a.m.)
 Theodore Martland (Present until 12:20 p.m.)
 James Miron (Present beginning at 9:50 a.m.)
 Raymond O'Brien
 Andrew Sullivan
 Timothy Griswold - Ad-Hoc, Mid-Connecticut Project (Present until
 11:45 a.m.)

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs & Development
Floyd Gent, Director of Operations
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Christopher Shepard, Environmental Engineer
Donna Tracy, Executive Assistant
Kristen Greig, Secretary to the Board/Paralegal

Special Guest: Stephen Cassano

Also present were: David Arruda of MDC, Susan Hemenway of BRRFOC, Frank Marci of USA Hauling & Recycling, John Pizzimenti of USA Hauling & Recycling, Lynn St. James of Covanta, Jerry Tyminski of SCRRA.

Chairman Pace called the meeting to order at 9:45 a.m. and stated 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.

Chairman Pace noted that there were no comments from the public and that the regular meeting would commence.

PRESENTATION OF GOVERNOR RELL LETTER OF RECOGNITION TO STEPHEN T. CASSANO

Chairman Pace said that Mr. Cassano has been vital to the Board and the turnaround of CRRA. Chairman Pace said that he personally respects Mr. Cassano's wisdom and pragmatic nature and asked that the letter be read into the record. The letter states:

“Dear Mayor Cassano,

Change is an inevitable part of our lives, bringing both trepidation about the unknown, and the promise of growth and positive transformation. And, so, as you embrace this change in your life, I wanted to congratulate you on a successful career dedicated to serving the people of Connecticut.

Since your appointment as a director to the Board of the Connecticut Resource Recovery Authority, the dedication and commitment that you have shown towards the cities and towns in which the CRRA operates has been an inspiration to the other members of the Board and Management team. In addition to maintaining important government services, you have gone above and beyond in your contributions of time and effort, leading to many accomplishments of which you should be proud.

As Governor, I have the responsibility of safeguarding all of Connecticut's people and resources. With citizens like you at the helm of boards and commissions around the great State of Connecticut, I am confident that our State's future remains bright.

Good luck in this next chapter of your life. May you continue to find challenge and reward in the years ahead.

Sincerely,
M. Jodi Rell
Governor”

Mr. Cassano said that he truly appreciates this letter from the Governor and the opportunity to receive it at this meeting. Mr. Cassano stated that he does not know of any organization that faced more difficulties and challenges than CRRA's new Board of Directors

did and added that, in the upcoming years, CRRA will face the challenge of keeping the organization moving forward. Mr. Cassano said that CRRA would need to partner with the State of Connecticut and the Department of Environmental Protection in order to grow and progress. In addition, the Board will need to work together as one and work well with the CRRA staff. Mr. Cassano said he feels lucky to have been a part of this group of people who put forth such a personal effort for a very difficult and unpopular topic. Mr. Cassano thanked the Governor, the Board and management for being a part of the process.

INTRODUCTION OF NEW BOARD MEMBER

Chairman Pace introduced Mayor James Miron of Stratford to the Board. Director Miron explained that he is the first Mayor of Stratford and has been appointed to CRRA as a municipal official of a town with a population greater than 50,000. Director Miron said that he is looking forward to learning more about CRRA and helping to solve problems that the organization might face.

APPROVAL OF THE MINUTES OF THE MARCH 30, 2006 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the March 30, 2006 Board Meeting. The motion was made by Director O’Brien and seconded by Director Cooper.

The minutes were approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING DELIVERY OF COVER SOILS TO THE HARTFORD 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 a contract with DP East, LLC for delivery of contaminated soil to be used as daily cover at the Hartford Landfill, and as approved by the Connecticut Department of Environmental Protection, substantially as discussed and presented at this meeting.

Director Sullivan seconded the motion.

Mr. Egan explained that the purpose of this resolution was to approve a contract for acceptance of contaminated soil to be used as a supplement to daily cover at the Hartford Landfill. Mr. Egan stated that there were very low levels of contamination and said that DEP allows this type of material to be used for this purpose at several landfills in Connecticut. Mr. Egan said that CRRA requested analytical information on the soil, which is from a development project, and the developer submitted a Special Waste Authorization Application to the DEP. In addition to an approval letter from the DEP, CRRA has both an internal review process and a third-party consultant review the information. Mr. Egan said that all three evaluations concluded that this material was suitable to be used as cover soil at the landfill.

Mr. Egan explained that there is a program in place regarding market-driven sales, which was reviewed by the Policies & Procurement Committee. This transaction qualifies as a market-driven sale and a price is negotiated based on the time of the year, the quantity of material and the nature of the contamination. Mr. Egan informed the Board that the price of this material was \$50.00 per ton and was before the Board for consideration because it is a market-driven sale with a value in excess of \$50,000.

Director Griswold asked what the nature of the contaminant was. Mr. Egan responded that the contaminant was a dry cleaning solvent called tetrachloroethylene. Director Griswold asked if that would evaporate over time. Mr. Egan explained that it is a volatile organic that would evaporate if exposed to the air, but because it is a heavy molecule it will stay in the soil if it is not exposed. Director Karanian stated that the detailed information contained under Tab G of the Supplemental Package was very helpful and thanked Mr. Egan for including that.

Director Sullivan noted that CRRA recently entered a similar contract and asked what the price of that soil was. Mr. Egan responded that the price of that soil was \$10 per ton and said that this soil commands a higher price because it is more difficult to find disposal outlets for soil contaminated with dry cleaning solvents because of its regulatory status. Mr. Kirk added that the favorable price could also be attributed to the management teams' good job of managing the market availability of space and recognizing the advantage of the landfill's geographic placement in the central Connecticut region.

Director Martland asked if CRRA sought out prices for uncontaminated soil. Mr. Kirk responded that CRRA is receiving \$50 per ton in revenue for this soil, but would have to pay to acquire uncontaminated soil. Chairman Pace stated that using DEP-approved contaminated soil as a revenue source has been used as an alternative to purchasing virgin soil. Mr. Egan stated that virgin soil was selling for approximately \$6 or \$7 per ton so, at this price, CRRA was receiving a benefit of about \$57.00 per ton.

Director Griswold asked if there was a limit to the amount of this type of soil CRRA could use. Mr. Egan responded that approximately 30,000 to 40,000 tons of soil are used each year and there were no constraints on how much of that is allowed to be contaminated soil.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING OPERATION AND MAINTENANCE OF THE HARTFORD LANDFILL GROUNDWATER FLOW CONTROL SYSTEM FOR FISCAL YEARS 2006 (PARTIAL), 2007, 2008, 2009, 2010 (OPTION YEAR), 2011 (OPTION YEAR)

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 a contract with Leggette, Brashears & Graham, Inc. for operation and maintenance of the Hartford Landfill Groundwater Flow Control System for fiscal years 2006 (Partial), 2007, 2008, 2009, and two one-year options for fiscal years 2010 and 2011, substantially as discussed and presented at this meeting.

Director Cooper seconded the motion.

Mr. Egan explained that the groundwater discharge permit at the Hartford Landfill requires that CRRA control the leachate that is generated by rainfall on the landfill. Mr. Egan stated that a three-sided clay barrier with very low permeability was installed about ten years ago and the fourth side had a steel sheeting wall in place that runs under the flood control dike, which acts as a barrier. In satisfaction of the permit requirement that CRRA control the leachate generated by the landfill, CRRA has installed a "bathtub" that collects the leachate consisting of the bentonite clay slurry wall, the steel sheeting, and a horizontal layer of natural clay which

underlies the landfill. Four pumps remove the leachate as it is generated by rainfall and by groundwater moving under the landfill. The water is then extracted and discharged into the sewer system to be treated at a sewage treatment facility.

Mr. Egan stated that the Groundwater Flow Control System allows CRRA to measure groundwater levels inside the landfill and outside of the clay barrier. This allows CRRA to meet the permitting requirement that the level of the groundwater in the landfill be kept at a lower elevation than the surrounding groundwater outside of the landfill. As long as the elevation of the groundwater in the landfill is lower than the surrounding area, CRRA can prove that no leachate is going to migrate off-site. Mr. Egan said that the operation and maintenance of the Groundwater Flow Control System is necessary to maintain compliance with the inward hydraulic gradient requirement of the permit.

Mr. Egan explained that this contract was before the Board to employ a vendor to operate and maintain all of the components of Groundwater Flow Control System for a period of three years and two months, with two one-year options to extend the contract. Mr. Egan stated that the landfill will be closed in the fall of 2008 and closure activities will likely extend into early 2010. Since it is not clear whose responsibility it will be to maintain the system beyond that date, the contract was written to give CRRA some flexibility to extend in the event CRRA has to operate the system after closure of the landfill or to terminate the contract after the initial term if there is another operator.

Chairman Pace asked if this system is only under the ash portion of the landfill. Mr. Egan responded that this is under the entire landfill, and the 16-acre ash portion of the landfill has its own base liner that segregates the leachate collected from the ash area from the leachate collected from the rest of the landfill. The leachate from the ash is treated and discharged into the sewer system. Mr. Egan noted that the ash system is currently operated internally. Director Lauretti asked what the difference was between the leachate from the MSW and the leachate from the ash. Mr. Egan responded that the leachate from the ash has a higher pH because of the lime that is in the ash. The leachate from the ash is treated until the pH is within a prescribed range before it is discharged.

Chairman Pace noted that this vendor is new to CRRA. Mr. Egan agreed and added that this vendor offered a better price than the current vendor.

Director O'Brien asked for verification that CRRA is allowed to award a five-year contract, which this contract would be if the two options were exercised. Director O'Brien also requested that the contract be brought before the Board before the options were exercised because the Board would be in a better position to know what the disposition of the landfill will be. Attorney Hunt stated that she did look into the relevant statutes and policies to determine if CRRA is allowed to award a five-year contract and concluded that CRRA is allowed to enter into long-term contracts with approval of 2/3 of the Board of Directors. Director O'Brien stated that he would like that in writing and appended to the minutes of this meeting. (Written legal opinion is in progress.)

Director Karanian asked for more information on why the low bidder was not selected. Mr. Egan explained that one of the references provided by the bidder recommended against contracting with the company. Mr. Egan stated that the reference gave CRRA enough concern to determine that they were not the best contractor for this job. Mr. Egan also stated that the low-bidding firm only has one individual who works in Connecticut because their main office is in Rhode Island. Mr. Egan said that this is not a complex system, but it requires a very timely response in the event there is a problem. Mr. Egan stated that this led management to believe that the low-bidder would not be able to respond as effectively as the company that has offices in Shelton and Farmington. Because the Hartford Landfill must be managed with extra sensitivity regarding public perception, Mr. Egan said it is important to consider these factors when choosing a contractor for this project.

Mr. Kirk asked if the same questions were asked of all references that were checked. Mr. Shepard responded in the affirmative and added that he assembled a one-page questionnaire that was used to ask all references the same questions. Director Sullivan asked if the recommended contractor had good references. Mr. Shepard responded in the affirmative.

Chairman Pace asked how much the difference was between the low-bidder and the recommended contractor. Director Sullivan responded that the difference was approximately \$10,000 in the base period and \$2,750 for each one-year option. Chairman Pace stated that the dollar value is outweighed by the quality of services needed.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING THE STANDARD FORM MUNICIPAL SOLID WASTE DELIVERY AGREEMENT FOR THE BRIDGEPORT PROJECT

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

RESOLVED: That the President is authorized to execute agreements for the delivery of Acceptable Waste to CRRA’s Bridgeport Project using the standard form hauler agreement substantially as presented and discussed at this meeting.

Director Sullivan seconded the motion.

Director Martland asked how many vendors would be under this agreement. Mr. Gent responded that this would be a one-year agreement with ten commercial haulers as of the present date. Mr. Gent said that number could change if a commercial hauler enters into a contract to bring waste to the Bridgeport Project. The contract is subject to the contractor providing CRRA with the necessary guarantee payments, acquiring a permit and following CRRA’s permitting and disposal procedures.

Director Martland asked if this agreement is to the advantage of the small hauling companies. Mr. Kirk responded in the affirmative.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O’Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

APPOINTMENT OF ETHICS COMPLIANCE OFFICER

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

RESOLVED: That the CRRA Board of Directors hereby appoints Laurie Hunt, the Director of Legal Services, to serve as Ethics Compliance Officer of the Authority, to have the responsibilities and carry out the duties prescribed for such Officer by the State of Connecticut Code of Ethics for Public Officials, and to perform all such other functions and duties as the President or Board may delegate to her from time to time.

Director Cooper seconded the motion.

Chairman Pace asked Attorney Hunt what the responsibilities of this position consist of. Attorney Hunt said that she would be providing ethics training to employees who handle large contracts and monitoring compliance with ethics requirements.

Director O’Brien stated that Attorney Hunt is well qualified for this position, but there could be a problem because both staff and Board Members might come to her for legal advice. Director O’Brien explained that if she gave legal advice to a staff member or the Board, she could have a conflict if an ethics situation ever arose. Director O’Brien said that this arrangement would work for now, but he wants the Board to be aware of that potential conflict. Attorney Hunt stated that if she thought there was the potential of a conflict or if she gave advice and a question was raised later she would refer the matter to outside counsel.

A brief discussion ensued regarding record retention and the need for a record retention policy. Chairman Pace stated that, currently, CRRA’s policy is that all records will be retained indefinitely.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O’Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

CHAIRMAN'S, PRESIDENT'S AND COMMITTEE REPORTS

Chairman's Report

Chairman Pace reminded the Board the Statements of Financial Interests are due on May 1st.

Chairman Pace informed the Board that he would be attending a meeting with the Bristol Resource Recovery Facility Operating Committee to discuss common issues, such as the future direction of this business, the DEP role in the future and the public's interest.

Chairman Pace stated that as First Selectman of Old Saybrook, he received correspondence from Attorney Golub and a copy of the decision regarding the class action status of the New Hartford suit. Chairman Pace said that he has asked legal counsel to look into how the class action status will affect Board Members who are also municipal officials of towns in the Mid-Connecticut Project. Chairman Pace said that, at this time, it is prudent to acknowledge that there could be some potential conflicts and to wait for legal advice on what roles the Board Members will play as both members of this Board and as representatives of specific towns.

Director Martland stated that he does not feel that CRRA is being represented well and stated that CRRA should find a way to ensure the organization is being represented properly. Director Martland said he finds it beyond comprehension that the towns are receiving information that the CRRA Board is not privy to. Chairman Pace stated that he just received the documents as a First Selectman and was bringing it to the Board's attention. Chairman Pace said that a copy would be made available to all Board members. Mr. Kirk noted that neither CRRA nor its attorneys received a copy of the referenced document and the court did not know that it was sent to the towns.

Director Griswold asked if Attorney Hunt would advise the Board Members as municipal officials of a member town as to how they should respond. Mr. Kirk responded in the negative because an attorney adverse to CRRA now represents the towns. Mr. Kirk said it would be appropriate to have the town attorneys contact CRRA's attorney. Attorney Hunt added that CRRA's attorney would not be able to advise Board members or their town attorneys either, but could help point them in the right direction to get their questions answered.

Attorney Hunt informed the Board that more formal information from the judge would be forthcoming that would better explain what options are available in this process. Chairman Pace said he would also approach the Attorney General to see if he has any concerns or advice on how to handle this matter. A lengthy discussion ensued regarding handling the expenses of the suit.

Chairman Pace stated that he and Mr. Kirk had a couple of meetings with MDC regarding MDC's concept for future development of the riverfront. Chairman Pace informed the Board that he has agreed to take part in the meetings so he has an understanding of the concept. Chairman Pace said that he felt CRRA should be at the table to be part of the concept rather than be left out of the process. Chairman Pace noted that there is a bill in the legislature requesting funding for a planning study for the project. Chairman Pace said it was important for CRRA to

explore what kind of organizational synergies can be applied between CRRA and MDC for the future. Chairman Pace emphasized that CRRA will stay true to its core mission.

Mr. Kirk noted that, despite what an editorial that appeared in The Hartford Courant said, CRRA has an engineering study that estimates that the plant has a minimum of 20-years of useful life beyond the end of the Project.

Director Francis agreed that CRRA's presence is important in discussions regarding the redevelopment plans, but cautioned that CRRA's presence should not be misinterpreted.

President's Report

Mr. Kirk informed the Board that the City of Hartford has signed off on the recycling project at Murphy Road. Mr. Kirk stated that the last step in the process is approval by the DEP, which CRRA expected to be completed in the upcoming weeks and then construction will begin.

Mr. Kirk gave a brief overview of the community meeting with residents of the City of Hartford regarding the options for the closure and post-closure uses of the Hartford Landfill. Mr. Kirk said that he was a bit disappointed with the attendance, but said that overall, the feedback from the community was positive.

Mr. Kirk said that CRRA's relationship with MDC continues to be very cooperative. Mr. Kirk stated that CRRA is taking a full-time role in the management of the plant and has developed a management guide to define the responsibilities and opportunities for both MDC and CRRA. Mr. Kirk gave a brief update on the improvements being made to the plant.

Mr. Kirk said that it was CRRA's hope that legal expenses related to MDC would come to an end with the improved relationship between CRRA and MDC. Mr. Kirk informed the Board that that has not been the case. The arbitration ruling is still under appeal and MDC has elected not to withdraw that appeal. Mr. Kirk said that CRRA continues to try to work through the differences with MDC on this matter. Mr. Kirk gave an update of the status of the appeal.

Regarding the Bridgeport Project, Mr. Kirk stated that the arbitration with Wheelabrator is continuing and an update would be provided in Executive Session since the matter is now pending litigation.

Organizational Synergy & Human Resources Committee

Director Cooper informed the Board that the Committee approved an amendment to the Prescription Drug Rider. Director Cooper explained that changes in the fine print resulted in unexpected changes to the policy that did not meet the employees' expectation of coverage. Director Cooper said that the Committee looked at various options and took action to make some modifications to the plan, which will meet the employees' expectations to what the coverage would have been. Director Cooper stated that the net cost of the changes to the organization would be approximately \$30,000.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation regarding the Mid-Connecticut and Bridgeport Projects with appropriate staff. The motion made by Director O’Brien and seconded by Director Cooper was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session:

- Timothy Griswold - Ad-Hoc, Mid-Connecticut Project (Present until 11:45 a.m.)
- Tom Kirk
- Jim Bolduc
- Laurie Hunt, Esq.

The Executive Session began at 11:21 a.m. and concluded at 12:38 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:38 p.m.

RESOLUTION REGARDING ENGAGEMENT OF EXPERT WITNESS IN CRRA’S ARBITRATION WITH WHEELABRATOR

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

RESOLVED: That the President of the Authority is hereby authorized to retain an expert witness in the Wheelabrator-CRRA arbitration regarding the renewal of the Bridgeport Solid Waste Disposal Agreement, in accordance with the terms of the Authority’s Procurement Policies and Procedures, on the terms presented and the purposes discussed at this meeting.

Director Cooper seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
James Miron	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
NONE			

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,

Kristen B. Greig
Secretary to the Board/Paralegal