

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRD MEETING

MAY 25, 2006

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, May 25, 2006 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Benson Cohn
Mark Cooper
James Francis
Michael Jarjura (Present beginning at 11:00 a.m.)
Edna Karanian
Mark Lauretti (Present from 9:45 a.m. until 12:10 p.m.)
Theodore Martland
James Miron (Present beginning at 10:45 a.m.)
Raymond O'Brien
Andrew Sullivan (Present beginning at 10:25 a.m.)
Timothy Griswold - Ad-Hoc, Mid-Connecticut Project
Elizabeth Horton Sheff – Ad-Hoc, Mid-Connecticut Project (Present until 12:50 p.m.)

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Michael Bzdyra, Government Relations Liaison
Robert Constable, Controller
Peter Egan, Director of Environmental Affairs & Development
Floyd Gent, Director of Operations
Laurie Hunt, Director of Legal Services
Christopher Shepard, Environmental Engineer
Donna Tracy, Executive Assistant
Kristen Greig, Secretary to the Board/Paralegal

Also present were: David Arruda of MDC, Mark Baldwin, Esq. of Brown Rudnick Berlack Israels, Peter Boucher, Esq. of Halloran & Sage, Douglas Cohen, Esq. of Brown Rudnick Berlack Israels, John Farley, Esq. of Halloran & Sage, Richard Goldstein, Esq. of Pepe & Hazard, Susan Hemenway of BRRFOC, Stephen Hillyer of CCEJ, Allan Mercado of CCEJ, Dr. Mark Mitchell of CCEJ, John Pizzimenti of USA Hauling & Recycling, Jerry Tyminski of SCRRRA.

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.

Mr. Stephen Hillyer stated that he assumes that some of the individuals at the bottom of the pay scale do not make enough money to live in Hartford. Mr. Hillyer informed the Board that the Hartford City Council passed an ordinance that requires sub-contractors to pay their workers a living wage. Mr. Hillyer said that since there are not that many people in the CRRA organization at that level, CRRA should consider paying the living wage.

With no further comments from the public, Chairman Pace stated that the regular meeting would commence.

APPROVAL OF THE MINUTES OF THE APRIL 27, 2006 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the April 27, 2006 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Francis.

Referring to page 6, Director O'Brien asked what the status is of the requested written opinion on CRRA's ability to approve five-year contracts. Attorney Hunt responded that management is planning on bringing that issue to the Policies & Procurement Committee for discussion. Director O'Brien said that unless the Policies & Procurement Committee reverses his request he would like the memo appended to the minutes.

Director O'Brien asked for an update on the status of DEP permitting referred to on page 11. Mr. Kirk said that he would be giving an update in the President's Report.

The minutes were approved. Director Cohn and Director Horton Sheff abstained, as they were not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn			X
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		

Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			X

RESOLUTION REGARDING THE FISCAL YEAR 2006 METROPOLITAN DISTRICT COMMISSION BUDGET TRANSFERS AND ADDITIONAL APPROPRIATIONS

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

RESOLVED: That the following transfer, as requested by the MDC, be authorized substantially as presented at this meeting:

- Transfer \$11,200 from the Administration function to the Transportation function.

FURTHER RESOLVED: That the fiscal year 2006 Metropolitan District Commission Mid-Connecticut Project Annual Operating Budget be amended as follows:

- That an additional \$1,076,850 be authorized for the Waste Processing Facility function to cover the projected additional operating costs;
- That an additional \$111,000 be authorized for the Landfill function to cover the projected additional operating costs; and
- That an additional \$500,000 be authorized for the Waste Processing Facility to cover the anticipated costs associated with the fire suppression system and other safety deficiencies.

FURTHER RESOLVED: That the costs of the major loader repairs incurred by the MDC in the amount of \$324,000 be funded from the Rolling Stock Reserve.

FURTHER RESOLVED: That the cost of the conveyor capital projects incurred by the MDC in the amount of \$93,000 be funded from the Facility Modification Reserve.

Director Cohn seconded the motion.

Director O'Brien noted that, when appropriate, repairs and capital projects would be funded from reserve accounts. Director O'Brien stated that this was thoroughly reviewed and recommended by the Finance Committee. Director Martland stated that CRRA does not have much of an option, but to approve this resolution.

Chairman Pace asked why so many repairs are suddenly necessary. Mr. Kirk responded that most of these expenditures are due to deferred maintenance. Mr. Kirk informed the Board that most of the work on the fire suppression system, excluding the electrical, was completed, which was important from a safety and operational standpoint. Mr. Kirk stated that MDC's

President Sheehan was personally involved in making sure the work was done promptly. Mr. Kirk added that there is still a significant amount of work that needs to be done on the facility.

Chairman Pace said that he is pleased with the active role President Sheehan has taken in the operation of the facility and the level of cooperation between the organizations. Chairman Pace noted that, with the improved relationship with MDC, CRRA has a greater on-site presence at the facility. Chairman Pace stated that there will be a period of “catch-up” with respect to the deferred maintenance, but said that he expected that it would level off.

Chairman Pace asked Mr. Arruda of MDC if he would like to comment. Mr. Arruda said that MDC is very happy with the partnership that is developing between CRRA and MDC. Mr. Arruda reiterated that President Sheehan is highly involved in the activities at the facility and MDC understands and appreciates that it has to focus its efforts on the capital projects and maintenance activities.

Chairman Pace stated that he wants the Board to know that CRRA is taking a more proactive role at the facility.

Director O’Brien said that some of MDC’s failures in maintaining the facility property are more egregious than what has been described as “deferred maintenance.” Mr. Kirk agreed that there were some serious issues and stated that perhaps his comment about deferred maintenance was kind. However, Mr. Kirk said that in light of the improved relationship between CRRA and MDC, he said he thinks the comment is appropriate.

The motion previously made and seconded was approved. Director Martland abstained.

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

**RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2007
METROPOLITAN DISTRICT COMMISSION MID-CONNECTICUT PROJECT
ANNUAL OPERATING BUDGET**

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

RESOLVED: That the fiscal year 2007 Metropolitan District Commission Mid-Connecticut Project Annual Operating Budget for the Waste Processing Facility, Administration and Transportation be adopted substantially in the form as presented at this meeting.

FURTHER RESOLVED: That during the period the Hartford Landfill is accepting mixed waste, the fiscal year 2007 Metropolitan District Commission Mid-Connecticut Project Annual Operating Budget for the Hartford Landfill (All Operations) be adopted substantially in the form as presented at this meeting and utilized only on a prorated basis for each month the Hartford Landfill is accepting mixed waste.

FURTHER RESOLVED: That once the Hartford Landfill is no longer accepting mixed waste, then the fiscal year 2007 Metropolitan District Commission Mid-Connecticut Project Annual Operating Budget for the Hartford Landfill (Ash Only) be adopted substantially in the form as presented at this meeting and utilized only on a prorated basis for each remaining month in the fiscal year.

Director Cohn seconded the motion.

Director O'Brien informed the Board that this resolution was recommended by the Finance Committee, again without having much of an option. Chairman Pace stated that part of any management's challenge is to look forward. Chairman Pace said that CRRA has fought successfully to insure the benefits of the member towns. Chairman Pace stated that he would like to look forward now and work on CRRA's agenda with MDC as a contractor.

Chairman Pace asked by what percentage the budget is being increased. Mr. Gent responded that it is an increase of approximately 1%. Chairman Pace asked for an explanation of why there were different components to the resolution. Mr. Constable responded that the budget was prepared with the expectation that the bulky waste area of the landfill that accepts non-processible and process residue will be closing in 2007. Mr. Constable stated that the resolution had to be worded in a manner that would allow MDC to keep operating the process residue area after the bulky waste area is closed.

Director Laretti asked if it was possible that the budget would not be fully expended through the course of the year. Mr. Constable responded that when the landfill closes, MDC will move workers to other facilities so the Hartford Landfill costs will decrease. Mr. Constable also described how the costs would be prorated after the landfill closes.

Chairman Pace said that, even though the matter has been discussed in the past, 25% overtime still seems high. Mr. Gent informed the Board that MDC currently has approximately ten vacancies that need to be filled, which is part of the reason for the overtime. Mr. Gent said

that one of MDC’s objectives is to get a handle on overtime and keep it at a reasonable level. Mr. Gent added that CRRA would also be keeping an eye on the overtime levels. A brief discussion ensued regarding how vacancies and inefficient operations have affected overtime. Mr. Kirk noted that overtime utilization is an effective management tool and when utilized properly is the most efficient means of performing certain tasks, and said that CRRA would be holding MDC accountable to ensure every dollar is spent wisely.

Director Griswold pointed out that the level of benefits seems high. Mr. Kirk agreed that the level is high relative to the private sector. Chairman Pace stated that CRRA does not have control over benefits because that is a contract between MDC and the union.

Referring to page 8, Chairman Pace asked for a definition of “Agency Hire.” Mr. Constable responded that “Agency Hire” is a contract that MDC utilizes for post-shift litter control under the conveyors. Chairman Pace said that the terminology for the line item was vague. Mr. Kirk stated that the line item could be renamed or expanded upon for more clarity.

Director Karanian stated that she sees positive changes on the horizon and encouraged management to be steadfast in taking the necessary actions in ensuring the integrity of the plant. Director Karanian said that it would take time for the encouraging changes in MDC’s management to translate into culture changes in the organization so CRRA should continue the “trust but verify” approach.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Laretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
NONE			

RESOLUTION AUTHORIZING THE APPLICATION OF AVAILABLE FUNDS OF THE AUTHORITY TO THE DEFEASANCE OF OUTSTANDING MID-CONNECTICUT SYSTEM BONDS AND THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT WITH U.S. BANK NATIONAL ASSOCIATION TO PROVIDE FOR THE CUSTODY, INVESTMENT AND APPLICATION OF SUCH PORTION OF THE PROCEEDS TO EFFECT SUCH DEFEASANCE

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

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") has previously issued, and there are now outstanding \$69,415,000, Mid-Connecticut System Bonds, 1996 Series A (the "Bonds"), pursuant to a resolution of the Authority adopted March 13, 1985 as supplemented and amended (the "Bond Resolution"); and

WHEREAS, the Authority has identified approximately \$35,000,000 in uncommitted funds available for any lawful purpose (collectively, "Uncommitted Funds"), such funds including (i) approximately \$16,000,000 credited to the Mid-Connecticut Debt Service Stabilization Fund¹, (ii) approximately \$5,000,000 credited to the MDC Arbitration Escrow, (iii) approximately \$10,000,000 excess funds credited to the South Meadows Restructuring Reserve², and (iv) approximately \$4,000,000 in the Revenue Fund under the Bond Resolution; and

WHEREAS, the Board of Directors of the Authority (the "Board") has determined to apply all or a portion of such Available Funds to the prepayment of Debt Service on the Bonds in a manner consistent with the Bond Resolution and designed to stabilize the tipping fees charged to the communities obligated to deliver waste to the Mid-Connecticut System and to assist the Authority to meet its revenue covenant contained in Section 716(A) of the Bond Resolution (the "Revenue Covenant"); and

WHEREAS, such application of Available Funds will result in there simultaneously becoming available for the prepayment of Debt Service on the Bonds excess moneys in the Special Capital Reserve Fund (approximately \$18,750,000) and the Debt Service Fund (approximately \$315,000) under the Bond Resolution ("Available Bond Resolution Funds" and collectively with the Uncommitted Funds, "Available Funds"); and

WHEREAS, the Board has determined that the most effective application of the Available Funds, consistent with the Authority's obtaining maximum credit for such Available Funds for purposes of its meeting its Revenue Covenant, requires that the Authority defease Bonds so as to reduce the amount of Debt Service to be paid from Revenues derived from tipping fees; and

WHEREAS, defeasance of Bonds requires that the Authority enter into an agreement with the Trustee under the Bond Resolution to provide irrevocably for the custody, investment and payment and redemption of Bonds from the Proceeds deposited with the

¹ Page 49, FYE05 financials, "Tip fee stabilization" fund/reserve

² Page 49, FYE05 financials, "Energy generating facility" fund/reserve

Trustee as escrow agent for the defeased Bonds, to the end that such Bonds shall be deemed to have been paid in accordance with the provisions of Section 11.1(B) of the Bond Resolution and therefore the Debt Service thereon shall not be taken into account for purposes of the Revenue Covenant; and

WHEREAS, there has been presented to the Authority an Escrow Deposit Agreement (the “Agreement”), relating to the Bonds to be defeased, and the Authority has determined to approve and authorize the execution and delivery of such Agreement; now, therefore, be it

RESOLVED: That the Board hereby authorizes the application of all or a portion of the Uncommitted Funds and all of the Available Bond Resolution Funds, not to exceed \$55,000,000 in the aggregate, to the defeasance of so many of the Bonds, as the Chairman of the Board, the President and the Chief Financial Officer of the Authority (the “Officials”), shall determine, in their sole discretion, will produce the maximum debt service savings to the Authority; and

FURTHER RESOLVED: That the Board hereby approves the form of the Escrow Deposit Agreement and authorizes the Officials to execute and deliver such Agreement in substantially the form presented at this meeting with such changes as the Officials shall approve as in the best interests of the Authority, their execution and delivery thereof being conclusive evidence of their approval of any such changes; and

FURTHER RESOLVED: That the Officials be, and hereby are, authorized to take all such further actions, including without limitation the withdrawal and transfer to the Escrow Fund created under the Escrow Deposit Agreement of Uncommitted Funds and Available Bond Resolution Funds as provided above, and execute such further documents on behalf of the Authority to accomplish the defeasance of the Bonds as contemplated hereby, and as otherwise may be necessary and appropriate, and of the terms and conditions of any and all the aforesaid documents.

Capitalized terms not defined herein shall have the meanings accorded to them by the Bond Resolution. This resolution shall take effect immediately.

Director Cohn seconded the motion.

Director O’Brien informed the Board that, thanks to the diligent and effective efforts of management and staff, there are funds available for the defeasance of a substantial portion of the outstanding Mid-Connecticut Project bonds. Director O’Brien stated that he has great pride in the fact that, between the Enron bankruptcy and this action, the Board and management team have significantly reduced CRRA’s exposure to debt.

Mr. Bolduc explained that defeasance is putting funds into a trustee account that is legally directed to pay off the debt under certain terms of the call provisions. Mr. Bolduc stated that when the funds are deposited with the trustee, the debt comes off of CRRA’s balance sheet.

Mr. Bolduc said that when this Board was appointed CRRA had approximately \$180 million in debt with no expendable cash and noted that \$111 million was paid off last year. Mr.

Bolduc stated that CRRA expects to accumulate approximately another \$35 million dollars over the next couple of months from a number of sources as outlined in the resolution. Mr. Bolduc added that because of the way the debt is structured, approximately another \$18 million to \$19 million would be released from a SCRF¹ account for a total amount of between \$53 million and \$54 million being defeased. Mr. Bolduc noted that approximately \$16 million of debt would remain outstanding. Mr. Bolduc also pointed out that the \$20 million that was borrowed from the State was put into an irrevocable trust, so that debt was essentially paid off.

Director O'Brien asked when the defeasance would be completed. Mr. Bolduc responded that CRRA anticipates that the defeasance would be done in late summer or early fall.

Chairman Pace stated that this Board and management has brought CRRA a long way and offered his congratulations. Chairman Pace also said that the employees deserve a lot of credit.

Director Cohn noted that this is precisely what the prior administration should have done with the proceeds from deregulation.

The motion previously made and seconded was approved unanimously.

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

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 Cohn was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session:

¹ Special Capital Reserve Fund

Board Members

Chairman Pace (Present in Executive Session from 10:15 a.m. to 11:10 a.m.)
Director Cohn (Present for the entire Executive Session)
Director Cooper (Present in Executive Session from 10:15 a.m. to 11:10 a.m.)
Director Francis (Present in Executive Session from 10:15 a.m. to 11:10 a.m.)
Director Jarjura (Present in Executive Session from 11:00 a.m. to 11:10 a.m.)
Director Karanian (Present for the entire Executive Session)
Director Lauretti (Present for the entire Executive Session)
Director Martland (Present for the entire Executive Session)
Director Miron (Present in Executive Session from 10:45 a.m. to 12:00 p.m.)
Director O'Brien (Present for the entire Executive Session)
Director Sullivan (Present in Executive Session from 10:25 a.m. to 12:00 p.m.)
Timothy Griswold - Ad-Hoc, Mid-Connecticut Project (Present in Executive Session from 10:15 a.m. to 11:10 a.m.)
Elizabeth Horton Sheff – Ad-Hoc, Mid-Connecticut Project (Present in Executive Session from 10:15 a.m. to 11:10 a.m.)

CRRA Staff

Tom Kirk
Jim Bolduc
Peter Egan (Present in Executive Session until 10:50 a.m.)
Laurie Hunt, Esq.
Christopher Shepard (Present until 10:50 a.m.)

CRRA Outside Counsel

Mark Baldwin, Esq. of Brown Rudnick Berlack Israels (Present until 10:50 a.m.)
Douglas Cohen, Esq. of Brown Rudnick Berlack Israels (Present until 10:50 a.m.)
Peter Boucher, Esq. of Halloran & Sage (Present from 10:50 a.m. until 11:10 a.m.)
Richard Goldstein, Esq. of Pepe & Hazard (Present from 11:10 a.m. until 12:00 p.m.)

The Executive Session began at 10:15 a.m. and concluded at 12:00 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:00 p.m.

ADDITIONS TO THE AGENDA

Director O'Brien made a motion to add three items to the agenda: a resolution regarding the Ellington Landfill, appointment of a Vice-Chairman, and the establishment of a new Committee. Director Martland seconded the motion. The motion previously made and seconded was approved unanimously.

RESOLUTION REGARDING THE SETTLEMENT OF DISPUTES WITH THOMPSON FAMILY LAND TRUST, INCLUDING THE ACQUISITION BY CRRA OF CERTAIN PROPERTY ENVIRONMENTALLY IMPACTED BY THE ELLINGTON LANDFILL

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 proceed with the settlement of all matters in dispute between CRRA and the Thompson Family Land Trust substantially on the terms presented and for the purposes discussed at this meeting, including without limitation, the acquisition of up to 65 acres of real property located in the municipalities of Ellington and East Windsor proximate to the Ellington Landfill, some of which real property is environmentally impacted, and some of which real property is unimpacted but necessary as a buffer zone, and all of which real property is necessary for the control of the Ellington Landfill groundwater plume (substantially as shown on Attachment A hereto as “Parcel A” and “Parcel B”), and the payment of an amount not to exceed \$2,450,000; and

FURTHER RESOLVED: That the President is hereby authorized to take any and all such other action as is necessary or desirable and to expend funds from the Mid-Connecticut Project Risk Fund in order to carry out the foregoing resolution. Director Cohn seconded the motion.

Director O’Brien noted that the matter was thoroughly discussed in Executive Session.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	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		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
Non Eligible Voters			
NONE			

NOMINATION OF VICE-CHAIRMAN

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

RESOLVED: That the Board of Directors appoints Director Benson Cohn as Vice-Chairman of the Connecticut Resources Recovery Authority.

The motion was seconded by Director Martland.

The motion previously made and seconded was approved. Director Cohn abstained.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn			X
Mark Cooper	X		
James Francis	X		
Michael Jarjura	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			
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			

RESOLUTION ESTABLISHING THE NEW HARTFORD LITIGATION ADVISORY COMMITTEE

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

RESOLVED: That an ad hoc committee, to be known as the New Hartford Litigation Advisory Committee, is hereby formed and endowed with all authority necessary and proper for the purpose of reviewing, discussing and developing with CRRA officials and counsel the management and strategy of the lawsuit captioned Town of New Hartford, et al v. Connecticut Resources Recovery Authority, et al; and

FURTHER RESOLVED: That said Committee shall consist of not fewer than three directors, at least one of whom shall be a municipal official as defined in Connecticut General Statutes Section 22a-261 and at least one of whom shall not be a state employee.

Director Sullivan seconded the motion.

Vice-Chairman Cohn stated that, as Chairman of the Committee, he would like to appoint all Board members who do not have a conflict of duty relative to the New Hartford litigation. Directors with a conflict of duty include Chairman Pace, Director Cooper, Director Francis, Director Jarjura, Director Griswold, and Director Horton Sheff. Therefore, the Committee will consist of Vice-Chairman Cohn, Director Karanian, Director Lauretti, Director Martland, Director O'Brien, and Director Sullivan.

Chairman Pace asked Attorney Boucher to explain the conflict of duty. Attorney Boucher stated that the conflict of duty arises from the fact that the judge in the New Hartford lawsuit against CRRA has certified it as a class action, with the members of all of the Mid-Connecticut Project towns as members of the class. Attorney Boucher explained that Board members who are also officials in their Mid-Connecticut towns have a conflict of duty as to their management of the defense of the lawsuit in their capacity as CRRA Board members and the management of the prosecution of the lawsuit against CRRA in their capacity as local officials in the plaintiff towns. Attorney Boucher stated that, based on his research and evaluations of previous opinions by the Attorney General dating back many years, the only way for the conflict to be managed is for those Board members to recuse themselves from participation in the management of the litigation from both CRRA's perspective and the towns' perspective. Attorney Boucher said that the creation of this Committee should result from recusal of those Board members who have that conflict from participation and indicating the basis for that conflict.

Due to a potential conflict of duty, the following Directors recused themselves from the discussion and vote on this matter: Chairman Pace, Director Cooper, Director Francis, Director Jarjura, Director Griswold, and Director Horton Sheff.

The motion previously made and seconded was approved.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman			X
Benson Cohn	X		
Mark Cooper			X
James Francis			X
Michael Jarjura			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
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			X
Non Eligible Voters			
NONE			

RESOLUTION AUTHORIZING NEGOTIATION OF A SETTLEMENT WITH CRRA’S FORMER LAW FIRMS

Vice-Chairman Cohn 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 pursue settlement of CRRA’s lawsuit against its former law firms Hawkins Delafield & Wood LLP and Murtha Cullina LLP, including making and negotiating offers to settle on the terms discussed at this meeting, provided that any resulting settlement agreement will return to this Board for further consideration and will require approval of the Attorney General.

Director Martland seconded the motion.

Due to a potential conflict of duty, the following Directors recused themselves from the discussion and vote on this matter: Chairman Pace, Director Cooper, Director Francis, Director Jarjura, Director Griswold, and Director Horton Sheff.

The motion previously made and seconded was approved.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman			X
Benson Cohn	X		
Mark Cooper			X
James Francis			X
Michael Jarjura			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
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			X
Non Eligible Voters			
NONE			

RESOLUTION REGARDING EXPENDITURES FOR ODOR MONITORING SERVICES AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY & 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 be authorized to execute a Request for Services with TRC Environmental Corporation for Odor Monitoring Support at the Mid-Connecticut Waste Processing Facility and Hartford Landfill, substantially as presented and discussed at this meeting.

Director Horton Sheff seconded the motion.

Director Martland said that it appears that only one vendor was approached for this contract. Mr. Egan explained that TRC is employed under the three-year Engineering Services Agreement. Mr. Egan said that TRC has a substantial group of individuals who have specialized training in olfactory matters, in addition to the experience and ability to establish this program. Mr. Egan stated that when odor complaints are brought to CRRA’s attention, TRC is capable of dispatching individuals that can evaluate and analyze the issue, meet with the complainant, and distinguish between trash odors and other potential sources.

Mr. Egan noted that TRC was employed through a publicly bid Request for Qualifications. Mr. Egan said that TRC has performed these services for the last two or three years and are the best-qualified firm for this program.

The motion previously made and seconded was approved unanimously.

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

RESOLUTION REGARDING AGREEMENT BETWEEN CONNECTICUT RESOURCES RECOVERY AUTHORITY AND NIRO LANDSCAPE CONTRACTORS, INC.

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 Niro Landscape Contractors, Inc. for Landscape and Mowing Services at the CRRA Hartford Landfill, substantially as presented and discussed at this meeting.

Director Jarjura seconded the motion.

Director Martland asked if this would reduce MDC’s costs to maintain the landfill. Mr. Kirk responded that CRRA has typically taken responsibility for these services.

The motion previously made and seconded was approved unanimously.

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

RESOLUTION AUTHORIZING EMPLOYMENT OF HRP ASSOCIATES, INC. FOR ENVIRONMENTAL CONSULTING SERVICES IN SUPPORT OF THE SOUTH MEADOWS SITE REMEDIATION

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 a Request for Services with HRP Associates, Inc. for environmental consulting services in support of the South Meadows site remediation, substantially as presented and discussed at this meeting.

Director Cooper seconded the motion.

Mr. Egan noted that CRRA is remediating the site at the South Meadows under a long-term contract that was entered into in December of 2000. Mr. Egan informed the Board that TRC essentially takes responsibility under the State remediation standards to clean the site according to the regulation requirements. Mr. Egan explained that the remediation was triggered

by the Transfer Act, a statute that requires contaminated properties to be remediated when it is transferred from one owner to another, and said that this property was purchased from CL&P in 2001.

Mr. Egan said CRRA staff oversees the remediation activities, but there are a number of technical matters that would put a burden on CRRA staff in terms of time and resources, so an engineering consultant is needed for support in this matter. Mr. Egan added that of all of the environmental consulting firms in CRRA’s approved list of firms, HRP has the most licensed environmental professional and the project manager is very familiar with the site.

Chairman Pace pointed out that CRRA did not pollute this property, but is cleaning the site.

The motion previously made and seconded was approved unanimously.

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

RESOLUTION REGARDING AMENDMENT NO. 8 TO THE AGREEMENT FOR WASTE TRANSPORTATION AND TRANSFER STATION AND ROLLING STOCK OPERATION AND MAINTENANCE SERVICES

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 enter into Amendment No. 8 to the Agreement for Waste Transportation and Transfer Station and Rolling Stock Operation and Maintenance Services substantially as presented and discussed at this meeting.

Director Jarjura seconded the motion.

Mr. Gent informed the Board that this resolution was for a one-year extension to a contact with CWPM for transportation services from the Waste Processing Facility to the Hartford Landfill. Mr. Gent stated that the amendment gives CRRA the right to terminate with a thirty-day notice. Mr. Gent explained that management is recommending an extension because it is uncertain exactly when the actual closure of the Hartford Landfill will occur and the extension will provide sufficient time for CRRA to get more clarity. Mr. Gent said that when CRRA has a clearer picture of the timeframe involved, a Request for Proposals for transportation services would be issued.

Director O'Brien noted that an affirmative 2/3 vote is required for this contract both because it has annual consideration in excess of \$50,000 and because it is an exception to the Procurement Policy.

The motion previously made and seconded was approved unanimously.

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

RESOLUTION REGARDING SPOT WASTE DELIVERY LETTER AGREEMENTS BETWEEN THE BRRFOC AND THE CRRA

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 reciprocal Letter Agreements between the BRRFOC and the CRRA for the delivery of spot waste substantially as presented and discussed at this meeting.

Director Martland seconded the motion.

Mr. Kirk noted that this is a standard annual agreement with Bristol that allows the two organizations to help each other when needed.

The motion previously made and seconded was approved unanimously.

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

RESOLUTION REGARDING THE PURCHASE OF A MOBILE CRANE FOR THE MID-CONNECTICUT 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 Board of Directors, in accordance with Connecticut Resources Recovery Authority's Procurement Policy, hereby approves the procurement of a Used P&H Mobile 30 Ton Crane from General Construction Crane Services, Inc. for use at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

Director Martland seconded the motion.

Mr. Kirk noted that this resolution also requires an affirmative 2/3 vote because it has annual consideration in excess of \$50,000 and because it is an exception to the Procurement Policy.

Mr. Gent informed the Board that CRRA has been averaging a cost of approximately \$20,000 per year for rental of this crane and said that the owner of the crane is closing his business and liquidating the assets. Mr. Gent stated that the access door into the WPF is limited in size and this particular crane, which has been used at the WPF for the past ten or twelve years, fits through the door and has the necessary reach capability. Mr. Gent noted that the contractor maintained the crane very well and provided CRRA with all of the maintenance records.

Mr. Gent stated that CRRA evaluated this purchase from an economic standpoint to see if the price was reasonable and if it could be purchased through a competitive bid process. Mr. Gent said that a new crane would cost over \$300,000 so purchasing a new crane would not provide an economic advantage. To compare prices, CRRA canvassed the whole Connecticut market and did not find any used crane of this particular model. Mr. Gent explained that there are some used cranes of this same model available in other states with prices ranging from \$30,000 to \$90,000. Mr. Gent said that the advantages of purchasing this crane are that it is a fair price, CRRA has the maintenance records, and individuals at MDC have experience operating it. The vendor has also agreed to provide any additional training that is needed.

Director Cohn asked what the life expectancy of the crane is. Mr. Gent said that CRRA estimates the crane could last for another five to ten years because it has been particularly well maintained and the hydraulic system has been refurbished.

Director Sullivan asked if the \$20,000 rental cost includes an operator. Mr. Gent responded in the affirmative. Director Martland asked who would maintain the crane. Mr. Gent said that MDC would be responsible for the maintenance. Director Martland said he would like to see a significant amount of oversight on the maintenance. Mr. Gent said that CRRA would oversee the maintenance and noted that MDC has always done a very good job of maintaining the rolling stock.

The motion previously made and seconded was approved unanimously.

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

RESOLUTION AUTHORIZING RETENTION OF A HOST COMMUNITY LIAISON

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 retain Attorney Thomas Ritter to serve as CRRA's liaison with its host communities and pertinent or related groups and organizations affected by the Mid-Connecticut Project, under terms substantially as presented and discussed at this meeting.

Director Cohn seconded the motion.

Mr. Kirk informed the Board that he would like to utilize Attorney Ritter as a consultant and community liaison to assist CRRA with counsel and outreach to the Hartford community on issues such as the Hartford Landfill closure and to other communities in the Capitol region in the future. Mr. Kirk said that CRRA has utilized Attorney Ritter at an hourly rate for community services and advice through the Legal Services Agreement with Brown Rudnick Berlack Israels, which is one of CRRA's environmental firms. Mr. Kirk stated that, although the services have been performed under the Legal Services Agreement, the services that Attorney Ritter has provided CRRA in the past have not been of a purely legal nature. Mr. Kirk said that hiring Attorney Ritter under this arrangement would provide more transparency and accuracy in documenting how and why his services are being used.

Mr. Kirk said that, based on CRRA's assumptions on the number of hours that Attorney Ritter's services will be needed, there would also be a small cost benefit to this arrangement. Mr. Kirk said that the next year would be critical for the closure of the Hartford Landfill, recycling permitting activities, and other issues dealing with the Hartford community so it was estimated that 30-35 hours per month would be necessary. Mr. Kirk informed the Board that Attorney Ritter would be retained for a fixed fee of \$7,000 per month, which is a savings over the hourly rate in the Legal Services Agreement.

Director O'Brien suggested that management develop a plan of action for the next twelve months to identify how Attorney Ritter would interface with the City of Hartford and the various interest groups and to ensure that CRRA takes full advantage of this agreement.

Director Horton Sheff asked for clarification if Attorney Ritter was being hired as an attorney or community liaison. Mr. Kirk responded that although he is an attorney with the firm of Brown Rudnick, Attorney Ritter is being retained as consultant and, in particular, a community liaison. Director Horton Sheff asked if this job was posted or if there was any outreach into the community to find qualified individuals. Mr. Kirk responded that a Request for Qualifications was not done. Director Horton Sheff stated that if the focus of this position will be on relationships in the community, this opportunity should have been posted to see who else in the community has the skills and expertise to serve as a liaison for CRRA.

Mr. Kirk said that he appreciates Director Horton Sheff's comments and explained that this resolution is primarily intended to clarify the administrative mechanism by which CRRA will continue to utilize Attorney Ritter's services. Mr. Kirk said that Attorney Ritter has been billed as a lawyer, but used as counsel and as community outreach. Management is very satisfied with Attorney Ritter's performance and is not proposing any change in consultants at this time. Mr. Kirk agreed that CRRA should always continue to look for ways to improve outreach to the community and that additional opportunities to perform CRRA outreach should be offered to other community outreach vendors.

The motion previously made and seconded was approved. Director Horton Sheff voted nay.

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

RESOLUTION REGARDING SECOND AMENDMENT TO SUPPLEMENTAL AGREEMENT BETWEEN CONNECTICUT RESOURCES RECOVERY AUTHORITY AND THE TOWN OF WILTON

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 the Second Amendment to the Town of Wilton's Municipal Solid Waste Management Services Agreement substantially as presented and discussed at this meeting.

Director Cooper seconded the motion.

Mr. Gent stated that the Municipal Solid Waste Management Services Agreement and the Supplemental Agreement with the Town of Wilton provides that CRRA has an obligation to move waste from the transfer station in Wilton to CRRA's transfer station in Norwalk. Mr. Gent explained that the amendment would extend the services through the last 2 ½ years of the agreement. Mr. Gent noted that the SWAB towns had no objections to CRRA going forward with this amendment.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		

Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut			

CHAIRMAN'S, PRESIDENT'S AND COMMITTEE REPORTS

Organizational Synergy & Human Resources Committee

Director Cooper informed the Board that the Committee met in Executive Session on May 10th to discuss the President and Chief Financial Officer's contract renewals. Director Cooper said that the Committee is working to balance the concerns of the employees with public service realities and has directed legal counsel to review the issues and present some recommendations for further review by the Committee.

President's Report

Mr. Kirk referred the Board to Tab M of the Supplemental Package for an update of what happened in this session of the legislature. There was a brief discussion regarding several items reported on the update.

Mr. Kirk informed the Board that the recycling project at Murphy Road is under review by the DEP and Dr. Mitchell of the Connecticut Coalition for Environmental Justice has intervened for a number of reasons. Chairman Pace asked why someone would be opposed to recycling. Mr. Kirk explained that Dr. Mitchell has proposed a number of community benefits that he would like CRRA to provide and wants to negotiate for those benefits.

Mr. Kirk said that CRRA is very comfortable that the project will continue, but there will be a substantial delay of at least six months. Mr. Kirk stated that this is particularly disappointing because the contract calls for liquidated damages for delays, which could be in the range of \$60,000 per month.

Mr. Kirk stated that the repairs on the fire suppression system are progressing with the hydraulic system intact and repairs on the electrical system continuing. Mr. Kirk noted that the relationship with MDC continues to improve, but CRRA is frustrated by the continuing legal actions that have not been withdrawn.

Regarding the Bridgeport Project, Mr. Kirk stated that negotiations with Bridgeport are on hold due to the upcoming arbitration. Mr. Kirk said that Attorney Farley is present to give the Board an update in Executive Session.

Mr. Kirk stated that there was a tragic death of an operator at the Wallingford facility over the weekend. The operator was a long-term employee of 15 years with Covanta. Mr. Kirk said that the police investigation has ruled it an accidental death and the OSHA and Covanta investigations are ongoing. Mr. Kirk noted that the Board would be provided with the results of the investigation when it is completed.

Chairman's Report

Chairman Pace asked if there are preparations being made for summer. Mr. Kirk said that the biggest concerns in the summer are odors and long lines because of the increase in tonnage brought into the plants. Mr. Kirk pointed out that the contractor for odor control monitoring was approved today and added that CRRA has diversion plans in place for excess waste.

Chairman Pace stated that he would like to take a proactive approach and make certain that CRRA's emergency management plans are updated and practiced. Chairman Pace said he would like to schedule a meeting with management or the plant operators to review the plans in place.

Chairman Pace requested that CRRA make the public aware of both the defeasance of the bonds and the improving relationship with MDC.

Chairman Pace said that CRRA will continue to try to increase recycling as much as possible and said that he is disappointed that CRRA is facing resistance in these efforts.

Chairman Pace stated that there would be some reorganization within the Board due to term expirations. To assist with that process, Chairman Pace said he would like to hear from the Board members through a Board evaluation process.

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 Cooper was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Board members present:

Tom Kirk
Jim Bolduc
Floyd Gent
Laurie Hunt, Esq.
John Farley, Esq.

The Executive Session began at 1:05 p.m. and concluded at 1:45 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 1:45 p.m.

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 1:45 p.m.

Respectfully submitted,

Kristen B. Greig
Secretary to the Board/Paralegal