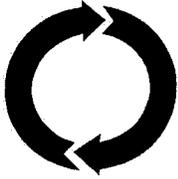


**CRRA  
BOARD MEETING**

**JANUARY 25, 2007**



**CONNECTICUT  
RESOURCES  
RECOVERY  
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700  
Fax (860)757-7745**

## **MEMORANDUM**

**TO:** CRRA Board of Directors

**FROM:** Kristen Greig, Secretary to the Board/Paralegal

**DATE:** January 19, 2007

**RE:** Notice of Meeting

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There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors held on Thursday, January 25, 2007 at 9:30 a.m. The meeting will be held in the Board Room of 100 Constitution Plaza, Hartford, Connecticut.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Connecticut Resources Recovery Authority  
Board of Directors Meeting

Agenda

January 25, 2007

9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Minutes

1. Board Action will be sought for the approval of the December 6, 2006 Special Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the approval of the December 21, 2006 Regular Board Meeting Minutes (Attachment 2).

IV. Finance

1. Finance Committee Update
2. Board Action will be sought regarding the Adoption of the Fiscal Year 2008 Bridgeport Project Operating and Capital Budgets and Tip Fee (Attachment 3).
3. Board Action will be sought regarding the Adoption of the Fiscal Year 2008 Wallingford Project Operating and Capital Budgets and Tip Fees (Attachment 4).

V. Project Issues

A. Mid-Connecticut

1. Board Action will be sought regarding Extension of the Ellington Landfill Gas System O&M Contract (Attachment 5).

B. Bridgeport

1. Board Action will be sought regarding Extension of the Shelton Landfill Gas System O&M Contract (Attachment 6).

VI. Chairman's, President's and Committee Reports

- A. Chairman's Report
- B. President's Report

C. Policies & Procurement Committee

1. The Policies & Procurement Committee will report on its January 11, 2007 meeting.
  - a. Board Action will be sought regarding Request for Services for Public Relations Services Associated with Landfill Siting Initiative (Attachment 7).
  - b. Board Action will be sought regarding Additional Projected Legal Expenditures (Attachment 8).

D. Organizational Synergy & Human Resources Committee

1. The Organizational Synergy & Human Resources Committee will report on its January 18, 2007 meeting.
  - a. Board Action will be sought regarding Senior Management Salaries (Attachment 9).

VII. Executive Session

An Executive Session will be held to discuss pending litigation, real estate acquisition and personnel matters with appropriate staff.

# TAB 1

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND ELEVENTH MEETING**

**DECEMBER 6, 2006**

A Special meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Wednesday, December 6, 2006 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Directors present at 100 Constitution Plaza:

Chairman Michael Pace  
Benson Cohn  
Mark Cooper (Present until 11:00 a.m.)  
Edna Karanian  
Mark Lauretti (Present beginning at 9:45 a.m.)  
Raymond O'Brien  
Elizabeth Horton Sheff, Mid-CT Project Ad-Hoc

Directors present by telephone conference:

Michael Cassella  
Michael Jarjura (Present from 9:40 a.m. to 11:15 a.m.)  
Theodore Martland (Present until 11:10 a.m.)  
James Miron (Present until 10:40 a.m.)  
Timothy Griswold, Mid-CT Project Ad-Hoc (Present until 10:40 a.m.)

Present from the CRRA staff:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer (Present by telephone)  
Bettina Bronisz, Assistant Treasurer & Director of Finance  
Mike Bzdyra, Government Relations Liaison  
Robert Constable, Controller  
Laurie Hunt, Director of Legal Services  
Paul Nonnenmacher, Director of Public Affairs  
Alexandra Anweiler, Communications Intern  
Kristen Greig, Secretary to the Board/Paralegal

Also present were: Attorney General Richard Blumenthal, Mark Davis of WTNH, Theodore Doolittle, Esq. of the Office of the Attorney General, Chris Frances of WTIC, Richard Goldstein, Esq. of Pepe & Hazard, Marty Hausberger of MetroNetworks, Gregory Hladky of the New Haven Register, Charles Jackson of CT-N, George Krinsky of the Waterbury Republican-American, Steve Kotchko of CT Radio Network, Rick McCarthy of Environmental Capital, DUBY McDowell of DM Communications, Greg Seay of the Hartford Courant.

Chairman Pace called the meeting to order at 9:40 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.

## **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 Vice-Chairman Cohn was approved unanimously by roll call. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors and Mid-Connecticut Project Ad-Hocs:

Tom Kirk  
Jim Bolduc  
Laurie Hunt, Esq.  
Robert Constable  
Theodore Doolittle, Esq.  
Richard Goldstein, Esq.

The Executive Session began at 9:42 a.m. and concluded at 10:30 a.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 10:30 a.m.

## **RESOLUTION REGARDING THE SETTLEMENT WITH HAWKINS, DELAFIELD & WOOD**

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 agree to settlement of the Authority's lawsuit against its former bond counsel, Hawkins Delafield & Wood, including taking all actions, executing all documents, and doing all other things necessary to accomplish a settlement substantially on the terms presented and discussed at this meeting, subject and pursuant to the approval of the Attorney General.

Director Lauretti seconded the motion.

Chairman Pace noted that this item was thoroughly discussed in Executive Session with CRRA's legal counsel and the Attorney General's office. Chairman Pace stated that this resolution is part of the process of recovering of funds from the Enron transaction.

Director O'Brien stated that, from a legal perspective, the Attorney General approves settlement.

Chairman Pace thanked Attorney Richard Goldstein of Pepe & Hazard. Chairman Pace also thanked the Attorney General's office for their efforts on CRRA's behalf and said that they have been instrumental in helping reconstitute CRRA.

The motion previously made and seconded was approved unanimously by roll call.

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

Chairman Pace asked if some of this settlement would be utilized for bond defeasance. Mr. Bolduc responded in the affirmative. Chairman Pace explained that one major goal of the ongoing efforts has been to get the Mid-Connecticut Project out of debt. Chairman Pace noted that only four years ago, the Project was heavily in debt and said that to the credit of the Board and Management, the debt has been reduced to just \$9 million dollars. Chairman Pace pointed out that there would be approximately \$600,000 in legal fees that would have to be paid out of the settlement. Chairman Pace asked that management work with the Finance Committee to determine if and how the remainder of the funds can be disbursed back to the municipalities.

Director O'Brien requested a review of the reserve accounts to determine what their present status is and if any of them should be dissolved. Director O'Brien stated that if a distribution is to be done, he thinks it should be done in the context of the fiscal year 2008 Mid-Connecticut Project budget. Mr. Bolduc responded that a reserve analysis has been performed and detailed reserves that had more funds than needed that were used to defease debt.

Vice-Chairman Cohn stated that it would also be helpful to know what the debt retirement translates into in terms of tipping fees saved. Mr. Bolduc stated that the debt retirement has resulted in avoided costs of approximately \$3 - \$4 million per year. Vice-Chairman Cohn requested that a figure be developed on a per ton basis.

Mr. Kirk explained that management is reviewing a couple of different mechanisms to return settlements funds to the towns. Mr. Kirk stated that one way to do that would be through a tip fee reduction, but said that since this is a one-time revenue, CRRA should be cautious about

an ongoing distribution mechanism such as that. Mr. Kirk informed the Board that another mechanism would be a prorated tonnage payment based on one of three scenarios: Distributing the remainder of the settlement based on 1.) Tons delivered, 2.) Tons committed to the Project, or 3.) Tons paid for by municipal general fund monies. Mr. Kirk explained that there is a different number for each town for each of the above-mentioned protocols and there are pros and cons to each, but they are all feasible. Mr. Kirk noted that tons delivered represents the most equitable distribution. CRRA does not have access to data regarding arrangements between towns and private haulers and this would make returns based on general fund payments inaccurate. Mr. Kirk informed the Board that they would receive spreadsheets detailing what each town would receive under the three different options.

Director Lauretti stated that when Enron declared bankruptcy, CRRA remained afloat by utilization of reserve funds and increasing tip fees. Director Lauretti asked why CRRA would not follow the same protocol in returning the funds to the towns. Mr. Kirk responded that one concern would be the return of settlement funds through tip fee only would likely result in the waste generators not receiving any benefit from that reduction. Chairman Pace responded that he is referring this matter to the Finance Committee to weigh the options available and the Board would be able to evaluate the Finance Committee's recommendation.

Mr. Kirk stated that he thought it was important to note the impact of defeasing the outstanding debt. Mr. Kirk said that, without paying off the existing debt, the tip fee in the next fiscal year would be \$78.75. The impact is substantial, and by reducing the debt, every customer benefits and the target tip fee can remain stable.

Director O'Brien noted that he would like a legal opinion on CRRA's statutory authority to give rebates or refunds to the towns before any distributions are made. Mr. Kirk agreed and said that would be confirmed. Director Jarjura noted that he would be looking forward to hearing the Finance Committee's recommendation on this matter and said that, in reviewing rebate scenarios, he would like the Committee to weigh heavily the fact that when tip fees went up, towns were charged based on tonnage.

Chairman Pace said that, as the Attorney General has said in the past, this is one of the most significant turn-arounds of a company that Connecticut has ever seen. Chairman Pace added that he would be meeting with the employees, the people who share in the credit for this turn-around, this afternoon. Chairman Pace reminded the Board that at his very first meeting, he met with the employees, many of whom were worried about the future of CRRA, and asked them to stick it out. Chairman Pace said that he wants to thank the people responsible for the day-to-day operation of this company. Chairman Pace asked Mr. Kirk to work with the Organizational Synergy and Human Resources Committee to come up with a way to recognize the employees.

## **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 Vice-Chairman Cohn was approved unanimously by roll call. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors and Mid-Connecticut Project Ad-Hocs:

Attorney General Blumenthal  
Tom Kirk  
Jim Bolduc  
Laurie Hunt, Esq.  
Theodore Doolittle, Esq.  
Richard Goldstein, Esq.

The Executive Session began at 11:15 a.m. and concluded at 11:40 a.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 11:40 a.m.

Chairman Pace informed the public that the Attorney General was present at the meeting because, through his office and the efforts of Pepe & Hazard, CRRA has reached a settlement in the amount of \$21 million with its former bond counsel.

Attorney General Blumenthal stated that he is very pleased to announce that another part of the continuing fight to recover money and repair the damage done to CRRA has been settled. Attorney General Blumenthal said that this settlement, which brings the total recovered to more than 2/3 of the loss, is a profoundly significant step in the battle and added that he is determined to continue this effort.

Attorney General Blumenthal explained that Hawkins, Delafield & Wood acted as CRRA's bond counsel during the Enron transaction and was one of the two law firms that primarily advised CRRA. Attorney General Blumenthal added that Murtha Cullina is the major remaining law firm defendant and said that his office is engaged in a very tense and tenacious battle with that firm. Attorney General Blumenthal stated that Murtha Cullina had a responsibility, as did Hawkins, Delafield & Wood, to protect CRRA from the flawed and failed deal that it entered with Enron.

Attorney General Blumenthal said that Hawkins, Delafield & Wood has done the right thing in accepting responsibility and committing to cooperate by providing assistance in the continuing battle against Murtha Cullina and at least eleven other significant financial institutions involved in the Enron deal. Attorney General Blumenthal added that today marks a significant victory for CRRA and is a mark of success for the CRRA Board and its determination to make sure the public interest is vindicated.

Attorney General Blumenthal thanked Chairman Pace and the Board for their hard work and commended Attorney Richard Goldstein of Pepe & Hazard and Attorney Theodore Doolittle of the Office of the Attorney General.

Chairman Pace stated that he would like the public to know that another significant result of this settlement is that CRRA will be able to defease the last of the Mid-Connecticut Project bonds, which is a significant event for the municipalities in the Project. Chairman Pace noted that over \$180 million of debt service has been defeased and the Mid-Connecticut Project will be

owned free and clear of debt. This will allow the Project and CRRA to move forward with its primary mission. Chairman Pace stated that CRRA would be reviewing its options to see how funds can be returned to the municipalities.

Chairman Pace thanked Attorney General Blumenthal for helping get CRRA through its darkest days and for always supporting CRRA's business decisions. Chairman Pace also thanked Mr. Kirk, Mr. Bolduc, Attorney Hunt, Mr. Egan, and Mr. Gent.

Following the above discussion, a brief press conference ensued where Attorney General Blumenthal, Chairman Pace, and Mr. Kirk responded to questions regarding the use of the settlement funds, possible rebates to the towns, anticipated future recoveries, and the relationship of this settlement with the New Hartford suit, among other issues.

Chairman Pace requested a motion regarding mediation. Director O'Brien made the following motion:

**RESOLVED:** That the Authority participate in non-binding mediation in the matter of *New Hartford et al v. Connecticut Resources Recovery Authority* generally as discussed in the Executive Session and that the Chairman is authorized to so inform the Court through the President and/or CRRA's legal counsel.

The motion was seconded by Vice-Chairman Cohn.

Director O'Brien noted that this matter was thoroughly discussed in Executive Session.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Edna Karanian	X		
Mark Lauretti	X		
Raymond O'Brien	X		
Elizabeth Horton Sheff, Ad Hoc, Mid-Connecticut	X		
<b>Non Eligible Voters</b>			
NONE			

**ADJOURNMENT**

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

There being no other business to discuss, the meeting was adjourned at 12:10 p.m.

Respectfully submitted,



Kristen B. Greig  
Secretary to the Board/Paralegal

**TAB 2**

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND TENTH MEETING**

**DECEMBER 21, 2006**

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, December 21, 2006 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Michael Cassella (Present beginning at 9:35 a.m.)  
Benson Cohn  
Mark Cooper  
James Francis  
Michael Jarjura (Present beginning at 10:00 a.m.)  
Edna Karanian  
Mark Lauretti (Present beginning at 9:40 a.m.)  
Theodore Martland  
Raymond O'Brien  
Timothy Griswold, Mid-CT Project Ad-Hoc

Present from the CRRA staff:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer (Present by telephone)  
Michael Bzdyra, Government Relations Liaison  
Peter Egan, Director of Environmental Affairs & Development  
Tom Gaffey, Director of Recycling & Enforcement  
Laurie Hunt, Director of Legal Services  
Paul Nonnenmacher, Director of Public Affairs  
Richard Quelle, Senior Engineer  
Michael Tracey, Operations Manager Construction Management  
Alexandra Anweiler, Communications Intern  
Kristen Greig, Secretary to the Board/Paralegal

Also present were: William Bright, Esq. of McCarter & English, Gladys Ellis of CCEJ, Richard Goldstein, Esq. of Pepe & Hazard, A. Harris of Phillips Metro CME Church, Susan Hemenway of BRRFOC, Kathleen Henry of CCEJ, Stephen Hillyer of CCEJ, Martha Kelly of CCEJ, Frank Marci of USA Hauling & Recycling, Allan Mercado of CCEJ, Dr. Mark Mitchell of CCEJ, Matt Nozzolio of MDC, Jerry Tyminski of SCRRA, and Barry Zitser, Esq. of Perakos & Zitser.

Chairman Pace called the meeting to order at 9:30 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 of the Connecticut Coalition for Environmental Justice ("CCEJ") referenced an act passed by the U.S. Congress in 1937 regarding distribution of revenues from vending machines. According to this law, a portion of the proceeds from all vending machines located on Municipal, State or Federal property should go to services for the blind. Mr. Hillyer stated that he would like CRRA to analyze whether vending machines on any of its properties fall under this law or the revenues should go to the blind under the spirit of the law. Mr. Hillyer noted that Connecticut has a similar requirement of Section 10-303 of the Connecticut General Statutes.

Ms. Gladys Ellis introduced herself as a member of the Connecticut Coalition for Environmental Justice ("CCEJ") and thanked Mr. Nonnenmacher for his reply to her question raised at the last board meeting. Ms. Ellis stated that not all Hartford school children get to the museums each year. Ms. Ellis suggested that CRRA do presentations at each school in Hartford specifically showing children how to recycle. Chairman Pace agreed that this was a good idea and asked Ms. Ellis to suggest this to the Hartford Board of Education, as CRRA is not able to go into schools without the Board of Education's permission and cooperation.

Dr. Mark Mitchell, President of CCEJ, stated that the Connecticut Coalition for Environmental Justice has been concerned about host community benefits and said that CCEJ has been in contact with the City of Hartford regarding this matter. Dr. Mitchell indicated that CCEJ has not been a party in the negotiations. Dr. Mitchell asked the Board if they would consider allowing CCEJ to be an observer during these negotiations regarding host community benefits.

Ms. Martha Kelly of CCEJ stated that she agreed with Ms. Ellis regarding more education for children with regard to recycling. Ms. Kelly suggested that perhaps a Children's Recycling Committee at each school would be helpful, which allows children to model good behavior in this regard. Ms. Kelly stated that education is particularly effective when kids teach other kids. Chairman Pace agreed and noted that CRRA is also undertaking a major marketing campaign to educate people regarding recycling.

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

## **APPROVAL OF THE MINUTES OF THE NOVEMBER 17, 2006 EMERGENCY BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the November 17, 2006 Emergency Board Meeting. Director O'Brien made a motion to approve the minutes and Director Martland seconded the motion. The minutes were approved as presented. Directors Cooper, Francis, and Karanian abstained.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	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		
<b>Non Eligible Voters</b>			
NONE			

**APPROVAL OF THE MINUTES OF THE NOVEMBER 30, 2006 REGULAR BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the November 30, 2006 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Francis. The minutes were approved as presented. Director Cohn abstained.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn			X
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

**FINANCE COMMITTEE UPDATE**

Director Francis informed the Board that the Finance Committee discussed the pending settlement with Hawkins Delafield & Wood and how Bond Indenture, reserve requirements, and other issues may impact the use of the settlement.

Director Francis stated that there was also some discussion regarding requirements that may arise out of the Solid Waste Management Plan. Director Francis said that the research of

possible Solid Waste Management Plan requirements is ongoing and the Finance Committee did not make a recommendation that funds for plan implementation be included in the budget.

Mr. Kirk noted that the settlement funds from Hawkins had not been received yet and would not likely be received before the end of the year. Mr. Kirk stated that the Board would be voting on final language of the settlement today so discussions regarding use are a bit premature since the funds have not yet been received.

Chairman Pace stated that the Board’s intentions have always been to: 1.) Defease debt, 2.) Mitigate the impact of Enron, 3.) Continue to establish and fund reasonable business reserves to address contingencies and anticipated costs, and 4.) Return excess funds to towns whether through tip fees or otherwise. Chairman Pace said that CRRA will continue to operate with a correct business approach, as well as in the public’s interest, while upholding the mandates of the legislature.

Director O’Brien made a motion to add to the agenda a resolution in consideration of reaffirming the Board’s commitment regarding use of funds received as a result of Enron litigation. The motion was seconded by Director Francis and approved unanimously by roll call.

Director O’Brien made a motion to reaffirm the Board’s commitment to the following objectives as previously stated by Chairman Pace:

- 1.) Defease debt
- 2.) Mitigate the impact of Enron
- 3.) Get the company on a solid base with regard to proper reserves so it can move forward
- 4.) Return funds to towns whether through tip fee refunds or other means available

The motion was seconded by Director Martland.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Michael Cassella	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		
<b>Non Eligible Voters</b>			
NONE			

**REVIEW AND DISCUSS POTENTIAL FUTURE BUSINESS INITIATIVES IN RESPONSE TO THE SOLID WASTE MANAGEMENT PLAN**

Director Francis stated that the Finance Committee voted to remove this item from the budget and to pass it on without recommendation for discussion with the full Board. Director O'Brien stated that if left in the budget, this item would increase tip fees by approximately \$1/ton. Director O'Brien stated that before allocating CRRA funds, CRRA should know how much other entities will be contributing towards implementation of the plan.

**RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2008 GENERAL FUND OPERATING AND CAPITAL BUDGET**

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

**RESOLVED:** That the fiscal year 2008 General Fund Operating and Capital Budgets be adopted with the provision that the three new part-time positions be subject to Board approval as substantially presented and discussed at this meeting.

Director O'Brien seconded the motion.

Director Francis stated that the Finance Committee reviewed the 2008 General Fund Operating and Capital budget. Director Francis stated that there are three new part-time positions included in the budget and an information technology fund that was removed. Chairman Pace stated that he would like management to carefully consider if the three part-time positions are the best use of CRRA's limited number of total employees. Pointing out that the General Fund budget has to be approved so that Project budgets can be complete in time to notify the towns, Director O'Brien suggested that the Board approve the budget with the provision that management bring the positions back to the Board for approval before hiring. Director Martland stated that it looks like the positions can be justified by an increase in revenue. Mr. Kirk agreed and added that these three new positions would allow CRRA some much needed flexibility in anticipation of the Solid Waste Management Plan.

Chairman Pace requested more information on the Debt Service Administration. Mr. Bolduc explained that there were two expenditures associated with this line item: the move from Allyn Street to Constitution Plaza and the move from the 17<sup>th</sup> floor down to the sixth floor. Chairman Pace stated that he just wanted to be clear that this line item is not debt service with regard to the bonds. Director O'Brien pointed out that CRRA will realize a savings of \$200,000 per year as a result of the move from the 17<sup>th</sup> floor down to the 6<sup>th</sup> floor.

Chairman Pace noted that the \$980,000 shown for the Solid Waste Plan Administration portion of the budget shown on page 16 has been removed from the budget.

The motion previously made and seconded was approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

**RESOLUTION REGARDING REQUEST FOR SERVICES FOR JUNK MAIL RECYCLING MARKETING CAMPAIGN**

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 approve a Request for Services with Pita Communications LLC for services associated with a junk mail recycling marketing campaign substantially as presented and discussed at this meeting.

Director Francis seconded the motion.

Director O'Brien stated that a quorum was not present at the Policies & Procedures meeting and said that the motion is being brought to the Board without a recommendation. Director O'Brien noted that he confirmed with Mr. Nonnenmacher that the character has been trademarked.

Mr. Nonnenmacher stated that it has been his experience that recycling begins with children. To target this specific market, Pita Communications came up with "Phillup D. Bag" as a recycling mascot. Mr. Nonnenmacher said that the character was field tested by visitors at the museums and it received a positive reaction. Mr. Nonnenmacher informed the Board that the mascot will be used in print and television ads, in addition to making personal appearances. Mr. Nonnenmacher said that the idea is to get kids excited about recycling so they will go home and pass the message along to the adults in their lives.

Chairman Pace suggested exploring the possibility of using the billboard on CRRA property as one outlet to get the word about recycling out to the public.

Director Karanian noted that, judging from the input of the public participation at CRRA meetings, it might be a good idea to create a working consisting of teachers, students, community members and staff to brainstorm and develop additional ways to make sure the promotion is a success.

Mr. Gaffey discussed ongoing efforts to get the City of Hartford and property managers in Hartford involved in increasing recycling. Mr. Gaffey stated that he met with Mayor Perez regarding this subject and said that the Mayor is committed to recycling at every level.

Director Lauretti suggested that this initiative be expanded statewide because recycling rates need to be improved throughout the State, not just in Hartford. Mr. Nonnenmacher stated that once this ad campaign is launched in the Hartford area, it could be launched in other areas of the State.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
<b>Non Eligible Voters</b>			
NONE			

**RESOLUTION REGARDING TWO REFURBISHED SECONDARY SHREDDER MOTORS RATED AT 1250HP AT 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 President is hereby authorized to execute an agreement with American Rotor Corporation to provide two refurbished and upgraded secondary shredder motors rated at 1250 horsepower to be located at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at the meeting.

Director Francis seconded the motion.

Mr. Quelle informed the Board that the motors currently being used are over 15 years old and have had multiple failures. Mr. Quelle explained that the replacement motors now available do not fit in the allotted space, which is why refurbished motors are necessary. Mr. Quelle noted that these motors are heavily used, shredding 16 to 18 hours per day.

Director Karanian noted that these motors have a two-year warranty.

Chairman Pace asked if the price included installation. Mr. Quelle replied in the negative and stated that MDC would install the motor.

Director O'Brien asked why this item was not included in the P&P package. Mr. Quelle apologized and stated that the search for the motors had been going on for the last 8 months. The motors just became available and Mr. Quelle had to move quickly to obtain them. Director O'Brien asked when the warranty began. Mr. Quelle replied that the warranty began when the motors were received. Mr. Quelle added that the motors would be installed immediately on receipt.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Timothy Griswold, Ad-Hoc Mid-Connecticut	X		
<b>Non Eligible Voters</b>			
NONE			

**RESOLUTION REGARDING AN AGREEMENT WITH ALTERNATIVE RESOURCES, INC. FOR SOLID WASTE CONSULTING 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 hereby authorized to enter into a contract with Alternative Resources, Inc. to perform solid waste consulting services, substantially as discussed and presented at this meeting.

Director Francis seconded the motion.

Mr. Kirk stated that ARI is one of the firms selected as part of a Request for Qualifications. Mr. Kirk explained that CRRA would use ARI on a time and material basis. Therefore, a dollar value for this contract is not yet determined.

Chairman O'Brien noted that the reason the term of the contract is only six months is that management plans to consolidate solid waste recycling and accounting finance services into other RFQ's so these would not be solicited as a separate items.

Chairman O'Brien noted that, on the recommendation of Vice-Chairman Cohn, this item is being categorized as a "personal service" to err on the side of caution.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

**RESOLUTION REGARDING AN AGREEMENT WITH GERSHMAN, BRICKNER AND BRATTON, INC. FOR SOLID WASTE CONSULTING 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 hereby authorized to enter into a contract with Gershman, Brickner & Bratton, Inc. to perform solid waste consulting services, substantially as discussed and presented at this meeting.

Director Martland seconded the motion.

Director O'Brien noted that the reasoning for this motion is essentially the same as the previous item.

The motion previously made and seconded was approved unanimously by roll call.

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

James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

**RESOLUTION REGARDING EXECUTION OF A GENERAL RELEASE OF ST. PAUL TRAVELERS COMPANIES, INC.**

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

**WHEREAS**, pursuant to the terms of an Assurance of Discontinuance between St. Paul Travelers Companies, Inc. and the Attorneys General of New York, Connecticut and Illinois, and a Stipulation with the Superintendent of Insurance of New York (the "Assurance"), the Authority is eligible to receive payments from the Excess Casualty Fund established by St. Paul Travelers; and

**WHEREAS**, in order to participate in the Fund, the Authority must execute and return the General Release prescribed by the Assurance by April 23, 2007; and

**WHEREAS**, the Board has reviewed the said General Release and determined that it is in the best interests of the Authority to execute the said Release, so as to participate in the Excess Casualty Fund as described therein;

**NOW, THEREFORE, IT IS RESOLVED:** That the President of the Authority is hereby authorized to execute and return the General Release required by the Assurance, as presented and discussed at this meeting, and to take all related actions in connection with said General Release necessary to participate in the Excess Casualty Fund as provided therein.

Director Martland seconded the motion.

Mr. Kirk explained that this motion is an acceptance of an insurance settlement brought on by Attorney Generals' suits against several insurance companies. Director Martland stated that these suits eventually have a negative impact on insurance premiums.

The motion previously made and seconded was approved unanimously by roll call.

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

Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

### **CHAIRMAN'S REPORT**

Chairman Pace noted that he received a copy of a letter sent by the Bridgeport Project towns to the Governor encouraging her to support the \$3 million funding for closing of the Shelton landfill. Chairman Pace informed the Board that he also would be sending the Governor a letter asking for her support. Chairman Pace noted that this funding would save the Bridgeport Project towns approximately \$7/ton.

Chairman Pace noted that he had been invited to sit on Speaker Jim Amann's task force for renewable energy. Chairman Pace asked Mr. Bzdyra to update the Board on the task force. Mr. Bzdyra stated the task force was formed in order to come up with solutions for the increasing cost of energy. Mr. Bzdyra said that recommendations have been put forth among the task force, and the goal is to get a consensus of the group so that the recommendations can be brought through the legislative process.

### **PRESIDENT'S REPORT**

Mr. Kirk stated that the Bridgeport Arbitration has been set for mid-January and noted that a counteroffer has not been received from Wheelabrator in response to CRRA's offer to settle prior to arbitration.

Mr. Kirk said that the Solid Waste Management Plan has not been finalized. Mr. Kirk indicated that CRRA will go ahead and begin planning for implementation of the Plan, as time is short. A legislative agenda was distributed to outline how CRRA will approach the legislature on various issues regarding the plan.

Regarding landfills, Mr. Kirk stated that he was hopeful that the \$3 million in bond money would be released for closure of the Shelton Landfill. Mr. Kirk stated that a conceptual agreement has been reached with the City of Hartford regarding the closure of the Hartford Landfill. The agreement allows CRRA to use the 3 to 1 slope in order to close the landfill in the preferred method.

Mr. Kirk indicated that the New Hartford case is proceeding and said that the plaintiffs have not yet rested their case. Mr. Kirk informed the Board that the case is proceeding well.

**EXECUTIVE SESSION**

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition and personnel matters with appropriate staff. The motion made by Director O'Brien and seconded by Director Francis was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

- Tom Kirk
- Jim Bolduc
- Laurie Hunt, Esq.
- William Bright, Esq. (Present until 11:20 a.m.)
- Richard Goldstein, Esq.
- Barry Zitser, Esq. (Present from 11:17 a.m. until 11:30 a.m.)

The Executive Session began at 10:26 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.

**RESOLUTION AUTHORIZING SETTLEMENT WITH MDC**

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 Settlement Agreement and Mutual Release and a First Amendment to Agreement with The Metropolitan District Commission, substantially on the terms presented and discussed at this meeting, and to take all actions and do all other things necessary to accomplish a settlement.

Director Cooper seconded the motion.

Director O'Brien stated that this had been discussed in Executive Session at length. Director O'Brien commended CRRA staff and attorneys for their diligence in this settlement.

The motion previously made and seconded was approved unanimously by roll call.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		

Raymond O'Brien	X		
Timothy Griswold, Ad-Hoc Mid-Connecticut	X		
<b>Non Eligible Voters</b>			
NONE			

**ADDITIONS TO THE AGENDA**

Chairman Pace requested a motion to add two items to the agenda. Director O'Brien made a motion to add consideration of a settlement with Greenwich and a settlement with Hartford to the agenda. The motion seconded by Director Martland was approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

**RESOLUTION REGARDING SETTLEMENT WITH GREENWICH**

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 of the Authority hereby approves the settlement of the matter of Connecticut Resources Recovery Authority et al. v. Town of Greenwich substantially on the terms presented and discussed at this meeting; and

**FURTHER RESOLVED:** That the President of the Authority is hereby authorized to execute all documents and to do all other things necessary to accomplish the proposed settlement.

Director Francis seconded the motion.

Mr. Gaffey explained that this settlement concludes a nearly 5-year long dispute with the Town of Greenwich. The settlement recovers material that had been diverted and includes

reimbursement to CRRA and SWEROC of all legal costs. It also provides damages to CRRA for the non-compliance and requires Greenwich to come into compliance immediately.

Attorney Zitser added that the settlement is consistent with the policy of the project that all acceptable recyclables under a town's control be brought to the intermediate processing center. Director Lauretti pointed out that this is an example of outstanding litigation that will benefit the Project.

Director O'Brien commended CRRA staff and attorneys for their diligence in this settlement. Attorney Zitser remarked that the judge hearing the case commended all parties for their civility during negotiations.

The motion previously made and seconded was approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
<b>Non Eligible Voters</b>			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

**RESOLUTION REGARDING A SETTLEMENT AGREEMENT WITH THE CITY OF HARTFORD**

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 settlement agreement with the City of Hartford regarding closure and post-closure matters associated with the Hartford landfill, substantially as discussed and presented at this meeting, and to do all other things reasonably necessary to accomplish the proposed settlement.

Director Francis seconded the motion.

Mr. Egan informed the Board that this settlement is the result of a long-standing dispute with the City of Hartford regarding responsibility for closing and post-closure expenses at the Hartford Landfill. The settlement agreement will provide benefits to the City of Hartford and the other 69 towns in the Mid-Connecticut Project by: 1) obtaining additional air space at the

landfill; 2) seeking funds from the bond commission for closure costs; 3) position the City and CRRA in better partnership.

The motion previously made and seconded was approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Timothy Griswold, Ad-Hoc Mid-Connecticut	X		
<b>Non Eligible Voters</b>			
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 Martland was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

- Tom Kirk
- Jim Bolduc
- Laurie Hunt, Esq.
- Richard Goldstein, Esq.

The Executive Session began at 12:19 p.m. and concluded at 12:55 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:55 p.m.

**RESOLUTION AUTHORIZING THE SETTLEMENT OF LITIGATION WITH HAWKINS, DELAFIELD & WOOD**

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

**WHEREAS**, the Connecticut Resources Recovery Authority (the “Authority”) has been duly established and constituted as a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, to carry out the purposes of Chapter 446e of the Connecticut General Statutes, Sections 22a-257 *et seq.*, as amended (the “Enabling Legislation”);

**WHEREAS**, the Attorney General of the State of Connecticut, on behalf of the State of Connecticut, under the duties and supervisory power granted under Connecticut General Statutes § 3-125, and on behalf of the State of Connecticut as attorney for CRRA under the supervisory power granted under Connecticut General Statutes § 22a-268c, commenced a lawsuit captioned *Connecticut Resources Recovery Authority v. Murtha Cullina, LLP, et al.*, Docket No. (X02) CV-02-0174569-S, pending in Connecticut Superior Court in the Complex Litigation Docket at Waterbury (the “Litigation”), alleging causes of action against Hawkins, Delafield & Wood (“HDW”) for breach of contract and negligence relating to legal services HDW provided to the Authority in connection with a transaction involving the Authority, Enron Power Marketing, Inc. (“EPMI”), EPMI’s parent, Enron Corporation and Connecticut Light & Power Company relating to the Mid-Connecticut System, a Waste Processing Facility and Power Block Facility operated by the Authority (the “Mid-Connecticut Project”);

**WHEREAS**, the Authority wishes to avoid the burden and expense of litigation in resolving the disputes between it and HDW by settling all claims in the Litigation as to HDW in accordance with the provisions of the attached Settlement Agreement;

**WHEREAS**, the Board of Directors of the Authority, having reviewed the attached Settlement Agreement, and on the advice of counsel, hereby recommends that settlement of the Litigation is in the best interests of the Authority;

**WHEREAS**, the Authority has full power and authority to enter into and perform its obligations under the Settlement Agreement in accordance with its terms; and

**WHEREAS**, the execution of the Settlement Agreement and the performance of the terms therein do not violate any of the provisions of the Enabling Legislation, any other statutes of the State of Connecticut, the Authority’s Bylaws, or any governmental rule or regulation applicable to the Authority.

**NOW THEREFORE BE IT:**

**RESOLVED**, that the President of the Authority is hereby authorized and directed to execute, deliver, and perform on behalf of this Authority, the attached Settlement Agreement with HDW.

Director Martland seconded the motion.

The motion previously made and seconded was approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Michael Cassella	X		
Benson Cohn	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		
<b>Non Eligible Voters</b>			
NONE			

**ADJOURNMENT**

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

There being no other business to discuss, the meeting was adjourned at 12:55 p.m.

Respectfully submitted,



Kristen B. Greig  
Secretary to the Board/Paralegal

**TAB 3**

**RESOLUTION REGARDING THE ADOPTION OF THE  
FISCAL YEAR 2008  
BRIDGEPORT PROJECT  
OPERATING & CAPITAL BUDGETS AND TIP FEE**

**RESOLVED:** That the fiscal year 2008 Bridgeport Project Budget be adopted substantially in the form as presented and discussed at this meeting and that a fiscal year 2008 member Tipping fee of \$76.00 per ton for the component of the fee based on actual deliveries and \$8.00 per ton for the portion of the fee based on minimum commitment tonnage be adopted.

**FURTHER RESOLVED:** That the fiscal year 2008 capital budget totaling \$847,000.00 be adopted as presented and discussed at this meeting

Fiscal Year 2008  
Bridgeport Project  
Operating & Capital Budgets

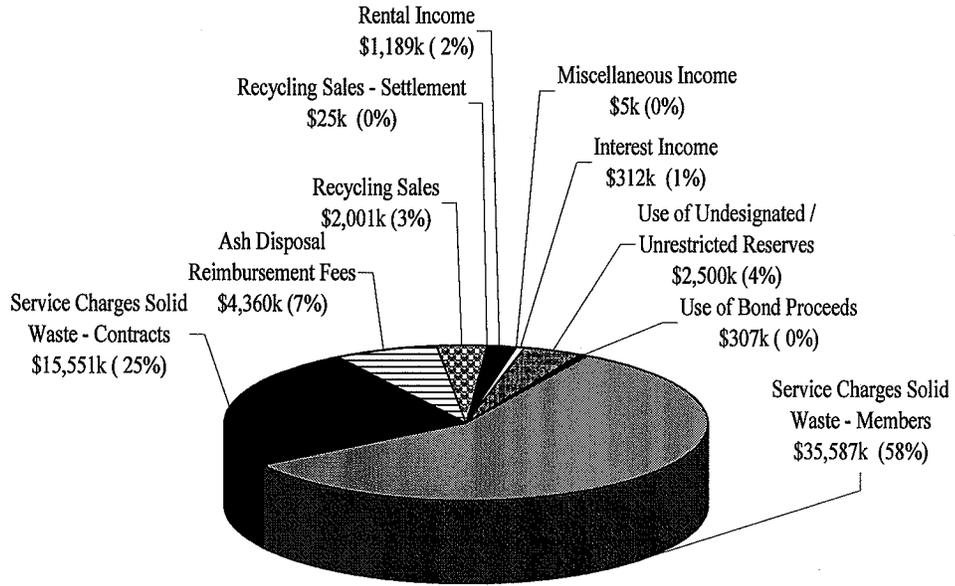
*January 25, 2007*

Attached are the proposed fiscal year 2008 operating budget, capital budget and tip fee for the Bridgeport Project. The Finance Committee voted to recommend that the attached resolution be presented to the Board of Directors for approval at their January 2007 meeting. The Southwestern Connecticut Regional Recycling Operating Committee (“SWEROC”) and the Solid Waste Advisory Board (“SWAB”) voted to approve the budget and tip fees at their respective meeting on January 17, 2007.

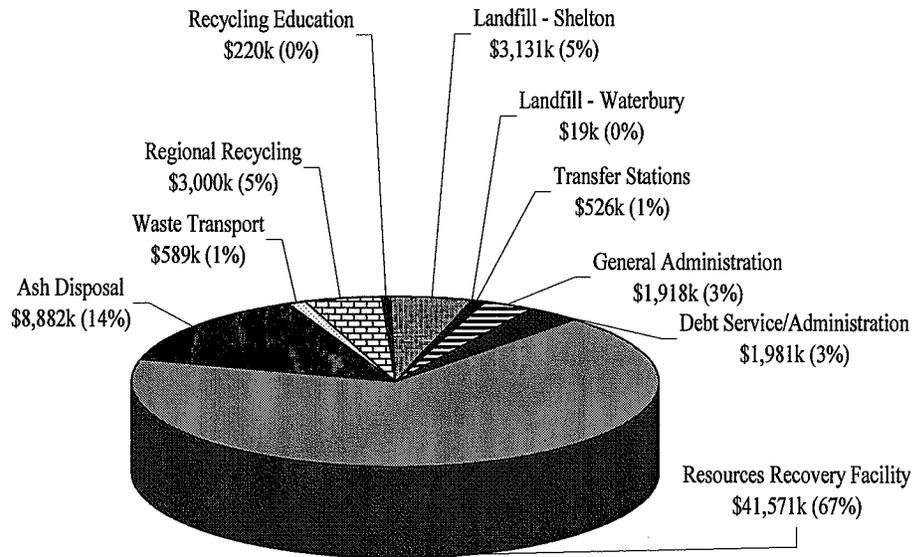
**EXECUTIVE SUMMARY**

- The FY08 proposed operating budget totaled \$61,837k, reflecting an increase of \$1,684 (3%) from the FY07 adopted budget primarily due to the increase in solid waste tipping fee.
- The FY08 proposed capital budget totaled \$847k, reflecting an increase of \$217k (34%) from the FY07 adopted budget.

## FY08 Proposed Bridgeport Project \$61,837k



### by Revenues



### by Expenditures

## FY08 PROPOSED OPERATING BUDGET

The table below shows the budget changes by revenue category.

Bridgeport Project Revenues (in \$000's)	Adopted	Proposed	Increase / Decrease	
	FY07 Budget	FY08 Budget	\$	%
Service Charges Solid Waste - Members	\$33,262	\$35,587	\$2,325	7%
Service Charges Solid Waste - Contracts	\$15,274	\$15,551	\$277	2%
Bulky Waste - Municipal	\$740	\$0	(\$740)	-100%
Ash Disposal Reimbursement Fees	\$4,280	\$4,360	\$80	2%
Recycling Sales	\$2,082	\$2,001	(\$81)	-4%
Recycling Sales - Settlement	\$50	\$25	(\$25)	-50%
Rental Income	\$1,186	\$1,189	\$3	0%
Permit Fees	\$10	\$0	(\$10)	-100%
Miscellaneous Income	\$5	\$5	\$0	0%
Interest Income	\$266	\$312	\$46	17%
Use of Undesignated / Unrestricted Reserves	\$2,998	\$2,500	(\$498)	-17%
Use of Bond Proceeds (DSRF)	\$0	\$307	\$307	100%
<b>TOTAL</b>	<b>\$60,153</b>	<b>\$61,837</b>	<b>\$1,684</b>	<b>3%</b>

### Service Charge Solid Waste – Members

The proposed member municipal solid waste tipping fee is \$76.00 per ton for the market component of the fee and \$8.00 per ton for the minimum commitment component of the tip fee. This represents an increase of \$2,325k or 7% in the overall tip fee from the fiscal year 2007.

### Service Charge Solid Waste – Contracts

Contracted tip fees are projected to increase by \$277k or 2% from the FY07 adopted budget due to higher than expected indices.

### Ash Disposal Reimbursement Fees

Reimbursement fees are projected to increase by \$80k or 2% from the FY07 adopted budget due to higher than expected indices.

### Recycling Sales

Recycling sales are projected to decrease by \$81k or 4% from the FY07 adopted budget due to lower tonnage estimates for FY08.

- The proposed member recycling tip fee is \$0.00 per ton.
- The recyclables market rate of \$37.50 is based upon the current trends of the recycling markets.
- The tonnages are based upon historical levels plus additional tons from Greenwich.

### Recycling Sales – Settlement

Recycling Sales-Settlement is projected to decrease by \$25k or 50% from the FY07 adopted budget. The proposed budget represents the remaining balance of the \$150k-settlement from the City of Stamford.

### Interest Income

Interest income is projected to increase by \$46k or 17% from the FY07 adopted budget based on assumption of investment earnings rate at 4.5%.

### Use of Undesignated / Unrestricted Reserves

Use of Undesignated/Unrestricted Reserves is projected to decrease by \$498k or 17% from the FY07 adopted budget due to lower amount of available SWAB funds.

### Use of Bond Proceeds

Refers to the use of Debt Service Reserve Fund (DSRF) related to Series 1999 and 2000. The final bond year for both series starts on January 2, 2008. The US Bank will allow the DSRF for Series 1999 to be applied to monthly debt service payments upon written request to the Trustee by the Authority while the DSRF for Series 2000 will be automatically applied to debt payments.

**The table below shows the budget changes by expenditure category.**

Bridgeport Project Expenditures (in \$000's)	Adopted	Proposed	Increase / Decrease	
	FY07 Budget	FY08 Budget	\$	%
General Administration	\$2,007	\$1,918	(\$89)	-4%
Debt Service/Administration	\$2,147	\$1,981	(\$166)	-8%
Resources Recovery Facility	\$39,705	\$41,571	\$1,866	5%
Ash Disposal	\$8,610	\$8,882	\$272	3%
Waste Transport	\$579	\$589	\$10	2%
Regional Recycling	\$2,892	\$3,000	\$108	4%
Recycling Education	\$215	\$220	\$5	2%
Landfill - Shelton	\$3,275	\$3,131	(\$144)	-4%
Landfill - Waterbury	\$237	\$19	(\$218)	-92%
Transfer Stations	\$486	\$526	\$40	8%
<b>TOTAL</b>	<b>\$60,153</b>	<b>\$61,837</b>	<b>\$1,684</b>	<b>3%</b>

### General Administration

General Administration is projected to decrease by \$89k or 4% from the FY07 adopted budget due to lower salaries and overhead allocations, partially offset by increases in other consulting and local administration.

### Resources Recovery Facility

Resources Recovery Facility is projected to increase by \$1,866k or 5% from the FY07 adopted budget due to increase in payment in lieu of taxes and increased contract operating charges.

### Ash Disposal

Ash hauling and disposal costs are projected to increase by \$272k or 3% from the FY07 adopted budget due to higher than expected indices.

### Regional Recycling

Regional Recycling is projected to increase by \$108k or 4% from the FY07 adopted budget driven by increases in electronics recycling, other consulting, and construction at Stratford IPC.

### Landfill - Shelton

Landfill – Shelton is projected to decrease by \$144k or 4% from the FY07 adopted budget primarily driven by decreases in construction and engineering costs.

The post-closure estimate for the Shelton landfill includes insurance coverage for the landfill for the next 25 years.

### Landfill - Waterbury

Landfill – Waterbury is projected to decrease by \$218k or 92% from the FY07 adopted budget since the landfill is not expected to be in operation in FY08.

### Transfer Stations

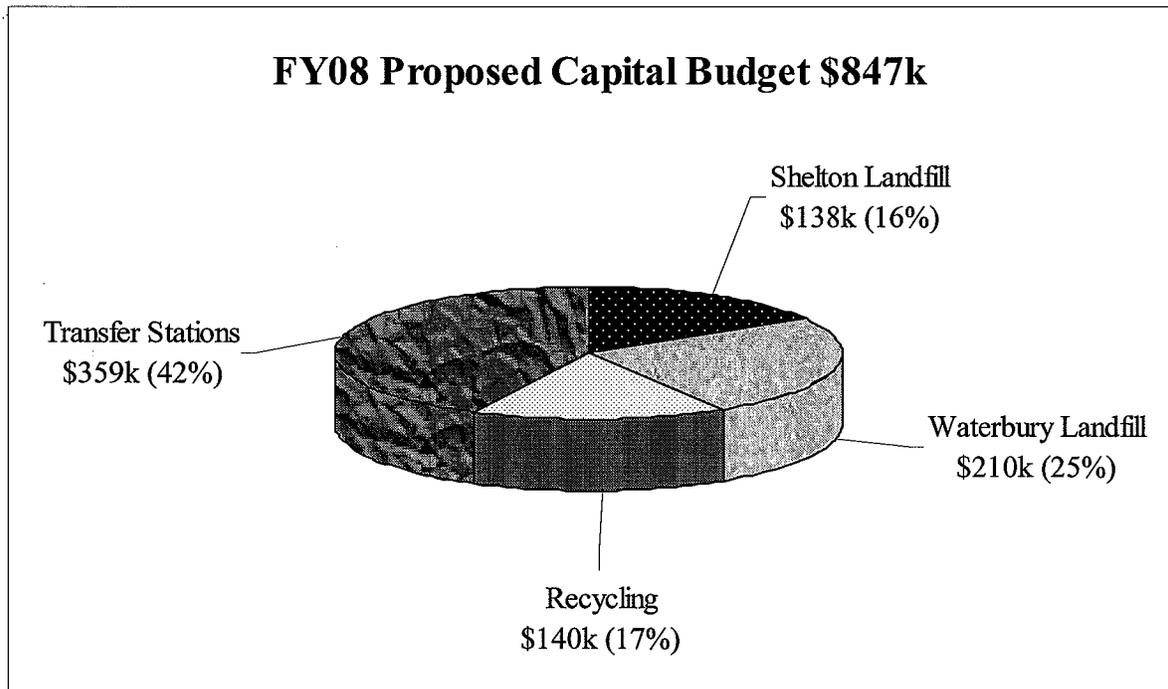
Transfer Stations are projected to increase by \$40k or 8% from the FY07 adopted budget primarily driven by increases in construction in Darien, Norwalk, and Westport transfer stations.

## **FY08 PROPOSED CAPITAL BUDGET**

The FY08 proposed capital budget of \$847k reflects an increase of \$217k (34%) from the FY07 adopted budget primarily driven by various improvements in the transfer stations.

The major capital projects scheduled for FY08 are as follows:

- construction of above ground leachate storage tank at the Shelton landfill;
- engineering and other costs related to the closure of the Waterbury landfill;
- various construction and repair works at the Stratford IPC; and
- roof repairs, paving and other improvements at the 8 transfer stations



# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## ASSUMPTIONS

	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>Pricing Summary</b>	<u>Municipal Solid Waste (MSW)</u>			
	Member Town Tip Fee	\$65.70	\$70.00	\$76.00
	Member Town Minimum Commitment Charge	\$8.00	\$8.00	\$8.00
	Orange Tip Fee	\$62.96	\$66.98	\$72.66
	Bethany Tip Fee	\$74.54	\$80.01	\$76.00
	East Haven / Woodbridge Tip Fee	\$74.58	\$79.68	\$76.00
	Bridgeport Tip Fee	\$62.02	\$65.78	\$71.66
	Waste Mgmt Tip Fee (Contract Tier 1)	\$62.45	\$63.90	\$65.30
	Waste Mgmt Tip Fee (Contract Tier 2)	\$61.52	\$62.90	\$64.30
	Commercial Haulers Tip Fee (Contract)	\$69.00	\$69.00	\$72.00
	Stamford Tip Fee (Contract)	\$62.62	<u>\$65.15</u>	<u>\$66.45</u>
	Average Contract Tip Fee	\$63.96	\$64.88	\$66.74
	CRRA Projects Diversion Tip Fee	\$66.00	\$67.50	\$68.50
	<u>Recyclables</u>			
	Member Town Tip Fee	\$0.00	\$0.00	\$0.00
Stamford/N. Canaan Tip Fee	\$0.56	\$0.00	\$0.00	
<u>Bulky Waste</u>				
Bulky Waste Disposal Fee	n/a	Market Price	n/a	
<b>Tonnage Summary</b>	<u>Municipal Solid Waste (MSW)</u>			
	Member	417,753	<u>420,000</u>	<u>420,000</u>
	Waste Mgmt (Contract Tier 1)	125,000	125,000	125,000
	Waste Mgmt (Contract Tier 2)	124	0	0
	Commercial Haulers (Contract)	37,551	25,000	38,000
	Stamford (Contract)	67,157	<u>75,000</u>	<u>70,000</u>
	Total Contract	229,832	225,000	233,000
	CRRA Project Diversions	765	10,000	0
	Total Project MSW	648,349	655,000	653,000
	Company Spot	125,698	65,000	67,000
	Total MSW Processed	728,553	720,000	720,000
	Orange MSW	5,903	6,000	6,000
	Bethany MSW	1,688	1,500	1,500
	East Haven MSW	13,865	14,000	14,000
	Woodbridge MSW	3,787	3,500	3,500
	Bridgeport Municipal MSW	68,747	70,000	70,000
	Weston MSW	5,641	5,500	5,500
	Wilton MSW	9,538	9,500	9,500
	<u>Recyclables</u>			
	Member	45,943	48,000	47,000
	Stamford/N. Canaan	8,117	8,000	8,000
	FCR	5,544	6,000	6,000
	Total Recyclables	59,604	62,000	61,000
<u>Bulky Waste</u>				
Contract	n/a	20,000	0	

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## ASSUMPTIONS

	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>Ash Residue</b>	Ash Rate (% of MSW Processed)	23.9%	24.0%	24.0%
	Total Ash Generation	173,979	172,800	172,800
	Ash Hauling Rate	\$15.46	\$16.96	\$17.38
	Ash Disposal Rate	\$30.85	\$32.87	\$34.02
	Ash Disposal Reimbursement Fee 0 - 207,192 Tons	\$25.36	\$24.77	\$25.23
	Ash Residue Fee 207,193 - 282,584	\$27.89	\$27.25	\$27.76
<b>Other Operating</b>	<u>Municipal Solid Waste (MSW)</u>			
	RESCO Per Ton Processing Fee	\$61.12	\$59.71	\$60.83
	Orange Per Ton Municipal Subsidy	\$4.11	\$4.19	\$4.27
	Weston Per Ton Hauling Subsidy	\$9.78	\$10.56	\$11.40
	Wilton Per Ton Hauling Subsidy	\$11.50	\$14.50	\$14.86
	Wilton & Weston Per Ton Municipal Subsidy	\$4.46	\$4.54	\$4.63
	Norwalk Per Ton Municipal Subsidy	\$1.49	\$1.51	\$1.54
	<u>Recyclables</u>			
	Per Ton Revenue Share (50% Sharing)	\$40.92	\$37.50	\$37.50
	Per Ton Processing Fee	\$37.39	\$38.12	\$38.83
	Facility Rent (Monthly)	\$51,195.90	\$52,198.00	\$53,176.00
	Equipment Rent (Monthly)	\$41,159.00	\$41,159.00	\$41,159.00
	Per Ton Fee (Percentage Rent)	\$9.18	\$9.36	\$9.54
	Residue Rate	2.64%	3.00%	3.00%
	<u>Bulky Waste</u>			
	Contractor cubic yard operating fee	n/a	\$7.33	n/a
<b>Miscellaneous</b>	Inflation Escalator	5.69%	2.50%	3.50%
	Contract Escalator 75% of Inflation Estimate	4.26%	1.88%	2.63%

n/a = Not Applicable

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## REVENUE & EXPENDITURE SUMMARY

### REVENUES

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
34-001-000-40101	Service Charges Solid Waste - Members	\$31,280,047	\$33,262,000	\$35,587,000
34-001-000-40102	Service Charges Solid Waste - Contracts	\$14,680,498	\$15,274,000	\$15,551,000
34-001-000-41101	Bulky Waste - Municipal	\$0	\$740,000	\$0
34-001-000-41105	Ash Disposal Reimbursement Fees	\$4,229,440	\$4,280,000	\$4,360,000
34-001-000-42101	Recycling Sales	\$2,439,054	\$2,082,000	\$2,001,000
34-208-000-42101	Recycling Sales - Settlement	\$75,000	\$50,000	\$25,000
34-001-000-45101	Rental Income	\$1,171,767	\$1,186,000	\$1,189,000
34-001-000-45103	Permit Fees	\$18,200	\$10,000	\$0
34-001-000-45150	Miscellaneous Income	\$5,234	\$5,000	\$5,000
34-001-000-46101	Interest Income	\$343,289	\$266,000	\$312,000
34-001-000-48201	Use of Undesignated / Unrestricted Reserves	\$0	\$2,998,000	\$2,500,000
34-001-000-48202	Use of Bond Proceeds (DSRF)	\$0	\$0	\$307,000
34-318-000-48401	Use of Board Designated Reserves (1)	\$22,999	\$0	\$0
	<b>Total Revenues</b>	<b>\$54,265,528</b>	<b>\$60,153,000</b>	<b>\$61,837,000</b>

### EXPENDITURES

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
34-001-501-xxxxx	General Administration	\$1,871,682	\$2,007,000	\$1,918,000
34-001-502-xxxxx	Debt Service/Administration	\$2,302,719	\$2,147,000	\$1,981,000
34-001-503-xxxxx	Resources Recovery Facility	\$35,196,757	\$39,705,000	\$41,571,000
34-001-504-xxxxx	Ash Disposal	\$8,218,639	\$8,610,000	\$8,882,000
34-001-505-xxxxx	Waste Transport	\$544,224	\$579,000	\$589,000
34-001-506-xxxxx	Regional Recycling	\$2,575,732	\$2,892,000	\$3,000,000
34-001-508-xxxxx	Recycling Education	\$210,000	\$215,000	\$220,000
34-001-701-xxxxx	Landfill - Shelton	\$1,650,887	\$3,275,000	\$3,131,000
34-001-702-xxxxx	Landfill - Waterbury	\$814,565	\$237,000	\$19,000
34-001-7xx-xxxxx	Transfer Stations	\$368,091	\$486,000	\$526,000
	<b>Total Expenditures</b>	<b>\$53,753,295</b>	<b>\$60,153,000</b>	<b>\$61,837,000</b>
	<b>Balance</b>	<b>\$512,233</b>	<b>\$0</b>	<b>\$0</b>

(1) Shelton Landfill Future Use Reserve

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>GENERAL ADMINISTRATION</b>				
34-001-501-52101	Postage & Delivery Fees	\$270	\$2,000	\$500
34-001-501-52104	Telephone & Pagers	\$4,452	\$8,000	\$6,000
34-001-501-52106	Copier	\$159	\$1,000	\$500
34-001-501-52108	Duplication and Printing	(\$1,165)	\$1,000	\$1,000
34-001-501-52115	Advertising	\$3,650	\$4,000	\$4,000
34-001-501-52202	Office Supplies	\$81	\$1,000	\$1,000
34-001-501-52302	Miscellaneous Expenses	(\$100)	\$0	\$0
34-001-501-52305	Business Meetings and Travel	\$300	\$1,000	\$1,000
34-001-501-52355	Mileage Reimbursement	\$6,015	\$5,000	\$7,000
34-001-501-52505	Claims/Losses	\$74,350	\$0	\$0
34-001-501-52602	Bad Debt Expense	\$0	\$5,000	\$5,000
34-001-501-52604	Rental / Lease	\$1,129	\$0	\$0
34-001-501-52856	Legal	\$954,576	\$750,000	\$750,000
34-001-501-52859	Financial	\$31,744	\$0	\$0
34-001-501-52875	Insurance, Consulting and Brokerage Services	\$13,546	\$16,000	\$15,000
34-001-501-52899	Other Consulting	\$500	\$0	\$50,000
34-001-501-54482	Computer Hardware	\$835	\$0	\$0
34-001-501-57820	Local Administration	\$26,731	\$151,000	\$200,000
34-001-501-57840	Allocation-Salaries	\$433,976	\$580,000	\$475,000
34-001-501-57850	Allocation-Overhead	\$320,633	\$482,000	\$402,000
	<b>Subtotal</b>	<b>\$1,871,682</b>	<b>\$2,007,000</b>	<b>\$1,918,000</b> -4.4%
<b>DEBT SERVICE/ADMINISTRATION</b>				
34-001-502-55517	Interest - 1999 Guaranteed Borrowing	\$121,175	\$83,000	\$47,000
34-001-502-55535	Interest - 00 Series A	\$214,292	\$148,000	\$89,000
34-001-502-55560	Principal - 1999 Guaranteed Borrowing	\$724,583	\$718,000	\$640,000
34-001-502-55560	Principal - 00 Series	\$1,230,833	\$1,183,000	\$1,190,000
34-001-502-55585	Trustee Fees	\$11,835	\$15,000	\$15,000
	<b>Subtotal</b>	<b>\$2,302,719</b>	<b>\$2,147,000</b>	<b>\$1,981,000</b> -7.7%

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>RESOURCES RECOVERY FACILITY</b>				
34-001-503-52502	Fees/Licenses/Permits	\$0	\$5,000	\$5,000
34-001-503-52506	Solid Waste Tax Assesment (Dioxin Tax)	\$898,943	\$983,000	\$980,000
34-001-503-52507	Payment in Lieu of Taxes	\$2,410,312	\$2,471,000	\$2,675,000
34-001-503-52640	Insurance	\$216,302	\$227,000	\$233,000
34-001-503-52701	Contract Operating Charges	\$31,671,200	\$36,019,000	\$37,678,000
	<b>Subtotal</b>	<b>\$35,196,757</b>	<b>\$39,705,000</b>	<b>\$41,571,000</b> 4.7%
<b>ASH DISPOSAL</b>				
34-001-504-52706	Contract Hauling-Ash	\$2,689,399	\$2,930,000	\$3,003,000
34-001-504-52711	Disposal Fees-Ash	\$5,529,240	\$5,680,000	\$5,879,000
	<b>Subtotal</b>	<b>\$8,218,639</b>	<b>\$8,610,000</b>	<b>\$8,882,000</b> 3.2%
<b>WASTE TRANSPORT</b>				
34-001-505-52509	Transfer/Transport Subsidies	\$544,224	\$579,000	\$589,000
	<b>Subtotal</b>	<b>\$544,224</b>	<b>\$579,000</b>	<b>\$589,000</b> 1.7%
<b>REGIONAL RECYCLING</b>				
34-001-506-52104	Telephone & Pagers	\$1,482	\$6,000	\$2,000
34-001-506-52115	Advertising	\$11,204	\$10,000	\$15,000
34-001-506-52302	Miscellaneous Expenses	\$293	\$0	\$0
34-001-506-52404	Building Operations	\$65,067	\$100,000	\$80,000
34-001-506-52409	Other Repairs and Maintenance	\$0	\$23,000	\$15,000
34-001-506-52415	Grounds Maintenance	\$2,750	\$5,000	\$4,500
34-001-506-52502	Fees/Licenses/Permits	\$290	\$3,600	\$500
34-001-506-52505	Claims / Losses	\$0	\$800	\$1,000
34-001-506-52617	Electronic Recycling	\$7,968	\$30,000	\$80,000
34-001-506-52660	Recycling Capital Reserve	\$0	\$40,600	\$21,000
34-001-506-52701	Contract Operating Charges	\$2,022,856	\$2,144,000	\$2,145,000
34-001-506-52710	Disposal Fees-Solid Waste	\$78,867	\$111,000	\$111,000
34-001-506-52858	Engineering	\$8,547	\$20,000	\$25,000
34-001-506-52899	Other Consulting	\$6,330	\$0	\$14,000
34-001-506-53304	Electricity	\$29,226	\$35,000	\$42,000
34-001-506-53309	Other Utilities	\$18,364	\$23,000	\$28,000
34-001-506-54491	Other Equipment	\$14,363	\$0	\$0
34-001-506-56605	Construction	\$65,497	\$60,000	\$115,000
34-001-506-57820	Local Administration	\$16,425	\$17,000	\$38,000
34-001-506-57840	Allocation-Salaries	\$130,425	\$143,000	\$143,000
34-001-506-57850	Allocation-Overhead	\$95,778	\$120,000	\$120,000
	<b>Subtotal</b>	<b>\$2,575,732</b>	<b>\$2,892,000</b>	<b>\$3,000,000</b> 3.7%
<b>RECYCLING EDUCATION</b>				
34-001-508-57821	Education Expenses	\$210,000	\$215,000	\$220,000
	<b>Subtotal</b>	<b>\$210,000</b>	<b>\$215,000</b>	<b>\$220,000</b>

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>LANDFILL - SHELTON</b>				
34-001-701-52104	Telephone & Pagers	\$3,465	\$4,000	\$4,000
34-001-701-52302	Miscellaneous Services	\$0	\$2,000	\$0
34-001-701-52404	Building Operations	\$1,109	\$2,500	\$2,500
34-001-701-52407	Project Equipment Maintenance	\$12,850	\$56,000	\$55,000
34-001-701-52415	Grounds Maintenance	\$50,587	\$102,000	\$80,000
34-001-701-52502	Fees/Licenses/Permits	\$33,038	\$34,000	\$34,000
34-403-701-52647	Future Use Reserve	\$279,000	\$0	\$0
34-001-701-52650	Post Closure Reserve	\$1,000,000	\$2,400,000	\$2,400,000
34-001-701-52701	Contract Operating Charges	\$99,633	\$156,000	\$156,000
34-001-701-52709	Other Operating Charges	\$510	\$5,000	\$5,000
34-001-701-52858	Engineering	\$25,011	\$75,500	\$38,000
34-001-701-52901	Environmental Testing	\$92,457	\$139,000	\$150,000
34-001-701-53304	Electricity	\$19,552	\$32,500	\$32,500
34-001-701-53309	Other Utilities	\$4,291	\$13,500	\$13,500
34-001-701-55582	Letter of Credit Fees	\$6,385	\$7,000	\$7,000
34-001-701-56605	Construction	\$0	\$225,000	\$100,000
34-001-701-56669	Future Use Reserve	\$22,999	\$0	\$0
34-001-701-58001	Contingency	\$0	\$21,000	\$53,500
	<b>Subtotal</b>	<b>\$1,650,887</b>	<b>\$3,275,000</b>	<b>\$3,131,000</b> -4.4%
<b>LANDFILL - WATERBURY</b>				
34-001-702-52104	Telephone & Pagers	\$0	\$1,000	\$1,000
34-001-702-52302	Miscellaneous Services	\$0	\$10,000	\$3,000
34-001-702-52502	Fees/Licenses/Permits	\$0	\$3,000	\$3,000
34-001-702-52701	Contract Operating Charges	\$0	\$147,000	\$0
34-001-702-52650	Post Closure Reserve	\$400,000	\$40,000	\$0
34-001-702-52670	Closure Reserve	\$400,000	\$0	\$0
34-001-702-52858	Engineering	\$8,500	\$20,000	\$5,000
34-001-702-52901	Environmental Testing	\$6,065	\$15,000	\$6,000
34-001-702-55585	Trustee Fees	\$0	\$1,000	\$1,000
	<b>Subtotal</b>	<b>\$814,565</b>	<b>\$237,000</b>	<b>\$19,000</b> -92.0%
<b>TRANSFER STATIONS</b>				
34-001-xxx-52404	Building Operations	\$0	\$7,000	\$5,000
34-001-xxx-52502	Fees/Licenses/Permits	\$875	\$27,000	\$27,000
34-001-xxx-52508	Municipal Subsidy	\$14,929	\$20,000	\$20,000
34-001-xxx-52858	Engineering	\$19,699	\$19,000	\$11,000
34-001-xxx-52901	Environmental Testing	\$106,069	\$107,000	\$115,000
34-001-xxx-56605	Construction	\$226,519	\$306,000	\$348,000
	<b>Subtotal</b>	<b>\$368,091</b>	<b>\$486,000</b>	<b>\$526,000</b> 8.2%

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>TRANSFER STATION - DARIEN</b>				
34-001-710-52502	Fees/Licenses/Permits	\$125	\$3,000	\$3,000
34-001-710-52858	Engineering	\$2,748	\$2,000	\$1,000
34-001-710-52901	Environmental Testing	\$15,695	\$15,000	\$16,000
34-001-710-56605-	Construction	\$17,323	\$20,000	\$55,000
	<b>Subtotal</b>	<b>\$35,891</b>	<b>\$40,000</b>	<b>\$75,000</b> 87.5%
<b>TRANSFER STATION - FAIRFIELD</b>				
34-001-711-52404	Building Operations	\$0	\$7,000	\$0
34-001-711-52502	Fees/Licenses/Permits	\$125	\$3,000	\$3,000
34-001-711-52858	Engineering	\$11,455	\$10,000	\$1,000
34-001-711-52901	Environmental Testing	\$11,904	\$15,000	\$16,000
34-001-711-56605	Construction	\$25,590	\$104,000	\$65,000
	<b>Subtotal</b>	<b>\$49,074</b>	<b>\$139,000</b>	<b>\$85,000</b> -38.8%
<b>TRANSFER STATION - GREENWICH</b>				
34-001-712-52502	Fees/Licenses/Permits	\$125	\$6,000	\$6,000
34-001-712-52858	Engineering	\$0	\$1,000	\$1,000
34-001-712-52901	Environmental Testing	\$15,694	\$15,000	\$16,000
34-001-712-56605	Construction	\$70,686	\$27,000	\$23,000
	<b>Subtotal</b>	<b>\$86,505</b>	<b>\$49,000</b>	<b>\$46,000</b> -6.1%
<b>TRANSFER STATION - MILFORD</b>				
34-001-713-52502	Fees/Licenses/Permits	\$125	\$5,000	\$5,000
34-001-713-52858	Engineering	\$0	\$1,000	\$3,000
34-001-713-52901	Environmental Testing	\$15,694	\$15,000	\$16,000
34-001-713-56605	Construction	\$33,991	\$31,000	\$23,000
	<b>Subtotal</b>	<b>\$49,810</b>	<b>\$52,000</b>	<b>\$47,000</b> -9.6%

# CRRA / SWAB / SWEROC - BRIDGEPORT PROJECT

## EXPENDITURE DETAIL

ACCOUNT	DESCRIPTION	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>TRANSFER STATION - NORWALK</b>				
34-001-714-52502	Fees/Licenses/Permits	\$125	\$3,000	\$3,000
34-001-714-52508	Municipal Subsidy	\$14,929	\$20,000	\$20,000
34-001-714-52858	Engineering	\$0	\$1,000	\$1,000
34-001-714-52901	Environmental Testing	\$15,694	\$15,000	\$16,000
34-001-714-56605	Construction	\$54,373	\$44,000	\$81,000
	<b>Subtotal</b>	<b>\$85,121</b>	<b>\$83,000</b>	<b>\$121,000</b> 45.8%
<b>TRANSFER STATION - SHELTON</b>				
34-001-715-52404	Building Operations	\$0	\$0	\$5,000
34-001-715-52502	Fees/Licenses/Permits	\$0	\$1,000	\$1,000
34-001-715-52901	Environmental Testing	\$0	\$2,000	\$3,000
34-001-715-56605	Construction	\$1,295	\$6,000	\$6,000
	<b>Subtotal</b>	<b>\$1,295</b>	<b>\$9,000</b>	<b>\$15,000</b> 66.7%
<b>TRANSFER STATION - TRUMBULL</b>				
34-001-716-52502	Fees/Licenses/Permits	\$125	\$3,000	\$3,000
34-001-716-52858	Engineering	\$2,748	\$2,000	\$2,000
34-001-716-52901	Environmental Testing	\$15,694	\$15,000	\$16,000
34-001-716-56605	Construction	\$11,972	\$50,000	\$54,000
	<b>Subtotal</b>	<b>\$30,539</b>	<b>\$70,000</b>	<b>\$75,000</b> 7.1%
<b>TRANSFER STATION - WESTPORT</b>				
34-001-717-52502	Fees/Licenses/Permits	\$125	\$3,000	\$3,000
34-001-717-52858	Engineering	\$2,748	\$2,000	\$2,000
34-001-717-52901	Environmental Testing	\$15,694	\$15,000	\$16,000
34-001-717-56605	Construction	\$11,289	\$24,000	\$41,000
	<b>Subtotal</b>	<b>\$29,856</b>	<b>\$44,000</b>	<b>\$62,000</b> 40.9%
	<b>Total Transfer Stations</b>	<b>\$368,091</b>	<b>\$486,000</b>	<b>\$526,000</b> 8.2%

## BRIDGEPORT PROJECT

### WORKING CAPITAL & RESERVE BALANCES

#### Restricted

<i>Account</i>	<i>Actual</i>	<i>Projected</i>		
	<i>6/30/2006</i>	<i>6/30/2007</i>	<i>6/30/2008</i>	<i>12/31/2008</i>
Shelton LF Future Use (1)	\$792,006	\$792,006	\$792,006	\$359,006
Subtotal	\$792,006	\$792,006	\$792,006	\$359,006

#### Unrestricted

<i>Account</i>	<i>Actual</i>	<i>Projected</i>		
	<i>6/30/2006</i>	<i>6/30/2007</i>	<i>6/30/2008</i>	<i>12/31/2008</i>
Operating Account (2)	\$6,303,154	\$2,805,000	\$305,000	\$305,000
Shelton LF Postclosure (3)	\$4,977,496	\$7,377,496	\$9,777,496	\$11,777,496
Waterbury LF Closure (4)	\$730,884	\$516,000	\$500,000	\$0
Waterbury LF Postclosure (3)	\$408,982	\$650,000	\$650,000	\$650,000
Recycling Capital Reserve (5)	\$94,407	\$135,407	\$176,407	\$176,407
Subtotal	\$12,514,923	\$11,483,903	\$11,408,903	\$12,908,903
Total	\$13,306,929	\$12,275,909	\$12,200,909	\$13,267,909

- (1) Required by DEP permit / consent order.
- (2) Working Capital to be used for future tip fee stabilization.
- (3) Required by Permit and to meet the financial assurance test.
- (4) Required to cover the costs associated with capping the landfill.
- (5) Board designated reserve funded from the net settlements from East Haven and Stamford.

**TAB 4**

**RESOLUTION REGARDING THE ADOPTION OF THE  
FISCAL YEAR 2008  
WALLINGFORD PROJECT  
OPERATING BUDGET, TIP FEES AND CAPITAL BUDGET**

**RESOLVED:** That the fiscal year 2008 Wallingford Project operating budget be adopted substantially in the form as presented and discussed at this meeting.

**FURTHER RESOLVED:** That a fiscal year 2008 municipal solid waste tip fee of \$59.00 per ton be adopted for contracted member waste and a fiscal year 2008 municipal solid waste tip fee of \$69.00 per ton be adopted for non-contracted member waste.

**FURTHER RESOLVED:** That the fiscal year 2008 capital budget totaling \$682,000.00 be adopted as presented and discussed at this meeting.

Fiscal Year 2008  
Wallingford Project  
Proposed Operating & Capital Budgets

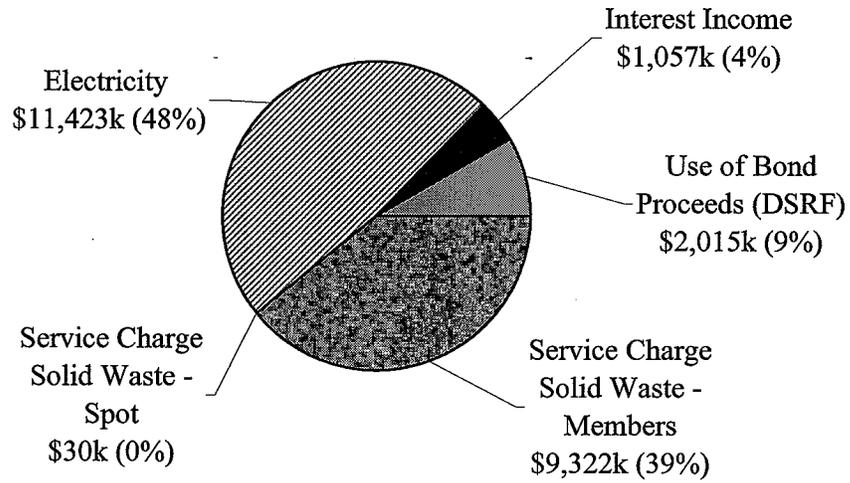
*January 25, 2007*

Attached are the proposed fiscal year 2008 Wallingford Project operating budget, tip fees, and capital budget. The Finance Committee voted to recommend that the attached resolution be presented to the Board of Directors for approval at their January 2007 meeting. The Wallingford Policy Board unanimously approved the attached resolution at their January 9, 2007 meeting.

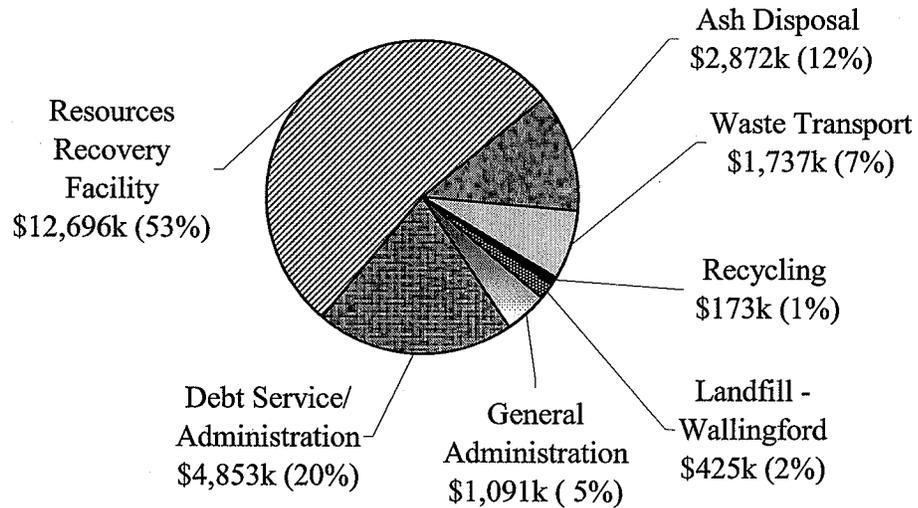
**EXECUTIVE SUMMARY**

- The FY08 proposed operating budget totaled \$23,847k, reflecting an increase of \$431k (2%) from the FY07 adopted budget primarily due to the use of bond proceeds and increases in deliveries and interest income, partially offset by a decrease in electricity generation.
- The FY08 proposed capital budget totaled \$682k, reflecting an increase of \$262k (62%) from the FY07 adopted budget.
- Spot deliveries are projected at 500 tons. The fee is \$59.00 per ton.
- Use of bond proceeds refers to the use of Debt Service Reserve Fund (DSRF) related to Series 1998. The final bond year starts on November 16, 2007, and the US Bank will allow the DSRF to be applied to monthly debt service payments upon written request of the Authority to the Trustee.

## FY08 Proposed Wallingford Project \$23,847k



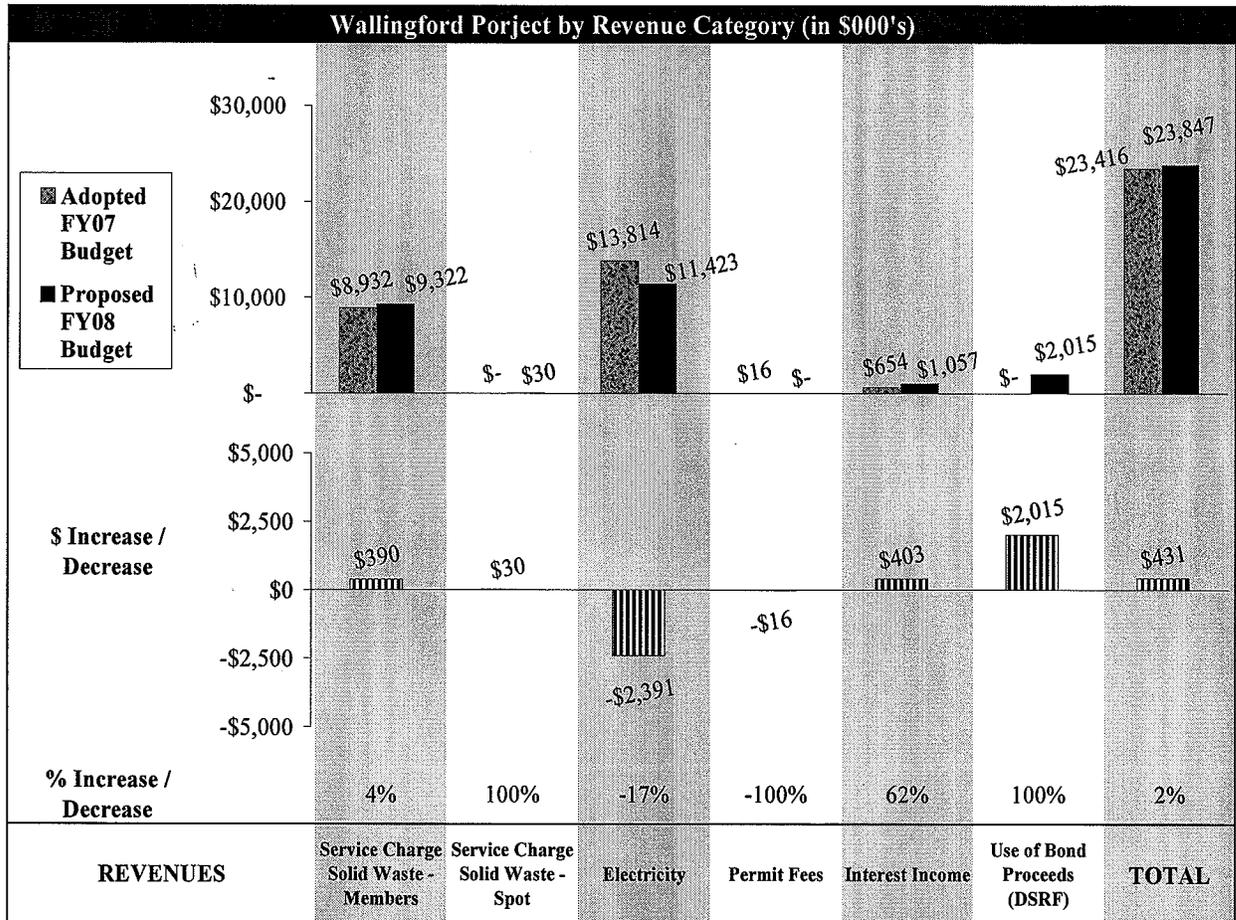
### by Revenues



### by Expenditures

## FY08 PROPOSED OPERATING BUDGET

The table below shows the budget changes by revenue category.



### Service Charge Solid Waste – Members (Increase of \$390k or 4%)

The proposed municipal solid waste tip fee for contract member waste is \$59.00 per ton which reflects a \$1 increase over the FY07 adopted budget and the tip fee for non-contracted member waste is \$69.00 per ton.

### Electricity (Decrease of \$2,391k or 17%)

Electricity generation is projected to be lower than the FY07 adopted budget due to a decrease in tonnage and rate.

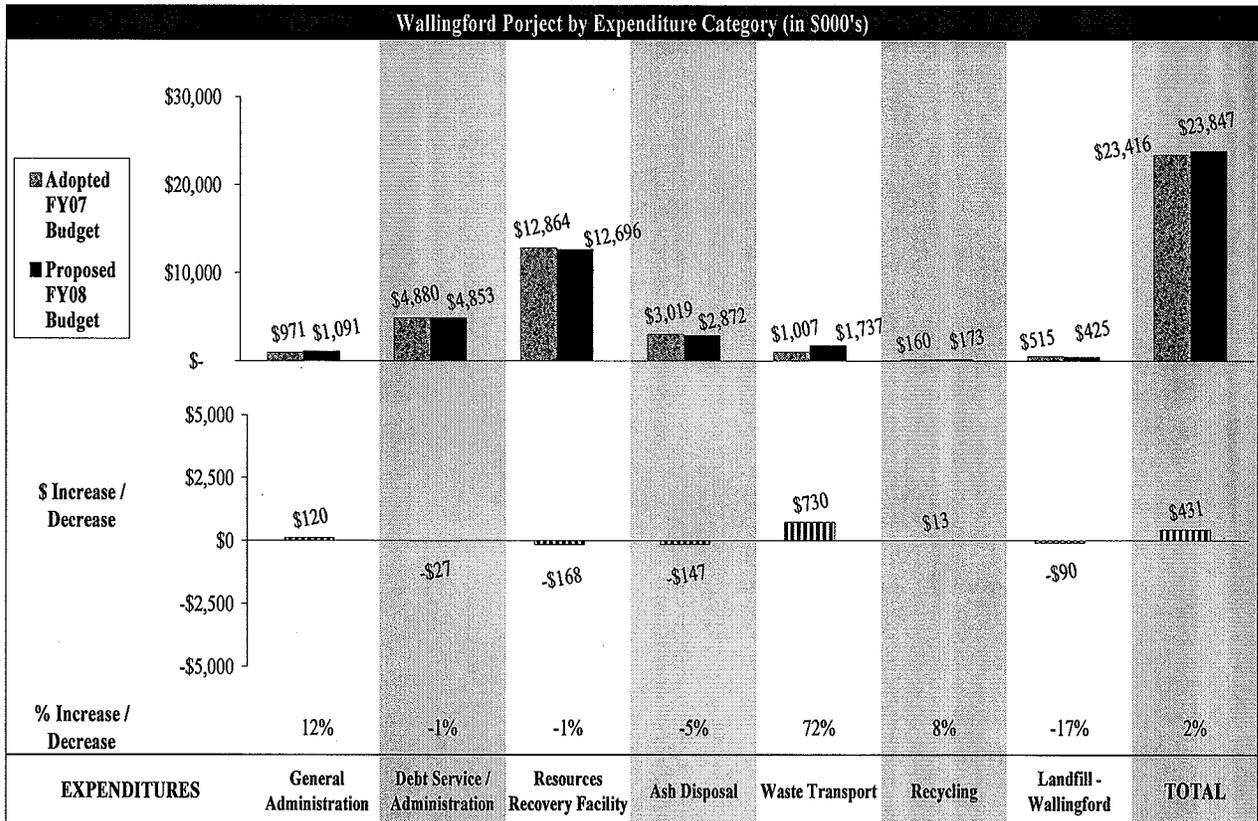
### Interest Income (Increase of \$403k or 62%)

Assumes an annual interest rate of 4.5%

Use of Bond Proceeds

The final bond year for Series 1998 starts on November 16, 2007. Consequently, the Trustee may grant permission to use the Debt Service Reserve Fund (DSRF) for monthly debt service payments upon written request of the Authority.

The table below shows the budget changes by expenditure category.



General Administration (Increase of \$120k or 12%)

Operating expenses are projected to be higher than the FY07 adopted budget due to increases in legal fees, salaries and overhead allocations, partially offset by a decrease in other consulting services.

Resources Recovery Facility (Decrease of \$168k or 1%)

Future Planning Reserve Contribution is projected to be lower than the FY07 adopted budget by \$329k or 8%.

Ash Disposal (Decrease of \$147k or 5%)

Ash generation is projected to be lower than the FY07 adopted budget as a result of the implementation of the fly ash system.

**Waste Transport (Increase of \$730k or 72%)**

Waste transport costs are projected to be higher than the FY07 adopted budget due to a significant increase in out-of-state export tonnage (an increase of 9k tons) and operating transfer fee at \$11.10 per ton (an increase of \$0.35 per ton), partially offset by projected decreases in in-state diversion tonnage (a decrease of 3k tons).

**Recycling (Increase of \$13k or 8%)**

Recycling is projected to be higher than FY07 adopted budget due to increase in public awareness for recycling.

**Landfill – Wallingford (Decrease of \$90k or 70%)**

Wallingford Landfill expenses are projected to be lower than FY07 adopted budget due to decrease in construction costs.

**FY08 PROPOSED CAPITAL BUDGET**

The table below shows the capital budget (in \$000's) for FY08 thru FY10.

Capital Expenditure Details	FY06 Actual			FY07 Adopted			FY08 Proposed				FY09 Projected		FY10 Projected	
	Eng	Const	Total	Const	Equip	Total	Eng	Const	Misc	Total	Const	Total	Const	Total
<b>Resource Recovery Facility</b>														
Fly Ash Conditioning System		68	68											
General Plant Improvements				50	50	100	25	100		125	50	50		
Combustor Enclosure Replacement				60		60								
Semi-portable Electronic Truck Scale		59	59											
Lab Testing	1		1											
Consulting Services	10		10											
<b>Subtotal Resource Recovery Facility</b>	<b>11</b>	<b>127</b>	<b>138</b>	<b>110</b>	<b>50</b>	<b>160</b>	<b>25</b>	<b>100</b>	<b>0</b>	<b>125</b>	<b>50</b>	<b>50</b>	<b>0</b>	<b>0</b>
<b>Landfill</b>														
Road Improvements; Landsurface Repair - 52901				40		40		40		40				
Miscellaneous	3		3	100		100	47			47	50	50	50	50
Barberino Building Demolition Fencing								120		120				
Install 2300' of Chain Link Fence / Brush Clearing				92	28	120								
<b>Subtotal Landfill</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>232</b>	<b>28</b>	<b>260</b>	<b>47</b>	<b>160</b>	<b>0</b>	<b>207</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Post Contract Projects</b>														
Wallingford TS Final Design & Bidding									100	100				
Other projects									250	250				
<b>Subtotal Post Contract Projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>350</b>	<b>350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Capital Expenditure</b>	<b>14</b>	<b>127</b>	<b>141</b>	<b>342</b>	<b>78</b>	<b>420</b>	<b>72</b>	<b>260</b>	<b>350</b>	<b>682</b>	<b>100</b>	<b>100</b>	<b>50</b>	<b>50</b>

# CRRA - WALLINGFORD PROJECT

ASSUMPTIONS		ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>Tip Fees</b>	Municipal Tip Fee	\$57.00	\$58.00	\$59.00
	Spot Tip Fee	\$57.00	n/a	\$59.00
<b>Power Production</b>	Kwh/ton of MSW Processed	443	450	450
	Total KWH Produced	61,787,865	66,150,000	65,250,000
	Vendor Guarantee (VG) -	48,000,000	48,000,000	48,000,000
	KWH Over VG	13,787,865	18,150,000	17,250,000
	Average Rate / Kwh	\$0.2327	\$0.2346	\$0.1958
<b>Delivery/Processing</b>	Total Member MSW Tons	161,137	162,000	163,000
	Member MSW Tons to Plant	156,345	154,000	158,000
	Non-Member MSW Tons	411	0	500
	Total MSW Tons to Plant	156,756	154,000	158,500
	MSW Processed	139,559	147,000	145,000
<b>Ash Residue</b>	Ash Residue Rate	33.60%	29.00%	27.00%
	Ash Tons	46,896	42,630	39,150
	Ash Disposal Fee	\$38.94	\$40.82	\$41.92
	Ash Hauling Fee	\$23.60	\$30.00	\$31.45
<b>Operating Fees</b>	Annual Operating Fee (AOF)	\$52.76	\$53.43	\$55.26
	AOF-Additional Service Fee	\$10.75	\$11.01	\$11.37
	AOF-Transfer Fee	\$10.50	\$10.75	\$11.10
<b>Waste Transportation</b>				
<b>Metals</b>	Tons Removed	51	78	61
	Total Loads	17	28	21
	Rate Per Load	\$125.00	\$135.00	\$140.00
<b>Bulky Waste / NPW</b>	Tons Removed	209	331	251
	Total Loads	50	78	60
	Rate Per Load	\$125.00	\$135.00	\$140.00
	Rate Per Ton	\$75.00	\$75.00	\$75.00
<b>Residential Drop Off</b>	Tons Delivered	2,725	2,805	2,900
	Total Loads	1,288	1,290	1,350
	Rate Per Load	\$47.50	\$48.93	\$50.40
<b>Diversion / Exports</b>	Out-of-State Export Tonnage	16,951	7,000	16,000
	Rate Per Ton	\$78.42	\$90.00	\$83.50
	In State Diversion Tonnage	4,792	8,000	5,000
	Rate Per Ton (1)	\$22.00	\$25.00	\$25.00
<b>Miscellaneous</b>	Inflation Estimate	3.62%	2.50%	3.50%

(1) Represents the difference between the per ton fee paid by the hauler and the actual disposal rate.  
n/a = Not used in calculation of budget.

# CRRA - WALLINGFORD PROJECT

## REVENUE AND EXPENDITURE SUMMARY

### REVENUES

Account	Description	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
71-001-000-40101	Service Charge Solid Waste - Members	\$8,907,424	\$8,932,000	\$9,322,000
71-001-000-40103	Service Charge Solid Waste - Spot	\$23,528	\$0	\$30,000
71-001-000-43101	Electricity	\$13,096,429	\$13,814,000	\$11,423,000
71-001-000-45150	Miscellaneous Income	\$84,046	\$0	\$0
71-001-000-45103	Permit Fees	\$9,725	\$16,000	\$0
71-001-000-45102	Fines	\$20,850	\$0	\$0
71-001-000-46101	Interest Income	\$1,035,144	\$654,000	\$1,057,000
71-001-000-48202	Use of Bond Proceeds (DSRF)	\$0	\$0	\$2,015,000
	<b>Total Revenues</b>	<b>\$23,177,146</b>	<b>\$23,416,000</b>	<b>\$23,847,000</b>

### EXPENDITURES

Account	Description	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
71-001-501-xxxxx	General Administration	\$732,839	\$971,000	\$1,091,000
71-001-502-xxxxx	Debt Service / Administration	\$4,843,332	\$4,880,000	\$4,853,000
71-001-503-xxxxx	Resources Recovery Facility	\$11,587,749	\$12,864,000	\$12,696,000
71-001-504-xxxxx	Ash Disposal	\$2,931,151	\$3,019,000	\$2,872,000
71-001-505-xxxxx	Waste Transport	\$1,680,239	\$1,007,000	\$1,737,000
71-001-506-xxxxx	Recycling	\$49,236	\$160,000	\$173,000
71-001-801-xxxxx	Landfill - Wallingford	\$113,510	\$515,000	\$425,000
	<b>Total Expenditures</b>	<b>\$21,938,056</b>	<b>\$23,416,000</b>	<b>\$23,847,000</b>
	<b>Balance</b>	<b>\$1,239,090</b>	<b>\$0</b>	<b>\$0</b>

DSRF = Debt Service Reserve Fund

# CRRA - WALLINGFORD PROJECT

## EXPENDITURE DETAIL

Account	Description	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>GENERAL ADMINISTRATION</b>				
71-001-501-52104	Telephone & Pagers	\$451	\$500	\$500
71-001-501-52115	Advertising	\$3,507	\$1,000	\$4,000
71-001-501-52302	Miscellaneous Services	\$13	\$10,000	\$0
71-001-501-52305	Business Meetings & Travel	\$0	\$500	\$500
71-001-501-52355	Mileage Reimbursement	\$355	\$1,000	\$1,000
71-001-501-52404	Building Operations	\$1,141	\$5,000	\$18,000
71-001-501-52415	Grounds Maintenance	\$497	\$5,000	\$5,000
71-001-501-52602	Bad Debt Expense	\$0	\$5,000	\$5,000
71-001-501-52856	Legal	\$61,018	\$125,000	\$300,000
71-001-501-52863	Auditor	\$0	\$5,000	\$5,000
71-001-501-52875	Insurance Broker	\$15,905	\$19,000	\$19,000
71-001-501-52899	Other Consulting Services	\$15,900	\$100,000	\$0
71-001-501-53304	Electricity	\$4,656	\$4,000	\$5,000
71-001-501-57820	Local Administration	\$49,298	\$50,000	\$53,000
71-001-501-57840	Allocation-Salaries	\$330,825	\$348,000	\$363,000
71-001-501-57850	Allocation-Overhead	\$249,273	\$292,000	\$312,000
	<b>Subtotal</b>	<b>\$732,839</b>	<b>\$971,000</b>	<b>\$1,091,000</b> 12.4%
<b>DEBT SERVICE/ADMINISTRATION</b>				
71-001-502-52856	Legal	\$0	\$5,000	\$5,000
71-001-502-52859	Financial	\$750	\$0	\$1,000
71-001-502-55527	Interest - 98 Series A	\$597,274	\$429,000	\$254,000
71-001-502-55560	Principal - 98 Series A	\$4,238,125	\$4,406,000	\$4,583,000
71-001-502-55585	Trustee Fees	\$7,183	\$40,000	\$10,000
	<b>Subtotal</b>	<b>\$4,843,332</b>	<b>\$4,880,000</b>	<b>\$4,853,000</b> -0.6%

# CRRA - WALLINGFORD PROJECT

## EXPENDITURE DETAIL

Account	Description	ACTUAL FY06	ADOPTED FY07	PROPOSED FY08
<b>RESOURCES RECOVERY FACILITY</b>				
71-001-503-52415	Grounds Maintenance	\$713	\$0	\$0
71-001-503-52502	Fees/Licenses	\$0	\$5,000	\$5,000
71-001-503-52506	Solid Waste Assessment (Dioxin Tax)	\$295,008	\$221,000	\$218,000
71-001-503-52507	Payments in Lieu of Taxes	\$1,241,516	\$1,273,000	\$1,375,000
71-001-503-52640	Insurance Premiums	\$232,426	\$386,000	\$294,000
71-001-503-52647	Future Planning Reserve Contribution	\$2,805,000	\$3,873,000	\$3,544,000
71-001-503-52701	Contract Operating Charges	\$6,877,463	\$6,921,000	\$7,135,000
71-001-503-52858	Engineering	\$8,546	\$25,000	\$25,000
71-001-503-56605	Construction	\$127,077	\$160,000	\$100,000
	<b>Subtotal</b>	<b>\$11,587,749</b>	<b>\$12,864,000</b>	<b>\$12,696,000</b> -1.3%
<b>ASH DISPOSAL</b>				
71-001-504-52706	Contract Hauling - Ash	\$1,105,857	\$1,279,000	\$1,231,000
71-001-504-52711	Disposal Fees - Ash	\$1,825,294	\$1,740,000	\$1,641,000
	<b>Subtotal</b>	<b>\$2,931,151</b>	<b>\$3,019,000</b>	<b>\$2,872,000</b> -4.9%
<b>WASTE TRANSPORT</b>				
71-001-505-52704	Transfer Fees	\$177,992	\$75,000	\$178,000
71-001-505-52705	Metals/Non-Processibles Hauling	\$7,815	\$39,000	\$30,000
71-001-505-52707	Contract Hauling - Other	\$63,191	\$63,000	\$68,000
71-001-505-52710	Disposal Fees (Export / Diversion)	\$1,431,241	\$830,000	\$1,461,000
	<b>Subtotal</b>	<b>\$1,680,239</b>	<b>\$1,007,000</b>	<b>\$1,737,000</b> 72.5%
<b>RECYCLING</b>				
71-001-506-52115	Advertising	\$7,289	\$5,000	\$10,000
71-001-506-52119	Public Education	\$0	\$100,000	\$100,000
71-001-506-52302	Miscellaneous Services	\$2,596	\$10,000	\$13,000
71-001-506-52617	Electronics Collections	\$39,351	\$45,000	\$50,000
	<b>Subtotal</b>	<b>\$49,236</b>	<b>\$160,000</b>	<b>\$173,000</b> 8.1%
<b>LANDFILL - WALLINGFORD</b>				
71-001-801-52302	Miscellaneous Services	\$0	\$6,000	\$6,000
71-001-801-52415	Grounds Maintenance	\$28,649	\$50,000	\$30,000
71-001-801-52502	Fees/Licenses/Permits	\$0	\$19,500	\$16,000
71-001-801-52709	Other Operating Charges	\$0	\$3,000	\$3,000
71-001-801-52858	Engineering	\$3,209	\$30,000	\$47,000
71-001-801-52901	Environmental Testing	\$81,652	\$146,500	\$163,000
71-001-801-56605	Construction	\$0	\$260,000	\$160,000
	<b>Subtotal</b>	<b>\$113,510</b>	<b>\$515,000</b>	<b>\$425,000</b> -17.5%

# WALLINGFORD PROJECT

## WORKING CAPITAL & RESERVE BALANCES

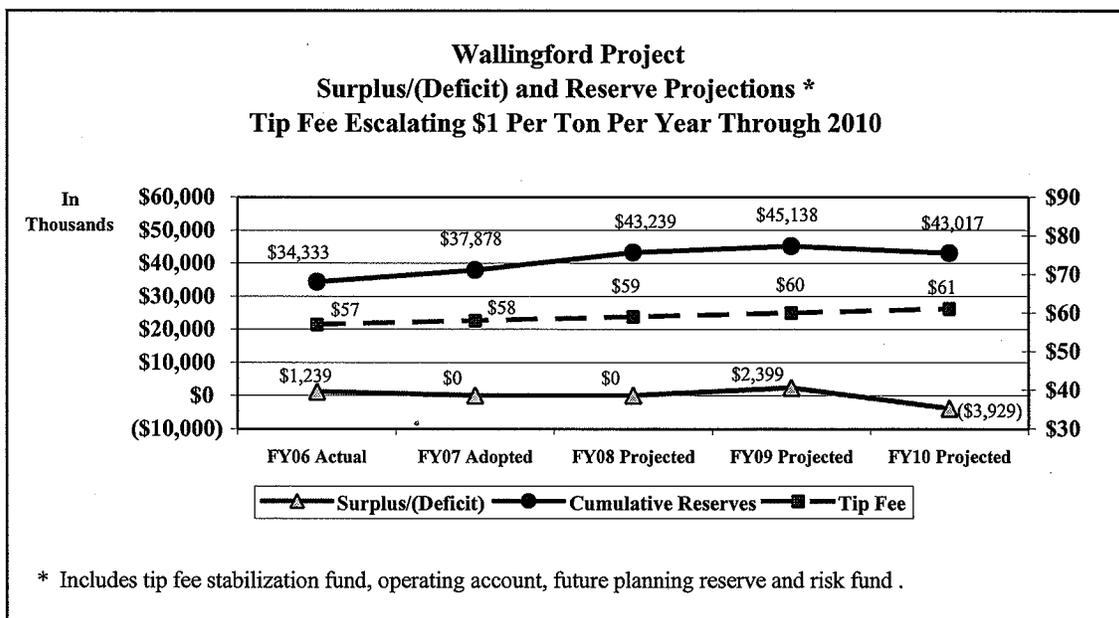
### Working Capital

Account	Actual 6/30/2006	Projected 6/30/2007	Projected 6/30/2008	Projected 6/30/2009	Projected 6/30/2010
Tip Fee Stabilization Fund (1)	\$14,480,515	\$13,132,000	\$13,723,000	\$14,341,000	\$10,881,000
Operating Account (2)	\$16,000,135	\$16,720,000	\$17,472,000	\$18,258,000	\$19,080,000
Future Planning Reserve (5)	\$2,805,000	\$6,979,000	\$10,997,000	\$11,492,000	\$12,009,000
Subtotal	\$33,285,650	\$36,831,000	\$42,192,000	\$44,091,000	\$41,970,000

### Reserves

Account	Actual 6/30/2006	Projected 6/30/2007	Projected 6/30/2008	Projected 6/30/2009	Projected 6/30/2010
Risk Fund (3)	\$1,047,107	\$1,047,000	\$1,047,000	\$1,047,000	\$1,047,000
WA Landfill Postclosure (4)	\$6,739,986	\$8,937,000	\$9,138,000	\$9,549,000	\$9,979,000
Subtotal	\$7,787,093	\$9,984,000	\$10,185,000	\$10,596,000	\$11,026,000
<b>Total</b>	<b>\$41,072,743</b>	<b>\$46,815,000</b>	<b>\$52,377,000</b>	<b>\$54,687,000</b>	<b>\$52,996,000</b>
Available For Tip Fees	\$33,285,650	\$36,831,000	\$42,192,000	\$44,091,000	\$41,970,000

- (1) Continue to maintain balance to cover costs associated with the existing project.
- (2) Working Capital and member town funds.
- (3) Fund being maintained as defined by reserve purpose.
- (4) Fund being maintained as defined by reserve purpose.
- (5) Fund established to cover post project costs.



**TAB 5**

**RESOLUTION REGARDING EXTENSION OF THE  
ELLINGTON LANDFILL GAS SYSTEM O&M CONTRACT**

**RESOLVED:** That the President is hereby authorized to extend by one year the contract term with SCS-Field Services for operation and maintenance of the Ellington Landfill Gas Collection and Control System, substantially as discussed and presented at this meeting.

# **Connecticut Resources Recovery Authority**

## **Contract for**

### **O&M of Gas Collection and Control System – Ellington Landfill**

Presented to the CRRRA Board on: January 25, 2007

Vendor/ Contractor(s): SCS-Field Services

Effective date: July 1, 2004

Contract Type/Subject matter: Three-Year Operation and Maintenance Agreement

Facility (ies) Affected: Ellington Landfill

Original Contract: 054113

Term: July 1, 2004 - June 30, 2007

Contract Dollar Value: Original contract amount for routine services was \$19,517, \$19,898 and \$20,285 for FY05, FY06 and FY07, respectively. Requested extension for FY08 is for \$20,919.

Amendment(s): Not applicable

Term Extensions: One year: July 1, 2007 – June 30, 2008

Scope of Services: To operate and maintain the Ellington Landfill gas collection and control system

Other Pertinent Provisions: Non-routine and emergency services are billed according to the payment rate schedule, found in the original contract, which contains rates for each year of the contract and any extensions.

# **Connecticut Resources Recovery Authority**

## **Ellington Landfill O&M Contract For Landfill Gas Collection & Control System**

*January 25, 2006*

### **Executive summary**

This is to request approval for a one-year extension to the contract with SCS-Field Services for the operation and maintenance of the Ellington Landfill gas collection and control system.

### **Discussion**

In May of 2004, the CRRA Board of Directors approved a contract for SCS-Field Services (SCS-FS) to operate and maintain the gas collection and control system at the Ellington Landfill. This is a three-year contract that is set to expire at the end of FY2007, but which included provisions for two three-year extensions. CRRA Management would like to extend this contract for a period of one year, from July 1, 2007 through June 30, 2008.

The operation and maintenance of a landfill's gas system is a complicated task requiring a familiarity with the idiosyncrasies of the landfill and its equipment, knowledge of the recent history of the site, and a responsive staff that exercises good judgment, communication and follow-through. There is typically a learning curve of at least several months, during which CRRA Environmental Services staff must closely oversee and monitor the performance of a new group to assure that all regulatory and permit conditions are met. CRRA staff has worked with SCS-FS to educate them about the sensitivity of the neighboring residents to landfill operations. CRRA staff spent significant time reviewing SCS-FS invoices to minimize expenses. CRRA staff has made SCS-FS staff and management aware that a coordinated effort at both Shelton Landfill and Ellington Landfill can result in better operation of both systems at a reduced cost to CRRA. SCS-FS personnel have developed an understanding not only of the rudiments of gas system operation at the Ellington landfill, but of CRRA's desired approach to minimizing non-routine maintenance and emergency call-outs. CRRA has built an understanding with SCS-FS management on cost control, billing and reporting. This can be demonstrated simply by looking at the cost of non-routine service over the life of the contract. The first year of the contract, non-routine service cost \$63,434. The second year of the contract, non-routine service cost \$31,876.

It is worth noting that although there were seven firms participating in the pre-bid site walk of this landfill, only three firms bid on the work at Ellington. CRRA staff does not believe the Authority would find a better price for comparable service at this time. First, the contract was bid in 2004 when fuel prices were significantly lower than they are now. Given that all of the

work for this contract must be done by technicians who must drive to and from the site, it is likely that the dramatic increase in fuel prices since 2004 would drive up the bid prices. Second, CRRA staff is familiar with the limited number of landfill operation contractors in New England. It is quite likely that the prospective bidders from 2004 would be the same group who would be asked to bid on new work in 2007, and only three out of seven of these firms bid in 2004. Finally, the second-lowest bid received in 2004 was for more than 30% higher than the winning bid. It would seem to be a foregone conclusion that bid prices from a new Request for Bids would be higher than the cost of a one-year extension. CRRA staff recommends retaining SCS-FS for an additional year of service prior to conducting another formal RFB.

**Financial Summary**

SCS-FS’s original bid contained pricing for several extensions of the contract. A one-year extension at Ellington Landfill would cost \$20,919, compared to the previous year’s cost of \$20,285. This can be compared to the other bids received in 2004. The table below compares the costs in the SCS-FS contract with those bids. Note that the LEA bid was not submitted by the published deadline and the Handex bid was non-conforming to CRRA’s bid specification.

**Ellington Landfill**

	SCS-FS Contract	LEA Bid	Handex Bid
Year 1	\$19,517	\$98,100	\$25,400
Year 2	\$19,898	\$101,050	\$25,440
Year 3	\$20,285	\$104,100	\$25,440
One-year renewal	\$20,919	\$107,200	\$26,457

The cost to operate and maintain the gas system has two components. First is the routine component. This covers the regular inspection and adjustment of the wellfield and flare system. In 2004, the bidders were asked to bid a fixed price for the routine component of the work and to quote hourly rates for personnel who would perform non-routine or emergency work. The contract was awarded to the bidder whose bid for routine services was lowest.

In addition to the \$20,919 charge for routine O&M, CRRA staff expects that the non-routine O&M charges for the Ellington landfill will not exceed \$49,000, as specified in the FY08 budget.

Accordingly, the non-routine cost estimates presented below are projected estimated costs based on past expenditures, and are included for approval with this resolution as not-to-exceed costs.

July 1, 2007 – June 30, 2008

Routine Services:		\$ 20,919
Non-Routine Services:	Not to exceed	\$ 49,000

**TAB 6**

**RESOLUTION REGARDING EXTENSION OF THE  
SHELTON LANDFILL GAS SYSTEM O&M CONTRACT**

**RESOLVED:** That the President is hereby authorized to extend by one year the contract term with SCS-Field Services for operation and maintenance of the Shelton Landfill Gas Collection and Control System, substantially as discussed and presented at this meeting.

# **Connecticut Resources Recovery Authority**

## **Contract for**

### **O&M of Gas Collection and Control System – Shelton Landfill**

Presented to the CRRRA Board on: January 25, 2007

Vendor/ Contractor(s): SCS-Field Services

Effective date: July 1, 2004

Contract Type/Subject matter: Three-Year Operation and Maintenance Agreement

Facility (ies) Affected: Shelton Landfill

Original Contract: 053400

Term: July 1, 2004 - June 30, 2007

Contract Dollar Value: Original contract amount for routine services was \$53,637, \$54,687 and \$55,758 for FY05, FY06 and FY07, respectively. Requested extension for FY08 is for \$57,463.

Amendment(s): Not applicable

Term Extensions: One year: July 1, 2007 – June 30, 2008

Scope of Services: To operate and maintain the Shelton Landfill gas collection and control system

Other Pertinent Provisions: Non-routine and emergency services are billed according to the payment rate schedule, found in the original contract, which contains rates for each year of the contract and any extensions.

# Connecticut Resources Recovery Authority

## Shelton Landfill O&M Contract For Landfill Gas Collection & Control System

*January 25, 2007*

### **Executive summary**

This is to request approval for a one-year extension to the contract with SCS-Field Services for the operation and maintenance of the Shelton Landfill gas collection and control system.

### **Discussion**

In May of 2004, the CRRA Board of Directors approved a contract for SCS-Field Services (SCS-FS) to operate and maintain the gas collection and control system at the Shelton Landfill. This is a three-year contract that is set to expire at the end of FY2007, but which included provisions for two three-year extensions. CRRA Management would like to extend this contract for a period of one year, from July 1, 2007 through June 30, 2008.

The operation and maintenance of a landfill's gas system is a complicated task requiring a familiarity with the idiosyncrasies of the landfill and its equipment, knowledge of the recent history of the site, and a responsive staff that exercises good judgment, communication and follow-through. There is typically a learning curve of at least several months, during which CRRA Environmental Services staff must closely oversee and monitor the performance of a new group to assure that all regulatory and permit conditions are met. CRRA staff has worked with SCS-FS to educate them about the sensitivity of the neighboring businesses and residents to landfill operations. CRRA staff spent significant time reviewing SCS-FS invoices to minimize expenses. CRRA staff has made SCS-FS staff and management aware that a coordinated effort at both Shelton Landfill and Ellington Landfill can result in better operation of both systems at a reduced cost to CRRA. SCS-FS personnel have developed an understanding not only of the rudiments of gas system operation at the Shelton landfill, but of CRRA's desired approach to minimizing non-routine maintenance and emergency call-outs. CRRA has built an understanding with SCS-FS management on cost control, billing and reporting. This can be demonstrated simply by looking at the cost of non-routine service over the life of the contract. The first year of the contract, non-routine service cost \$69,137. The second year of the contract, non-routine service cost \$44,946.

It is worth noting that although there were seven firms participating in the pre-bid site walk of this landfill, only two firms bid on the work at Shelton. CRRA staff does not believe the Authority would find a better price for comparable service at this time. First, the contract was bid

in 2004 when fuel prices were significantly lower than they are now. Given that all of the work for this contract must be done by technicians who must drive to and from the site, it is likely that the dramatic increase in fuel prices since 2004 would drive up the bid prices. Second, CRRA staff is familiar with the limited number of landfill operation contractors in New England. It is quite likely that the prospective bidders from 2004 would be the same group who would be asked to bid on new work in 2007, and only two out of seven of these firms bid in 2004. Finally, the second-lowest bid received in 2004 was for more than three times as much as the winning bid. It would seem to be a foregone conclusion that bid prices from a new Request for Bids would be higher than the cost of a one-year extension. CRRA management recommends retaining SCS-FS for an additional year of service prior to conducting another formal RFB.

**Financial Summary**

SCS-FS’s original bid contained pricing for several extensions of the contract. A one-year extension of SCS-FS’s contract at Shelton Landfill would cost \$57,463, compared to the previous year’s cost of \$55,758. This can be compared to the other bid received in 2004. The table below compares the costs in the SCS-FS contract with that bid. Note that the LEA bid was not submitted by the published deadline.

Shelton Landfill

	SCS-FS Contract	LEA Bid
Year 1	\$53,637	\$165,000
Year 2	\$54,687	\$170,600
Year 3	\$55,758	\$175,700
One-year renewal	\$57,463	\$181,000

The cost to operate and maintain the gas system has two components. First is the routine component. This covers the regular inspection and adjustment of the wellfield and flare system. In 2004, the bidders were asked to bid a fixed price for the routine component of the work and to quote hourly rates for personnel who would perform non-routine or emergency work. The contract was awarded to the bidder whose bid for routine services was lowest.

In the contemplated one-year contract extension, the charge for routine O&M is \$57,463. The FY08 budget for non-routine operation of the Shelton Landfill gas system is \$100,000. This figure includes a contingency of \$50,000 in the event that landfill gas quality was to suddenly decrease and a large quantity of “assist gas” was to be required to support combustion. While the FY08 budget provides for this eventuality, CRRA management expects that the non-routine O&M charges for the Shelton landfill likely will not exceed \$50,000.

Accordingly, the non-routine cost estimates presented below are projected estimated costs based on past expenditures, and are included for approval with this resolution as not-to-exceed costs.

July 1, 2007 – June 30, 2008

Routine Services:		\$ 57,463
Non-Routine Services:	Not to exceed	\$ 50,000

**TAB 7**

**RESOLUTION REGARDING REQUEST FOR  
SERVICES FOR PUBLIC RELATIONS SERVICES  
ASSOCIATED WITH LANDFILL SITING  
INITIATIVE**

**RESOLVED:** That the President is hereby authorized to approve a Request for Services with Cubitt Jacobs & Prosek Communications for services associated with a landfill siting initiative substantially as presented and discussed at this meeting.

# Connecticut Resources Recovery Authority

## Summary for RFS entitled

### CRRA Landfill Siting Initiative Public Relations Services

Presented to the CRRA Board on:	January 25, 2007
Vendor/ Contractor(s):	Cubitt Jacobs & Prosek Communications
Effective date:	January 25, 2007
Contract Type/Subject matter:	Three Year Services Agreement for Public Relations Services
Facility(ies) Affected:	Mid-Connecticut Project
Original Contract:	January 1, 2006
RFS Dollar Value:	\$130,000
Scope of Services:	Development of public relations strategy and tactics to facilitate siting of new ash landfill.

# **RFS for Landfill Siting Initiative Public Relations**

*January 25, 2007*

## **Executive Summary**

CRRA is attempting to site a new ash landfill to receive ash residue produced at the Mid-Connecticut Project trash-to-energy facility. A firm with which CRRA has a Public Relations Services Agreement, Cubitt Jacobs & Prosek Communications, has particular expertise in the area of potentially controversial land development projects and, based on its experience, has developed a plan to help CRRA manage the public relations aspects of this initiative.

The plan will include analysis of potential host communities, identification of potential supporters, development of public relations and media relations materials including press releases, op-ed pieces, brochures and a Web site, as well as helping CRRA develop presentations for use in its appearances before local government officials, including land-use agencies.

This is to request approval of the CRRA Board of Directors for the President to approve a Request for Services for the delivery of these services. Because the value of this RFS is greater than the \$50,000 threshold set forth in Section 5.9 of CRRA's "Procurement Policies and Procedures" Board approval is required.

## **Discussion**

CRRA's "Procurement Policies and Procedures" requires that under this contract any RFS in excess of \$50,000 over the original contract price shall be prior authorized only by the two-thirds (2/3) vote of the full Board.

Cubitt Jacobs & Prosek Communications was one of two firms selected to receive Public Relations Services Agreements after CRRA issued a Request for Qualifications for firms to provide public relations, advertising and marketing services. This particular firm was chosen specifically because of its expertise in marketing and advertising. These Agreements were approved by the Board on December 15, 2005.

## **Financial Summary**

Funds for this RFS are available in Mid-Connecticut Project budget line 41-321-501-52118 "Landfill Development Other Consulting Services."

**TAB 8**

**BOARD RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

**WHEREAS**, CRRA has entered into Legal Service Agreements with various law firms to perform legal services; and

**WHEREAS**, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2007 projected legal fees; and

**WHEREAS**, CRRA has incurred greater than anticipated legal expenses in connection with matters related to the Bridgeport Project contract renewal efforts, general counsel matters, and bond counsel matters;

**NOW THEREFORE, it is RESOLVED:** That the following additional amounts be authorized for payment of projected legal fees and costs to be incurred through June 30, 2007:

<u>Firm:</u>	<u>Amount:</u>
Halloran Sage	\$900,000
Sidley Austin	\$30,000

## CONNECTICUT RESOURCES RECOVERY AUTHORITY

### Request regarding Authorization for Payment of Projected Additional Legal Expenses

January 25, 2007

#### **Executive Summary**

This is to request Board authorization for payment of additional projected fiscal '07 legal expenses.

#### **Discussion:**

We are seeking Board approval to incur and pay for additional services from our general counsel and bond counsel.

Anticipated additional Halloran & Sage expenses result primarily from extensive involvement by counsel in CRRA's future planning efforts with regard to the Bridgeport Project, primarily representation of CRRA in its response to Wheelabrator's demand for arbitration; CRRA general counsel and Mid-CT general counsel matters are also expected to require additional authorized funds, particularly in support of CRRA's current legislative agenda, the upcoming DPUC contested case regarding long term avoided cost electric purchase agreements, and the drafting of a post project Municipal Services Agreement.

Additional authorization to incur fees for Sidley Austin services is requested due to the level of assistance required from bond counsel regarding Mid CT final bond defeasance questions.

Please note that the additional costs for Bridgeport future planning efforts referenced herein are solely for the arbitration effort. (These costs were discussed with the Bridgeport Future Options Committee at its December meeting, and with SWAB at its January meeting.) If CRRA prevails in the arbitration, further costs for contract renewal negotiations with Wheelabrator, UI, Bridgeport, and the municipalities would follow. Also note that the costs of the arbitration include arbitrator fees, consultant fees, research and copying expenses, and witness costs and expenses.

#### **Impact**

CRRA's Controller has confirmed that the funds are available from project operating accounts or from surplus.

**TAB 9**

## **RESOLUTION REGARDING SENIOR MANAGEMENT SALARIES**

**RESOLVED:** That the Senior Management salaries be adopted as presented and discussed by the Organization Synergy & Human Resources.