

**Executive Committee
July 27, 2009, Meeting**

Draft Minutes

Members Present: Michael Pace, Chairman
Ray O'Brien, Vice-Chairman
Alan Desmarais
Timothy Griswold

CRRA Staff Present:

Maira Kenney, Secretary to the Board/Paralegal

Also present: Andrew Adil, Mayor of Wethersfield; William DiBella, Chairman of the MDC Board, Maureen Magan of the MDC, Richard W. Vicino of the MDC; and Miguel Escalera, Esq of Kainen, Escalera & McHale

Chairman Pace called the meeting to order at 10:00 a.m. and noted that a quorum was present.

1. REVIEW AN APPROVAL OF THE MINUTES FROM THE JULY 7, 2009 MEETING

Chairman Pace distributed the minutes from the July 7, 2009, meeting between the CRRA Executive Committee and MDC representatives. Mr. Vicino and Mr. Adil noted a correction of the spelling of their names. Those present agreed that the content was accurate.

Chairman Pace requested a motion to approve the minutes of the July 7, 2009 meeting. The motion was made by Vice-Chairman O'Brien and seconded by Director Jarjura and was approved unanimously.

Mr. DiBella asked that the MDC receive a copy of the July 27, 2009, meeting minutes in advance of the next meeting.

Chairman Pace said that the main discussion at the July 7, 2009, meeting concerned an exchange of information between the actuaries for both CRRA and MDC. He said the exchange has not occurred as of yet and is scheduled for July 29, 2009.

Mr. DiBella said that the difficulty had been getting the two parties together. He said that if the parties both agree on the assumptions the numbers should be consistent. Mr. DiBella said that Grier doesn't know what the assumptions are because they are not articulated. He said that there are many employees who used to work with MDC who are no longer employed there who have still reached eligibility for the ten year period. Mr. DiBella said it is not a hundred employees as first estimated, but closer to a thousand and that portion of the pension fund from when they worked on the CRRA project has got to be paid going forward.

Mr. Vicino said that he would assume the third meeting between CRRA and MDC can be held after the actuaries meet. Chairman Pace agreed.

Mr. DiBella said some of the other assumptions also depend on the return of the pension fund itself.

Director Desmarais said that he has assumed that the pension actuaries and the actuary who performed the pension evaluations are the same the actuary which performed the OPED evaluation. He said both of those pieces are involved in the post-contract discussion as he wants to be sure that everyone needed is present at the meeting. Chairman Pace asked Ms. Kenney to provide Director Desmarais with Miguel Escalera's contact information.

2. NEW TECHNOLOGY

Chairman Pace said that the prior meeting contained a detailed discussion concerning CRRA and MDC taking a more detailed look at new technology. Vice-Chairman O'Brien said that Mr. Kirk was going to set up a meeting at the plant as soon as Director Damer is available.

Mr. DiBella suggested that a discussion concerning the formation of these groups on structure and support be held. He said that he assumed that some costs would be associated with its development.

Director Desmarais asked the group where they see the CROG report fitting in with these developments. Mr. Adil said that he had not really been involved in the CROG report but assumed the new technology groups would be in much more detail. Mr. DiBella said that he believed the report reviewed Arc technology. Director Desmarais said the discussion also concerned how the Mid-Connecticut towns organized themselves to work with CRRA. He said he feels personally it would be great to work with the CROG towns versus multiple separate contracts.

Chairman Pace said that CROG seems to be exercising some dominance over the information provided to the other member towns. He said it is important for CRRA to be sure all of the towns stay informed and involved. Director Desmarais noted that although there is some overlap between CRRA, MDC and CROG communication issues to the outside towns are important.

Mr. Vicino said the development of technology to make the Mid-CT plant run efficiently and at a reduced cost will help to bring the towns together. He asked if there is a percentage number available of the material left over after the arc burning process. Vice-Chairman O'Brien said that figure is around 22%. Mr. DiBella said that number is closer to 40%.

Mr. Vicino said that what the group is trying to establish is cost reduction for its customers. He said higher and more advanced technology can lead to reductions in the work force. He said the disposal of the ash leftover from arc technology is not only costly but also an environmental issue. Mr. Vicino said he believes that the group should focus its efforts on reducing areas of the highest direct costs and environmental impact. He said he believes it is important that MDC works with CRRA in some type of possible joint venture. Mr. Vicino said there will be some capital costs associated with the new technology efforts and he speaks for himself when says he believes that there will be some monies available in MDC's budget for this collaboration.

Mr. Vicino said that historically he does not know how much interfacing concerning technology has been happening between CRRA and MDC.

Chairman Pace said that CRRA management has been examining opportunities' using new technology. He said that CRRA is willing to work with MDC to share staff and ideas for exploring new technology.

Vice-Chairman O'Brien said that a total reliance on new technology is not necessary. He said a hard look at performing tasks in different ways to save costs is also necessary. He said that the numbers for ash disposal which is left after arc burning are closer to 40% when non-processibles are included. Director Desmarais said that screens are used at the RDF plant to catch residue.

A discussion on the benefits and drawbacks of mass burning versus RDF ensued.

Mr. DiBella said that European technology has made claims that residue left over after implementing new technologies can be reduced down to 3-5%. He said that is important because the ability to validate the cost to build one of these plants becomes easier with less residue. He said if a front end processor can be that effective the ash landfill differentials would be dramatic and revolutionary in terms of the project. Mr. DiBella said that in addition these new processors don't require as many employees as what is currently needed and that MDC believes those employment numbers may be halved. He said also effect on the environment is drastically reduced.

Chairman Pace said that Vice-Chairman O'Brien is forming a group to explore new technology. Vice-Chairman O'Brien said that he would be heading the group along with the assistance of Director Damer and Mr. Tracey and Ms. Raymond from CRRA staff.

Mr. Vicino said that he would most likely be forming a similar group.

Director Desmarais asked Director Griswold if the MAC group was exploring new technologies as well. Director Griswold said that MAC group is not looking at the issue in specific. He said it would certainly be in the best interest of the group along with CROG and the other players involved to look at new technologies.

Director Griswold said that the MAC group consists of the seventy member towns which meet quarterly in an effort to strengthen communications with CRRA and the member towns. He said that their feedback is considered for many issues.

Mayor Adil said that the goal of the MDC and CRRA group is what the possible reductions in tonnage costs combined with new technology compares to the costs for shipping waste out of state.

A discussion on how to precede with the new technology groups ensued.

Chairman Pace said that another area the Committee can explore is that of food waste disposal. He said the area provides an opportunity for the CRRA and MDC to become involved in its disposal.

Mr. Dibella said that there is an enormous amount of physical labor associated with food waste disposal. Chairman Pace said that the issue can be grouped into the Committees overview of several items.

Mr. Vicino said that the Mid-Connecticut project involves 40% of the State's towns with 70 towns and communities. Chairman Pace said CRRA is looking at a new model and is also looking at demolition materials and the possible benefits of its reuse. Mr. Vicino said that he had recently watched a program which focused on the recycling of building materials for a variety of uses.

Mr. Vicino said that the group had not discussed the consulting cost aspect of the new technology group. He said that he was under the impression that to get all the necessary data and information to explore new technology there may be some additional costs for the outside third parties. Mr. Vicino said that MDC is prepared to make expenditures with the approval of its Board of Directors. He said that the new technology groups will most likely require a mission statement for guidance.

Mr. DiBella said that once the new technology group meets and determines which direction it is headed in they would return to the Board with requests for any necessary resources.

Director Desmarais said that CRRA was planning to develop a new technology group for some time. He said that concerning budget and funding that CRRA is prepared for such expenditures. Vice-Chairman O'Brien said that there is some money in the budget for such expenditures. Mr. DiBella said that MDC has about a million dollars that is allocated for strategic planning. He said the funds are set aside each year for strategic planning which includes new technology.

Director Desmarais said that CRRA has probably about a quarter of that amount and that the CRRA's budget plan has set aside money to start investigations into new technology as well.

Chairman Pace suggested that Director Desmarais assist the new technology group with the financing aspect. Director Desmarais said that he would have to be involved with the group to accomplish this task. The groups discussed formulating a plan for presentation to their respective Boards and Committees for approval.

Vice-Chairman O'Brien said that what he envisioned for a mission statement for CRRA's new technology group would incorporate two separate and distinct tasks. Firstly to discover ways to make the existing plant more efficient and cost effective, and secondly how CRRA can utilize new technologies to further improve and reduce the cost of operations.

Chairman Pace said that he believes under the mission statement there should be a statement saying the purpose of this group is to fully implement the new policies of the CT DEP which encompasses the environmental pieces. He said the second piece would be to effectuate technology for the lowest costs to the member towns.

Mr. Vicino said that to the best of his knowledge there are twenty-nine months before the MDC contract is up. Chairman Pace said that renewal date for the member towns would be 2012. Mr. Vicino said because it takes most municipalities' time to decide a plan that as the new technology groups make progress a decision on the release of information will need to be made from MDC ad CRRA. He said he would like this information to be worked out and discussed early on in the process to avoid steps or mistaken statements.

Director Griswold said that the MAC Committee would provide a good place to bring information to the 70 member towns. Director Desmarais said that if the mission statements had bullet points the member towns can assist with developing the details to accomplish those tasks. Mr. Adil suggested that the Chairman of the CRRA and MDC Boards can work with the new technology groups to work out details for the bullet points.

The group agreed that any communications concerning the future will be joined and coordinated statements.

A discussion was had concerning the current FIOA requests made by both CRRA and MDC. The group agreed to coordinate communications between the appropriate management members in order to determine that requests from both groups have been met.

Vice-Chairman O'Brien suggested that any information that is made public be copied via e-mail to the Vice-Chairman of the MAC group. Mr. Vicino said that the groups need to be sure that planned programs going forward are supported by the member towns. He said it is important not to lose the client base and that cooperation between MDC and CRRA may assist in bringing that client base back.

Mr. Vicino said that the new technology groups should put together a timeline of what they anticipate should occur as well as the benefits of those proposed actions. Director Desmarais said that he did not believe that a timeline should be put together. He explained that he believed that CRRA needs to place the deadline by which the member towns should report back to either MDC or CRRA. Director Desmarais said that it is important to bring in the CROG group and to work on communication to the Mid-CT towns.

Vice-Chairman O'Brien suggested that the deadline for a response from the member towns be December 2009, because any necessary funds for the groups can be built into the 2011 budgets which are being put together during that time. He said the best way to show the CRRA and MDC cooperation to the member towns is for them to see the benefit of that cooperative effort in the budget.

Chairman Pace said that one of the objectives will be a performance objective with a timeline that the Committee feels comfortable with. Director Desmarais said that not providing an initial deadline may prevent the towns from sending the information in time. He suggested providing a realistic timeline.

Chairman Pace said that CRRA can get a license to sell the electricity it generates. He said management had looked into selling the electricity at a reduced cost to the member towns. Mr. DiBella said with 70 towns there may be a disproportionate division of the reduced fee.

Vice-Chairman O'Brien said that the best thing CRRA can do for its stakeholders is to maximize the revenue side of the equation.

Mr. Vicino said that the proposed idea should be brought to the towns to show that every avenue of possible cost savings is being explored.

Mr. DiBella said that there is a great opportunity here for the technology groups to approach Washington, D.C. for funds aimed at developing these new ideas. Mr. DiBella said that he can assist CRRA with making the correct connections to apply for funding for renewable alternatives.

ADJOURNMENT

Chairman Pace made a motion to adjourn the meeting. Director Jarjura seconded the motion. The motion previously made and seconded was passed unanimously.

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

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal