

MID-CONNECTICUT PROJECT MUNICIPAL ADVISORY COUNCIL

The Mid-Connecticut Project Municipal Advisory Council (MAC) held its second meeting on Wednesday, November 18, 2009, at the Trash Museum in Hartford, Connecticut.

PARTICIPATING MUNICIPALITIES AND THEIR REPRESENTATIVES:

Avon	Richard	Barlow	Proxy
Barkhamsted	Donald	Stein	First Selectman
Bethlehem	Not Present		
Bloomfield	Sydney	Schulman	Mayor
Bolton	Not Present		
Cannan	Richard	Barlow	First Selectman
Chester	Not Present		
Clinton	Not Present		
Colebrook	Thomas	McKeon	First Selectman
Coventry	John	Elsesser	Town Manager
Cornwall	Not Present		
Cromwell	Not Present		
Deep River	Not Present		
Durham	Not Present		
East Granby	Not Present		
East Hampton	Not Present		
East Hartford	Melody	Currey	Mayor
East Windsor	Not Present		
Ellington	Not Present		
Enfield	Not Present		
Essex	Not Present		
Farmington	Richard	Barlow	Proxy for Town Manager Kathleen Eagen
Glastonbury	Michael	Bisi	Proxy for Town Manager Richard Johnson
Granby	John	Adams	First Selectman
Goshen	Donald	Stein	Proxy for First Selectman Robert Valentine
Guilford	Not Present		
Haddam	Not Present		
Hartford	Susan	McMullen	Proxy for Mayor Eddie Perez
Harwinton	Frank	Chiaramonte	First Selectman
Hebron	Not Present		
Killingworth	Not Present		
Litchfield	Donald	Stein	Proxy for First Selectman Leo Paul
Lyme	Not Present		
Madison			
Manchester	Not Present		
Marlboro	Not Present		
Middlebury	Thomas	Gormley	First Selectman
Middlefield			
Naugatuck	Sheila	Baummer	Proxy for Mayor Robert Mezzo
New Hartford	Not Present		
Newington	Not Present		
Norfolk	Donald	Stein	Proxy for First Selectman Susan Dyer
North Bradford	Not Present		
North Cannan	Not Present		
Old Lyme	Timothy	Griswold	First Selectman
Old Saybrook	Timothy	Griswold	Proxy for First Selectman Michael Pace
Oxford	Not Present		
Portland	Susan	Bransfield	First Selectman
Rocky Hill	Barbara	Gilbert	Town Manager
Roxbury	Not Present		
Salisbury	Not Present		

Sharon	Not Present		
Simsbury	Richard	Barlow	Proxy for First Selectman Mary Glassman
South Windsor	Not Present		
Southbury	Not Present		
Suffield	Not Present		
Thomaston	Not Present		
Tolland	Not Present		
Torrington	Not Present		
Vernon	Jason	McCoy	Mayor
Waterbury	Timothy	Griswold	Proxy for Mayor Michael Jarjura
Watertown	Chuck	Frigon	Town Manager
West Hartford	John	Phillips	Proxy for Town Manager Ron Van Winkle
Westbrook	Not Present		
Wethersfield	Jeff	Bridges	Town Manager
Winchester	Not Present		
Windsor Locks	Steven	Wawruck	First Selectman
Woodbury	Not Present		

CRRA MANAGEMENT ATTENDEES:

Thomas Kirk, President
James Bolduc, Chief Financial Officer
MaryAnne Bergenty, Field Manager
Michael Bzdyra, Government Relations Liaison
Jeffrey Duvall, Manager of Budgets and Forecasting
Peter Egan, Environmental Affairs & Development Director
Michael Tracey, Director of Operations
Paul Nonnenmacher, Director of Public Affairs

PITA COMMUNICATIONS:

Paul Pita, Pita Communications
Jenny Smith, Pita Communications

CRRA BOARD MEMBERS:

Alan Desmarais

1. CALL TO ORDER

Municipal Advisory Committee Vice Chairman Wawruck called the meeting to order at 9:04 a.m.

2. PLEDGE OF ALLEGIANCE

2.a. ROLL CALL

Mr. Wawruck added a roll call to the agenda and asked for any proxies to be passed forward. **Mr. Nonnenmacher** said that he counted members present and proxies totaling 27. He said there are enough members present to hold a meeting, however, under the by-laws officers can not be elected although nominations can be collected and the balloting will be conducted by e-mail.

3. PUBLIC COMMENT

Mr. Wawruck said as there were no members of the public present the meeting would commence.

4. APPROVAL OF MINUTES OF JULY 22, 2009

Mr. Gormley made a motion to approve the minutes which was seconded by **Mr. Frigon**.

The minutes of the July 22, 2009, meeting were approved unanimously.

5. ADMINISTRATION OF THE MUNICIPAL ADVISORY COMMITTEE

A. NOMINATION OF CHAIRMAN AND VICE-CHAIRMAN TO SERVE IN CALENDAR YEAR 2010

i. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

Mr. Adams of Granby nominated Ryan Bingham of Torrington as Chair. **Mr. McCoy** seconded the motion.

Mr. Chiaramonte nominated Mr. Wawruck as Chair. There was no second.

Mr. Adams nominated Mr. Wawruck as Vice-Chair. **Ms. Gilbert** seconded the motion.

Mr. Barlow moved to close all nominations, which was seconded by **Mr. Stein**.

The motion to nominate the above referenced Committee members was approved by roll call. Mr. Nonnenmacher said that he will distribute the election ballots to the Committee members for concurrence.

6. FUTURE OPTION DISCUSSION

A. INTRODUCTION OF SPECIAL COMMITTEE MEMBERS

Mr. Nonnenmacher said that that the Municipal Advisory Committee elected five representatives of the Mid-Connecticut Project to serve on the Mid-Connecticut Project Special Committee – Mr. Wawruck, Mr. Barlow, Ms. Currey, Mr. Stein and Mayor Eddie Perez of Hartford, who delegated Ms. McMullen to represent the city. Mr. Nonnenmacher said a meeting of that Committee will take place in the next few days.

President Kirk said that the Mid-Connecticut Project Special Committee is formed by statute and calls for the inclusion of five representatives of CRRA, which will include himself, Mr. Egan and three members of the CRRA Board. The Committee's work will focus on post-2012 options and opportunities for the member towns, with CRRA staff working under the direction of the Committee as needed.

Ms. Gilbert asked where in the by-laws is it stated that 36 members are required to vote on an item. Mr. Nonnenmacher said that officers will be elected by a majority of the members. Mr. Nonnenmacher said that when the by-laws were being considered for adoption at the last meeting, an amendment proposed by Mr. Barlow changed Section 6.1 to read "the officers of the Municipal Advisory Committee shall be the Chairman and a Vice-Chairman who shall be elected by the majority of members prior to the start of each calendar year".

A discussion on whether the amendment related to Committee members physically present was undertaken.

Ms. Gilbert asked what happens if there are not 37 ballots cast through the mail.

Mr. Adams asked about changing the current by-laws. Mr. Nonnenmacher said amendments to the by-laws require 42 votes for adoption.

President Kirk encouraged the members to discuss possible proxies with neighboring towns in order to accomplish as much as possible during the meetings.

B. ANNOUNCEMENT OF SPECIAL COMMITTEE MEETING DATES

7. MID-CONNECTICUT PROJECT UPDATE – CRRA MANAGEMENT

A. EXPANSION OF PLASTICS RECYCLING

President Kirk said the Mid-Connecticut Project will expand the menu of recyclables it accepts at the Hartford recycling facility to include food and beverage containers made of plastics #3 through #7. He said that #3 plastic will be discarded and the remaining plastics will be baled and sold as a mixed-plastic product. He said that anticipated start-up date is January as some machinery must first be installed, and that information will be provided well in advance in order to prepare the haulers and communities.

President Kirk said single-stream recycling has caused substantial increases in recycling and decreased MSW flow and urged towns to change to single-stream.

The Committee discussed the changes the expansion of plastics recycling will have on MSW and the recycling stream.

- i. NEWS RELEASE DATED NOVEMBER 2, 2009**
- ii. DISCUSSION AND POSSIBLE ACTION ON CRRA-SPONSORED TOWN RECYCLING FLYER/POSTER CONTESTS**

Mr. Nonnenmacher said that the package included reference to a recycling poster contest being held in the Town of Enfield that offered a \$100 reward. He said there is a proposed resolution which will provide member towns \$150 worth of prize money from CRRA to fund a recycling flyer or poster contest in each town. He said that the winners will be displayed in the Trash Museum where they will be seen by thousands of people each year. Mr. Nonnenmacher asked the towns to contact him for further information.

**RESOLUTION REGARDING
CRRA-SPONSORED LOCAL RECYCLING FLYER/POSTER CONTESTS**

WHEREAS cities and towns recognize that it is in their best interests to encourage recycling; and

WHEREAS getting young people excited about recycling is proven to increase recycling among residents of all ages; and

WHEREAS contests involving the creation and design of flyers and posters have proven to be popular with young people; and

WHEREAS the Connecticut Resources Recovery Authority has offered to sponsor poster and/or flyer contests in any Mid-Connecticut Project city or town that sends its recyclables to CRRA and would like to hold one; and

WHEREAS such sponsorship shall consist of providing prize money of \$100 for first place and \$50 for second place, along with displaying the winning entries at the Trash Museum, where they will be seen by the Museum's thousands of visitors; now therefore

BE IT RESOLVED that the Mid-Connecticut Project Municipal Advisory Committee approves of CRRA's offer and recommends that all Mid-Connecticut Project recycling cities and towns accept CRRA's offer and run their own flyer and/or poster contests.

Ms. Currey moved to adopt the proposed resolution. **Mr. Adams** seconded the motion. The motion was approved unanimously.

B. OPERATIONAL PERFORMANCE

President Kirk said CRRA does not expect to add additional commodities to the menu, and that full participation by the member towns should be encouraged.

i. MSW DELIVERIES AND TRENDS

President Kirk said there is a small increase in tonnage, about 1 to 2 percent, from the prior year, which is indicative of financial troubles. He said CRRA is diverting waste out of the facility as needed, which relates more to performance issues of CRRA's contractors and boiler issues. He said that the facility is oversubscribed and after 2012 CRRA will not contract for the same number of tons, as excess tons are outsourced at a substantial cost.

Mr. McCoy asked whether the plant is running 100-percent. **President Kirk** explained that there are substantial unscheduled outages due to pressure parts, primarily water-wall tube failures, which need to be fixed.

Mr. McCoy asked whether the energy is being maximized. **President Kirk** replied yes, and that CRRA sells every megawatt it makes and every pound of steam goes into the turbine for a 24-7 steam energy operation.

ii. RECYCLABLES DELIVERIES AND TRENDS

1. NEWS RELEASE DATED JULY 23, 2009

President Kirk said that the package contains a press release which recognizes several towns for their outstanding recycling performance. He said that West Hartford recycled the most tons and Sharon and Salisbury had the best per-capita recycling figures for the second year in a row, while Portland had the biggest tonnage increase, with 122%, and that single-stream had a significant impact on that figure.

iii. PLANT OPERATIONAL SUMMARIES

President Kirk said boiler availability is a costly issue as pressure parts, such as in the boilers' water walls, are failing due to erosion and corrosion, forcing the boiler to be shut down. He said that there are many more unscheduled outages than normal and that management plans to replace full panels of boiler water tubes, which should increase availability and decrease outages. He said CRRA has been replacing parts over the last two years, leading to some improvement, but the plant is still not at optimum availability. He explained full boiler availability will save substantial money, as it would reduce or eliminate exports to out-of-state facilities.

President Kirk said that Covanta had paid a fine for a minor emissions exceedance that occurred several years ago. He said the fine was paid into the Department of Environmental Protection's Substitute Environmental Program fund, which is distributed at DEP's discretion. Mr. Kirk explained the triggering event in detail and noted it was not a public health concern and that Covanta has taken full responsibility for the exceedance.

The Committee discussed the SEP money. Mr. Kirk said that management fought to have DEP use that money for education. The Committee agreed to send a letter as a group urging that those funds be used for education.

ADDITION OF MOTION CONCERNING A LETTER TO THE CT DEP

Ms. Currey moved that a letter be sent to the DEP commissioner supporting the SEP money funds being spent on education. Mr. Gormley seconded the motion. The motion was approved unanimously.

iv. TRASH MUSEUM REPORT - Mr. Nonnenmacher said the Museum report is in the agenda package.

C. FINANCIAL AND VARIANCE REPORT – President Kirk called the Committee's attention to the report in the agenda package and said the Project is projecting a small surplus in the current fiscal year, but a dropoff in waste deliveries is hurting revenues.

D. LEGAL UPDATE

President Kirk said that there are four disputes he would like to mention. He said a community group, ONE/CHANE, is suing CRRA for \$10 million. ONE/CHANE would have received funding from CRRA for \$10 million worth of projects had CRRA expanded the Hartford landfill, but because CRRA ended its attempt to expand there was no funding. He said that is awaiting a ruling on summary judgment and management is optimistic that CRRA will prevail.

President Kirk said that the second issue concerns potential contract performance lawsuits against two private haulers. One hauler has reached a tentative settlement in which CRRA will receive a substantial payment for trash that under contract the hauler should have brought to the Mid-Connecticut Project but brought elsewhere. He said that the second case is entering mediation and will most likely be settled.

President Kirk said that about six banks remain as potential targets of Enron-related lawsuits. A motion for summary judgment is pending in federal court in Houston. A favorable ruling could result in CRRA's receiving anywhere from nothing to \$10 million. These would be the last Enron-related cases. CRRA's lawyers in these matters are on a contingency basis, so the cases are costing CRRA nothing.

Mr. McCoy asked how much of those potential dollars are accounted for in the CRRA budget. Mr. Kirk the budget includes no returns, so any settlements would go toward reducing tip fees.

Mr. McCoy asked when a decision is expected to be made. Mr. Bolduc said management has been waiting for roughly a year and half.

President Kirk said that the third legal case relates to MDC. He explained that CRRA has entered arbitration with MDC and the two parties have named their arbitrators. He said MDC believes CRRA owes it up to \$32 million for post-contract costs which is being arbitrated. He said CRRA has no money reserved for these costs but the worst-case scenario is CRRA paying these costs as they come over a span of many years.

The Committee discussed the matter at length.

Mr. Barlow asked for an update concerning contractor selections for a new operator. President Kirk said that today is the due date for the request for qualifications. He said that the operating contracts expire at a number of different points over the course of 2012-2013. He said CRRA is renegotiating hauler contracts, with the new term expected to be five years. He said most of the municipal service agreements (MSAs) expire in 2012, while the operating contract for the waste processing facility (WPF) expires in 2011 and contracts for the power block facility (PBF) and energy generating facility (EGF) expire earlier. A request for proposals will be issued in early spring and selections made by the end of summer to ensure no interruption of service to the towns.

Mr. Barlow asked that the contract expiration dates list of qualified contractors and the MSA expiration dates be sent to the member towns via e-mail.

Mr. Adams asked for an update on the Hartford landfill closing. Mr. Egan said that the landfill is 96 acres, and over the last two years CRRA has awarded three contracts to close the entire 17-acre ash area and 45 acres of the main landform. There are still 35 acres left to close. He said the ash area is essentially closed, with some work left to do in the spring, while the capping of the 45-acre area will go into summer, and in 2010 capping of the remaining 35 acres will be bid out and is expected to be completed by 2012. Mr. Egan said CRRA has spent \$13 million to date, with the total expected to be around \$27 million thanks to favorable bids.

Mr. Barlow asked for an estimate of the costs which were used on efforts to site the Franklin landfill and the termination of those efforts. Mr. Kirk said that information will be supplied. He also noted that effort is currently suspended and not terminated as it is the best place to site a landfill in Connecticut.

President Kirk said that without the Franklin landfill that tip fees are expected to be \$5-\$9 a ton higher in the future. The Committee discussed the effects the lack of an in-state ash landfill will have on future costs and tip fees.

9. COMMENTS AND QUESTIONS FROM MUNICIPAL ADVISORY COMMITTEE MEMBERS

Mr. Schulman noted that he had not received a package. Mr. Nonnenmacher said that he would look into that issue.

10. ADJOURNMENT

Vice Chairman Wawruck requested a motion to adjourn. This motion was made by Mr. Gormley and seconded by Mr. Frigon. The meeting was adjourned at 11:20 a.m.

Respectfully Submitted,

Moiria Kenney
Board Secretary/Paralegal