

CRRA
BOARD MEETING
May 15, 2003



100 CONSTITUTION PLAZA - 17th FLOOR • HARTFORD • CONNECTICUT • 06103-1722 • TELEPHONE (860) 757-7700
FAX (860) 727-4141

May 9, 2003

TO: CRRA Board of Directors
FROM: Angelica Mattschi, Corporate Secretary *AM*
RE: Notice of Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors held on Thursday, May 15, 2003 at 9:00 a.m. at the Regional Recycling Center, 211 Murphy Road, Hartford.

Please notify this office of your attendance at (860) 757-7792 at your earliest convenience.



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Connecticut Resources Recovery Authority
Board of Directors' Meeting

Agenda

May 15, 2003

9:00 AM

I. Pledge of Allegiance

II. Public Portion

A public portion from 9:00 to 9:30 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 April 17, 2003 Regular Board Meeting Minutes (Attachment 1).

IV. Executive Session

An Executive Session will be held to discuss litigation, pending litigation, contractual negotiations and personnel matters with appropriate staff

V. Finance

1. Staff will present the Financial and Variance Report for March 2003 (Attachment 2).
2. Staff will present the CRRA Financial Mitigation Plan (Attachment 3).
3. A status report of the Mid-Connecticut Project Source and Use of Cash Funds Analysis is provided for your review (Attachment 4).

VI. Project Reports

A. Mid-Connecticut

1. Board Action will be sought regarding A Recycling Residue Delivery Agreement with Willimantic Waste Paper Company, Inc. (Attachment 5).

2. Board Action will be sought regarding A Solid Waste Delivery Agreement with Waste Management of Connecticut, Inc. (Attachment 6).

B. Wallingford

1. Board Action will be sought regarding Solid Waste Delivery Agreement with Waste Management of Connecticut, Inc. (Attachment 7).

VII. Legal

1. Board Action will be sought regarding Payment of Anderson Kill and Olick (Attachment 8).

VIII. Recycling

1. Board Action will be sought regarding FCR Mid-Connecticut Recycling Agreement.

IX. Chairman's and Committee Reports

1. The Policy & Procurement Committee will report on its May 1, 2003 meeting.
2. The Organizational Synergy & HR Committee will report on its May 15, 2003 meeting.
3. The Chairman will report on various items.

X. Communication

1. A Response to the Oil Release at the South Meadows Power Block Facility is provided for your review (Attachment 9).
2. Articles (Attachment 10).

XI. Summary of Project Activities

1. An update is provided on waste deliveries to all the projects for the period ending April 2003 (Attachment 11).
2. Information is provided on each project's monthly operations for the period ending April 2003 (Attachment 12).

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED FIFTY-SIXTH MEETING

APRIL 17, 2003

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, April 17, 2003 at 211 Murphy Road, Hartford. Those present were:

Chairman Michael A. Pace

Directors: Stephen Cassano, Vice Chairman
Benson Cohn (present by telephone)
Theodore Martland
Howard Rifkin (delegate for Director Nappier)
James Francis
John Mengacci (delegate for Director Ryan)
Ray O'Brien
Andrew Sullivan
Alex Knopp (arrived at 9:35 a.m.)
Catherine Boone (delegate for Director Nappier)
Marc Ryan (left at 12:15 p.m.)
Sherwood Lovejoy (ad hoc for Bridgeport)
Timothy Griswold, (ad hoc for Mid-Connecticut)(left at 11:35 a.m.)

Directors Cooper, Lauretti, Blake and Nappier did not attend.

Present from the CRRA staff:

James Bolduc, Chief Financial Officer
Bettina Bronisz, Assistant Treasurer & Director of Finance
Robert Constable, Senior Analyst
Peter Egan, Director of Environmental Services
Christopher Fancher, Facilities Engineer
Brian Flaherty, Communications Coordinator
Thomas Gaffey, Recycling & Environmental Education Division Head
Gary Gendron, Director of Administration
Thomas Kirk, President
Angelica Mattschei, Executive Assistant & Corporate Secretary
Virginia Raymond, Project Analyst
Diane Spence, Secretary
Ann Stravalle-Schmidt, Director of Legal Services
Michael Tracey, Director of Civil & Construction Engineer

Others in attendance were: John Stafstrom, Jr. of P&C; David Arruda of MDC; Frank Marci of USA Hauling; Jerry Tyminski of SCRRRA; John Maulucci of BRRFOC; Ted Doolittle of the AG's Office; Jonathan Lewis and Douglas Cohen of BRBI and Joseph Wasserman of HEJN.

Chairman Pace called the meeting to order at 9:15 a.m. and noted that a quorum was present. Chairman Pace requested that everyone stand up for the Pledge of Allegiance, whereupon, the Pledge of Allegiance was recited.

Chairman Pace introduced ad hoc members Sherwood Lovejoy, representing the Bridgeport project and Timothy Griswold, representing the Mid-Connecticut project, to the Board.

PUBLIC PORTION

Chairman Pace said that the next item on the agenda allowed for a public portion between 9:00 a.m. and 9:30 p.m. in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes. Chairman Pace asked whether any member of the public wished to speak.

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

APPROVAL OF MARCH 20, 2003 REGULAR BOARD MINUTES

Chairman Pace requested a motion to approve the minutes of the March 20, 2003 regular Board meeting. The motion to accept made by Director O'Brien and seconded by Director Martland was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman			X
Benson Cohn			
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

FINANCE

REVENUE AND EXPENDITURE REPORT FOR THE MONTH OF FEBRUARY 2003

Mr. Bolduc presented the Revenue and Expenditure Reports for the month of February 2003 to the Board as included in attachment two of the Board materials.

AUTHORIZATION TO ADD AN ITEM TO THE AGENDA

Chairman Pace requested a motion to add an item to the agenda regarding the Metropolitan District Commission (MDC). Director Ryan made a motion to add to the agenda a resolution that would require a two-thirds vote to send a letter under signature of the President and Chairman of CRRA that would request that the MDC hold in abeyance arbitration so that CRRA could investigate or begin the process of a mediation or discussion regarding the settlement of all issues in controversy. The motion to add the item to the agenda seconded by Director O'Brien was passed. Ad Hoc Member Lovejoy abstained from the vote.

Director Ryan made the motion that, without compromising CRRA's legal rights, a letter be sent by the Chairman and/or the President of CRRA to MDC requesting that they suspend arbitration to allow a nonbinding mediation process to commence that in general would be between the 60 to 90 day time frame unless the Special Subcommittee felt it needed to be extended because progress was being made. The motion seconded by Director Martland was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn			
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING THE DISSOLUTION OF CERTAIN PROJECT RESERVE ACCOUNTS

Chairman Pace requested a motion on the referenced topic. Director Francis made the following motion:

RESOLVED: The General Administration Fund which includes the Ash Re-Utilization Reserve, Development Fund, and Recycling Trust, along with the Wallingford Future Use Reserve and Wallingford Clean Air Act Reserve be dissolved.

Vice Chairman Cassano seconded the motion which approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		
Sherwood Lovejoy, Ad Hoc - Bridgeport	X		

FURTHER RESOLVED: The existing reserve balances be re-distributed by project as follows and reclassified from Designated Board to Unrestricted Undesignated:

General Administration

Ash Re-Utilization:	Bridgeport Operating Reserve	\$100,000
	Mid-Ct Operating Reserve	\$100,000
	Southeast Operating Reserve	\$ 32,500
	Wallingford Operating Reserve	<u>\$ 17,500</u>
		\$250,000

Development Fund: Entire balance (Balance as of December 31, 2002 was \$49,572) to General Administration Operating Reserve (Balance as of December 31, 2002 was \$0)

Recycling Trust: Entire balance (Balance as of December 31, 2002 was \$24,388) to re-allocate to the Bridgeport and Mid-Connecticut Project Operating Reserves as a percent of total tons processed by each project for fiscal year 2002.

Vice Chairman Cassano seconded the motion which was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		
Sherwood Lovejoy, Ad Hoc - Bridgeport	X		

RESOLVED: The existing reserve balances be re-distributed by project as follows and reclassified from Designated Board to Restricted:

Wallingford Future Use Entire balance (balance as of December 31, 2002 was \$1,147,328) to Wallingford Tip Fee Stabilization Fund (balance as of December 21, 2002 was \$4,771,049)

Clean Air Act Entire balance (balance as of December 31, 2002 was \$750,000) to Wallingford Tip Fee Stabilization Fund (balance as of December 31, 2002 was \$4,771.049).

Vice Chairman Cassano seconded the motion which was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
	X		
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc - Mid-CT			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

EXECUTIVE SESSION

Chairman Pace requested a motion to convene an executive session to discuss litigation, pending litigation, contractual negotiations and personnel matters with appropriate staff. Director Martland made the motion which was seconded by Vice Chairman Cassano. Chairman Pace requested that Messrs. Kirk, Bolduc, Fancher, Cohen, Rachmuth, Boucher and Ms. Schmidt remain during the executive session. The motion previously made and seconded was approved unanimously.

The Executive Session began at 10:12 a.m.

The Executive Session concluded at 11:09 a.m.

Chairman Pace reconvened the Board meeting at 11:11 a.m.

Chairman Pace noted that no votes were taken in Executive Session.

AUTHORIZATION REGARDING AN INTERIM FINANCING FROM THE STATE OF CONNECTICUT FOR THE BENEFIT OF THE MID-CONNECTICUT PROJECT

Chairman Pace requested a motion on the referenced topic. Director Sullivan made the following motion:

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 (the "State"), to carry

out the purposes of Chapter 446e of the Connecticut General Statutes, Sections 22a-260 et. seq., as the same has been amended and modified by Public Act No. 02-46 (the "Act" and, collectively with Sections 22a-260 et. seq. of the Connecticut General Statutes, the "Statute"); and

WHEREAS, on February 27, 2003, the Board of Directors of the Authority approved a resolution (the "February 2003 Resolution") authorizing the Officials of the Authority, namely the Steering Committee of the Board, the President and the Chief Financial Officer of the Authority, to submit an application to the State Treasurer and the Secretary of OPM, in the name of and on behalf of the Authority, in connection with the extension by the State of a loan to the Authority in an aggregate amount not to exceed \$115,000,000 to support the repayment of debt issued by the Authority on behalf of the Mid-Connecticut Project (the "Financing"); and

WHEREAS, Section 5 of such February 2003 Resolution further authorized the Officials, prior to the finalization of the proposed Financing, to enter into an interim financing arrangement with the State (the "Interim Financing"); and

WHEREAS, the Authority desires to enter into an Interim Financing arrangement with the State, substantially upon the terms and conditions authorized in this Supplemental Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority:

Section 1. That the action of the Officials of the Authority, in entering into an Interim Financing arrangement with the State of Connecticut in the form of a loan in an amount not to exceed \$22,000,000, be and the same is hereby authorized and approved.

Section 2. That the loan from the State shall provide for the Authority to request advances from the State through June 30, 2004 in an amount not to exceed \$22,000,000, the proceeds of which shall be expended by the Authority to support the repayment of debt service on the Mid-Connecticut Project during the remainder of the Authority's fiscal year 2003 and fiscal year 2004, and shall further provide for an amortization schedule setting forth the repayment of such loan through December 1, 2012.

Section 3. The Officials are authorized and directed to perform and take such other actions as may be desirable, necessary, proper or convenient to accomplish the intent and purposes expressed herein, and the performance thereof by such Officials shall be conclusive as to the approval by the Authority of the terms thereof.

Section 4. This supplemental resolution shall take effect immediately, and shall supplement and modify the February 2003 Resolution. Notwithstanding the foregoing, all other terms and provisions of the February 2003 Resolution shall remain in full force and effect.

Director O'Brien seconded the motion and was passed. Mr. Kirk noted that the vote was for appointed members exclusively. Chairman Pace, Vice Chairman Cassano and Directors Cohn, Martland, O'Brien, Sullivan, Francis and Knopp voted "aye." Mr. Kirk noted that the requirement for a two-thirds vote of appointed members had been met.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Non Eligible Voters			
Treasurer's Office (Nappier, Rifkin, Boone)			
OPM (Ryan, Mengacci)			
Timothy Griswold, Ad Hoc - Mid-CT			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

Mr. Bolduc led a further discussion regarding the going forward issue from 2004.

PROJECT REPORTS

BRIDGEPORT

AUTHORIZATION REGARDING THE OPERATION AND MAINTENANCE OF A LANDFILL GAS COLLECTION SYSTEM AT THE SHELTON LANDFILL

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President, Chairman, or Vice Chairman is hereby authorized to amend the Agreement for operation and maintenance of the landfill gas collection and control system at the Shelton Landfill with EMCON/OWT, Inc., substantially as discussed and presented at this meeting.

Director Sullivan seconded the motion which was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
	X		
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Sherwood Lovejoy, Ad Hoc - Bridgeport	X		
Non Eligible Voter			
Timothy Griswold, Ad Hoc - Mid-CT			

MID-CONNECTICUT

AUTHORIZATION REGARDING OPTION TO EXTEND THE TERM OF THE AGREEMENT FOR WASTE TRANSPORTATION AND TRANSFER STATION AND ROLLING STOCK OPERATION AND MAINTENANCE SERVICES

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President is authorized to exercise the Authority's option to extend Contract No. 02415, Agreement for Waste Transportation and Transfer Station Rolling Stock Operation and Maintenance Services, for two one-year periods ending June 30, 2006.

Vice Chairman Cassano seconded the motion which was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland		X	
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		

Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Timothy Griswold, Ad Hoc - Mid-CT	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING THE REDUCTION IN WASTE DELIVERY HOURS AT THE HARTFORD LANDFILL

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the Board of Directors hereby approves a change to the delivery hours for the Hartford Landfill, as published in the MID-CONNECTICUT PERMITTING, DISPOSAL AND BILLING PROCEDURES, substantially as discussed at this meeting.

Director Sullivan seconded the motion.

After a lengthy discussion, Director Francis made a motion to table the item until the subsequent Board meeting. The motion was seconded by Director O'Brien which was approved unanimously by eligible voters.

WALLINGFORD

AUTHORIZATION REGARDING AN AGREEMENT FOR THE DELIVERY OF YALE UNIVERSITY WASTE TO THE WALLINGFORD PROJECT

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: The President is authorized to enter into an Agreement for the delivery of municipal solid waste to the Wallingford Resources Recovery Facility substantially as presented at this meeting.

Director Sullivan seconded the motion which was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
	X		
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp	X		
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			
Timothy Griswold, Ad Hoc - Mid-CT			

CHAIRMAN'S AND COMMITTEE REPORTS

POLICY & PROCUREMENT COMMITTEE

Director Martland reported the Committee was working on the Bylaws.

ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE

Vice Chairman Cassano said that he had two items to report. The first item, he said, was that the Committee had voted to authorize the President to be able to fill existing positions that were budgeted without Committee approval, except for certain positions such as the President or CFO. The second item was that the Committee had authorized two positions. Vice Chairman Cassano said that the customer service specialist position did not have a change in its job description, but that the second position, Communications Coordinator did have a change. Vice Chairman Cassano said that the latter position needed to be expanded to combine both the public and community relations and governmental relations.

Chairman Pace requested a motion to adopt the Organizational Synergy & Human Resources Committee report. The motion to adopt made by Vice Chairman Cassano and seconded by Director O'Brien was approved unanimously.

CHAIRMAN'S REPORT

Chairman Pace distributed a draft copy of building a new Business Plan for CRRA. Mr. Bolduc gave the Board a copy of CRRA's Board of Director's Expense Reimbursement Finance and Accounting Policy No. 201. Chairman Pace said that the Board would vote on it at its subsequent meeting after they have had a chance to review it.

Mr. Kirk notified the Board that, under the Procurement Policy approved in November 2002 for emergency procurement under certain strict circumstances, he had two specific circumstances due to Mr. Flaherty and Mr. Clark's departure to hire two consultants on a temporary basis. One consultant was to handle communications until the position was filled and the other was to assist in filling both the Communications position and the Operations Division Head position, he said.

EXECUTIVE SESSION

Chairman Pace requested a motion to convene an executive session to discuss litigation, pending litigation and contractual negotiations with appropriate staff. Director O'Brien made the motion which was seconded by Director Martland. Chairman Pace requested that Messrs. Kirk, Doolittle, Cohen and Ms. Schmidt remain during the executive session. The motion previously made and seconded was approved unanimously.

The Executive Session began at 12:30 p.m.

The Executive Session concluded at 12:57 p.m.

Chairman Pace reconvened the Board meeting at 12:58 p.m.

Chairman Pace noted that no votes were taken in Executive Session.

AUTHORIZATION FOR PAYMENT OF PEPE AND HAZARD FEES

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President of CRRA is hereby authorized to pay Pepe and Hazard up to \$400,000 to reimburse Pepe and Hazard for fees and expenses incurred up to and including April 17, 2003, but were not paid, which fees and expenses exceed the June 2002 authorized amount of \$500,000 for work with the Attorney General's Office on the following entitled actions CRRA v. Murtha Cullina, et. al. (D.Ct. No. 3:03CV0079(GLG))("Law Firm Action") and CRRA v. Lay, et al. (D.Ct. No. 3:02CV2095(WWE))("Global Action").

FURTHER RESOLVED: That, as to any further work, from April 18, 2003 and forward, which Pepe and Hazard does in *CRRA v. Murtha Cullina, et. al.* (D.Ct. No. 3:03CV0079(GLG))("Law Firm Action") and *CRRA v. Lay, et al.* (D.Ct. No. 3:02CV2095(WWE))("Global Action"), the President of CRRA, is hereby authorized to pay Pepe and Hazard from any remaining monies from the aforementioned authorization and is further authorized to pay Pepe up to an additional \$250,000 solely on the condition that Pepe and Hazard budget the work to be performed and informs CRRA when the fees and expenses come within \$100,000 of the \$250,000.

Director Martland seconded the motion which was approved by two-thirds of eligible voters.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Benson Cohn	X		
Theodore Martland	X		
James Francis	X		
Ray O'Brien	X		
Andrew Sullivan	X		
Alex Knopp		X	
Treasurer's Office (Nappier, Rifkin, Boone)	X		
OPM (Ryan, Mengacci)			X
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			
Timothy Griswold, Ad Hoc - Mid-CT			

AJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 12:34 p.m.

Respectfully submitted,



Angelica Mattschei
Corporate Secretary to the Board

CONNECTICUT RESOURCES RECOVERY AUTHORITY

EXECUTIVE SESSIONS

APRIL 17, 2003

Executive Sessions, called for the purposes of discussing litigation, pending litigation, contractual negotiations and personnel matters, were convened at 10:12 a.m. and 12:30 p.m. respectively.

DIRECTORS

Chairman Pace
Director Cohn (by telephone)
Director Martland
Director Rifkin
Director Francis
Director Sullivan
Vice Chairman Cassano
Director Mengacci
Director Ryan (some)
Director O'Brien
Director Knopp
Director Boone
Ad Hoc Member Lovejoy
Ad Hoc Member Griswold (some)

STAFF

Tom Kirk
Jim Bolduc
Ann Stravalle-Schmidt
Christopher Fancher (some)

BR

Doug Cohen

A.G.

Theodore Doolittle (some)

AK&O

Paul Rachmuth (some)

H&S

Peter Boucher (some)

No votes were taken in Executive Sessions.

The Executive Sessions were adjourned at 11:09 a.m. and 12:57 p.m. respectively.

TAB 2

Financial And Variance Report

March 2003

MID-CONNECTICUT PROJECT – VARIANCE ANALYSIS

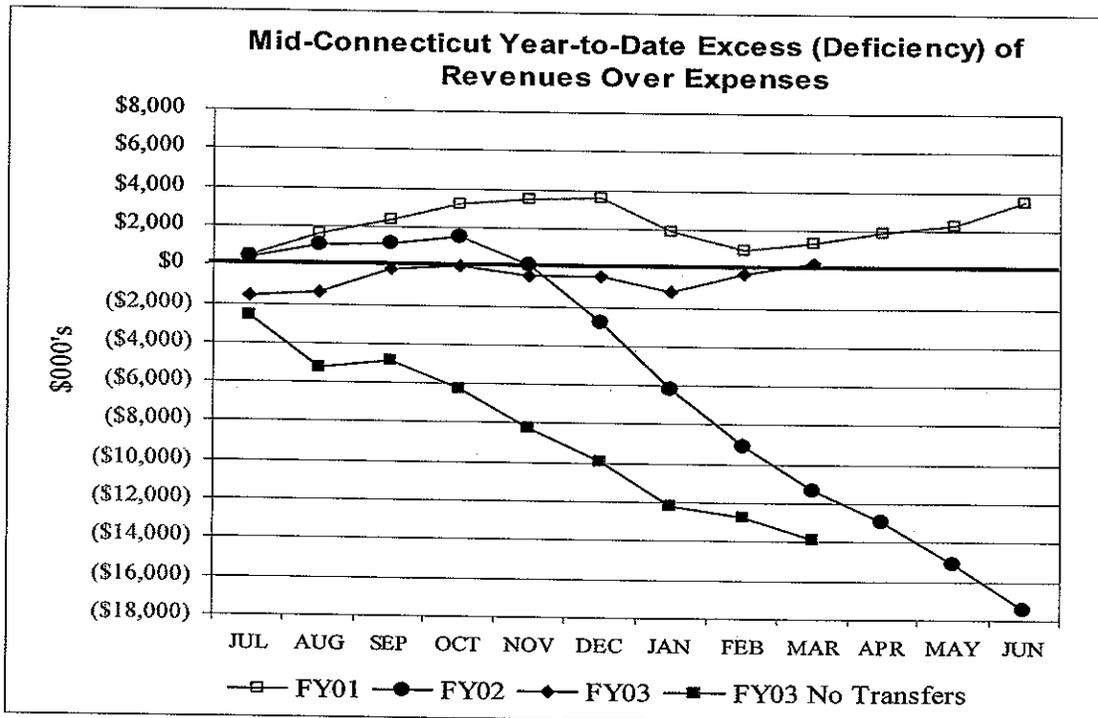
March 2003

REVENUES:

- Service Charges Solid Waste – Contract: although actual contract deliveries are up as compared to last year, deliveries are down compared to budget resulting in less than expected revenues.
- Service Charges Solid Waste – Spot: increase reflects above budget solid waste diversions from the Wallingford project.
- Bulky Waste – Commercial: reflects seasonal trends while the budget does not.
- Electricity: recording of prior fiscal years electrical revenues.
- Miscellaneous Income: under-budget due to timing factors (i.e. permit fees and recycling fees for Stratford facility).
- Interest Income: is below budget due to market factors and reduction in reserve levels.
- Jets Revenue: reflects better than expected jet energy production (hot summer) and the budget assumed no interest income.

EXPENDITURES:

- General Administration: costs reflect a reduction in direct charges for salaries and associated overhead.
- Waste Transport Expenses: budget assumptions anticipated lower MSW deliveries and more tons processed. Also, the budget anticipated a private contractor to perform transportation services instead of MDC at a reduction in cost of \$1 per ton.
- Regional Recycling: expenses reflect lower than budgeted processing costs (budget assumed \$19.74 per ton, actual is approximately \$4 per ton) and reduction in direct charges for salaries and associated overhead.
- Waste Processing Facility: reduced expenses due to lower O&M and fuel costs related to the MCAPS as a result of performing services in-house and the cold winter, timing of the RDF floor repair, less engineering consultant use, and reduced ferrous metals recovery expenses due to an improved metals market.
- Energy Generating Facility: actual PILOT allocation different than budget.
- Hartford Landfill: under-budget due to timing of construction projects for the installation of gas wells and a temporary liner over cell 3.
- Transfer Station – Ellington: Hopper and Scale repairs and paving costs were not in operating budget. Also, the budget assumed a private contractor would operate the facility instead of MDC, at a lower cost.
- Transfer Station – Essex: over-budget due to booking local administration cost at the beginning of the fiscal year. Also, the budget assumed a private contractor would operate the facility instead of MDC, at a lower cost.



MID-CONNECTICUT PROJECT - FINANCIAL RESULTS

For the Period Ending March 31, 2003

	FY 03 Budget	Budget YTD	Actual YTD	Favorable (Unfavorable) YTD Variance	% Utilization of Budget
REVENUES					
Service Charges Solid Waste - Members	\$35,987,917	\$26,990,938	\$27,381,555	\$390,617	76.09%
Service Charges Solid Waste - Contracts	\$14,277,083	\$10,707,812	\$10,169,550	(\$538,262)	71.23%
Service Charges Solid Waste - Spot	\$434,000	\$325,500	\$498,869	\$173,369	114.95%
Bulky Waste - Municipal	\$1,258,000	\$943,500	\$753,280	(\$190,220)	59.88%
Bulky Waste - Commercial	\$102,000	\$76,500	\$57,188	(\$19,312)	56.07%
DEP Certified Materials	\$19,000	\$14,250	\$87,908	\$73,658	462.67%
Recycling Sales	\$1,362,825	\$1,022,119	\$1,083,792	\$61,673	79.53%
Metals Service Charge	\$5,000	\$3,750	\$7,449	\$3,699	148.98%
Electricity	\$14,332,500	\$10,749,375	\$11,754,722	\$1,005,347	82.01%
Miscellaneous Income	\$703,480	\$527,610	\$292,508	(\$235,102)	41.58%
Interest Income	\$1,373,500	\$1,030,125	\$724,748	(\$305,377)	52.77%
Use of Reserves	\$18,852,133	\$14,139,100	\$14,139,099	(\$1)	75.00%
Jets Revenues	\$5,759,524	\$4,319,643	\$5,174,353	\$854,710	89.84%
TOTAL REVENUES	\$94,466,962	\$70,850,222	\$72,125,021	\$1,274,800	58.28%
EXPENDITURES					
General Administration	\$5,059,005	\$3,794,254	\$3,977,366	(\$183,112)	62.82%
Debt Service/Administration	\$26,090,244	\$19,567,683	\$19,576,870	(\$9,187)	58.36%
Waste Transport	\$8,610,401	\$6,457,801	\$9,403,875	(\$2,946,074)	90.07%
Regional Recycling	\$3,359,688	\$2,519,766	\$1,584,023	\$935,743	47.95%
Waste Processing Facility	\$21,935,289	\$16,451,467	\$14,674,886	\$1,776,581	52.91%
Power Block Facility	\$15,813,431	\$11,860,073	\$11,977,736	(\$117,663)	57.81%
Energy Generating Facility	\$2,123,579	\$1,592,684	\$1,069,364	\$523,320	39.17%
Landfill - Hartford	\$3,809,319	\$2,856,989	\$2,603,126	\$253,863	54.95%
Landfill - Ellington	\$279,250	\$209,438	\$118,348	\$91,090	35.04%
Transfer Station - Ellington	\$379,366	\$284,525	\$384,110	(\$99,586)	80.59%
Transfer Station - Essex	\$508,622	\$381,467	\$523,011	(\$141,545)	82.88%
Transfer Station - Torrington	\$467,753	\$350,815	\$346,313	\$4,502	58.16%
Transfer Station - Watertown	\$491,254	\$368,441	\$383,430	(\$14,990)	59.81%
171 Murphy Road	\$39,811	\$29,858	\$30,743	(\$885)	68.65%
Jets Expenditures	\$5,499,950	\$4,124,963	\$3,847,923	\$277,040	68.65%
TOTAL EXPENDITURES	\$94,466,962	\$70,850,222	\$70,501,124	\$349,098	59.42%
SURPLUS/(DEFICIT)	\$0	\$0	\$1,623,897	\$1,623,897	
SURPLUS/(DEFICIT) - Excluding Jets/EGF	(\$259,574)	(\$194,681)	\$297,467	\$348,032	
TONNAGE					
Deliveries Tons (CRRA)	870,000	652,500	656,857	4,357	75.5%
Diverted / Exported Tons	37,000	27,750	63,338	35,588	171.2%
Processed Tons	840,000	630,000	595,597	(34,403)	70.9%

*Any Jets/EGF excess revenues are Restricted Funds per the Trustee Letter dated 12/28/00.

BRIDGEPORT PROJECT – VARIANCE ANALYSIS

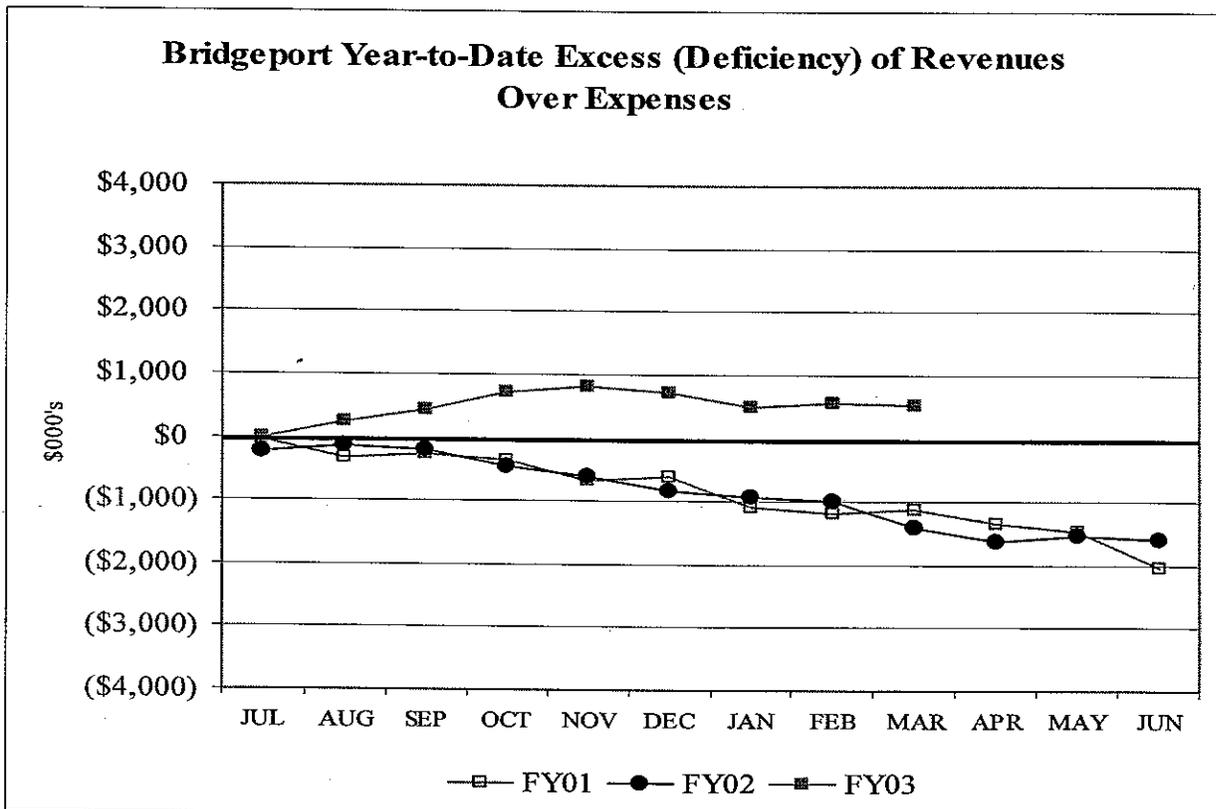
March 2003

REVENUES:

- Service Charges Solid Waste – Members: reflects above budget deliveries from Darien, Fairfield, Greenwich, and in particular Milford. Of concern are significant decreases in Trumbull and Norwalk deliveries. Enforcement staff is investigating cause.
- Service Charges Solid Waste – Contracts: reflects the loss of CRRA contract tonnage to out-of-state disposal options at lower disposal costs.
- Ash Disposal Fees: increased revenues due to higher than budgeted ash generation rates.
- Recycling Sales: increased revenues due to above budget deliveries and better than expected market revenues (budget assumed revenue sharing of \$17 per ton, actual is in excess of \$30 per ton).
- Interest Income: is below budget due to market factors and reduced reserve balances.

EXPENDITURES:

- General Administration: costs reflect a reduction in direct charges for salaries and associated overhead and below budget legal costs.
- Resources Recovery Facility: direct result of above budget project deliveries.
- Ash Disposal: increased expenses due to higher than budgeted ash generation rates.
- Regional Recycling: costs reflect a reduction in direct charges for salaries and associated overhead.
- Shelton Landfill: reflects lower than expected grounds maintenance costs (mowing).



BRIDGEPORT PROJECT - FINANCIAL RESULTS

For the Period Ending March 31, 2003

	FY 03 Budget	Budget YTD	Actual YTD	Favorable (Unfavorable) YTD Variance	% Utilization of Budget
REVENUES					
Service Charges Solid Waste - Members	\$25,565,837	\$19,174,378	\$19,796,259	\$621,881	77.43%
Service Charges Solid Waste - Contracts	\$15,727,258	\$11,795,444	\$10,932,905	(\$862,539)	69.52%
Ash Disposal Fees	\$3,839,698	\$2,879,774	\$3,017,237	\$137,464	78.58%
Recycling Sales	\$1,000,467	\$750,350	\$1,481,805	\$731,455	148.11%
Rental Income	\$1,103,512	\$827,634	\$810,608	(\$17,026)	73.46%
Miscellaneous Income	\$25,000	\$18,750	\$29,863	\$11,113	119.45%
Interest Income	\$255,000	\$191,250	\$38,628	(\$152,622)	15.15%
Use of Reserve (Shelton LF Postclosure)	\$650,000	\$487,500	\$415,266	(\$72,234)	63.89%
TOTAL REVENUES	\$48,166,772	\$36,125,079	\$36,522,571	\$397,492	75.83%
EXPENDITURES					
General Administration	\$1,193,845	\$895,384	\$586,865	\$308,519	49.16%
Debt Service/Administration	\$2,222,305	\$1,666,729	\$1,632,659	\$34,070	73.47%
Resources Recovery Facility	\$32,070,311	\$24,052,733	\$24,503,014	(\$450,281)	76.40%
Ash Disposal	\$7,396,471	\$5,547,353	\$5,862,949	(\$315,596)	79.27%
Waste Transport	\$519,974	\$389,981	\$367,294	\$22,687	70.64%
Regional Recycling	\$2,618,623	\$1,963,967	\$1,766,907	\$197,060	67.47%
Landfill - Shelton	\$1,822,650	\$1,366,988	\$1,239,570	\$127,418	68.01%
Landfill - Waterbury	\$13,800	\$10,350	\$3,741	\$6,609	27.11%
Transfer Station - Darien	\$22,850	\$17,138	\$12,359	\$4,779	54.09%
Transfer Station - Fairfield	\$25,850	\$19,388	\$5,334	\$14,054	20.63%
Transfer Station - Greenwich	\$17,625	\$13,219	\$5,334	\$7,885	30.26%
Transfer Station - Milford	\$33,275	\$24,956	\$4,735	\$20,221	14.23%
Transfer Station - Norwalk	\$42,747	\$32,060	(\$3,668)	\$35,728	(8.58%)
Transfer Station - Shelton	\$13,400	\$10,050	\$394	\$9,656	2.94%
Transfer Station - Trumbull	\$24,000	\$18,000	\$5,745	\$12,255	23.94%
Transfer Station - Westport	\$32,500	\$24,375	\$5,333	\$19,042	16.41%
TOTAL EXPENDITURES	\$48,070,226	\$36,052,670	\$35,998,565	\$54,105	74.89%
SURPLUS/(DEFICIT)	\$96,546	\$72,410	\$524,006	\$451,597	
TONNAGE					
Deliveries Tons (CRRA)	600,000	450,000	441,666	(8,334)	73.6%
Delivered Tons (Company)	120,000	90,000	100,407	10,407	83.7%
Total Deliveries	720,000	540,000	542,073	2,073	75.3%
Processed Tons	720,000	540,000	554,118	14,118	77.0%

WALLINGFORD PROJECT – VARIANCE ANALYSIS

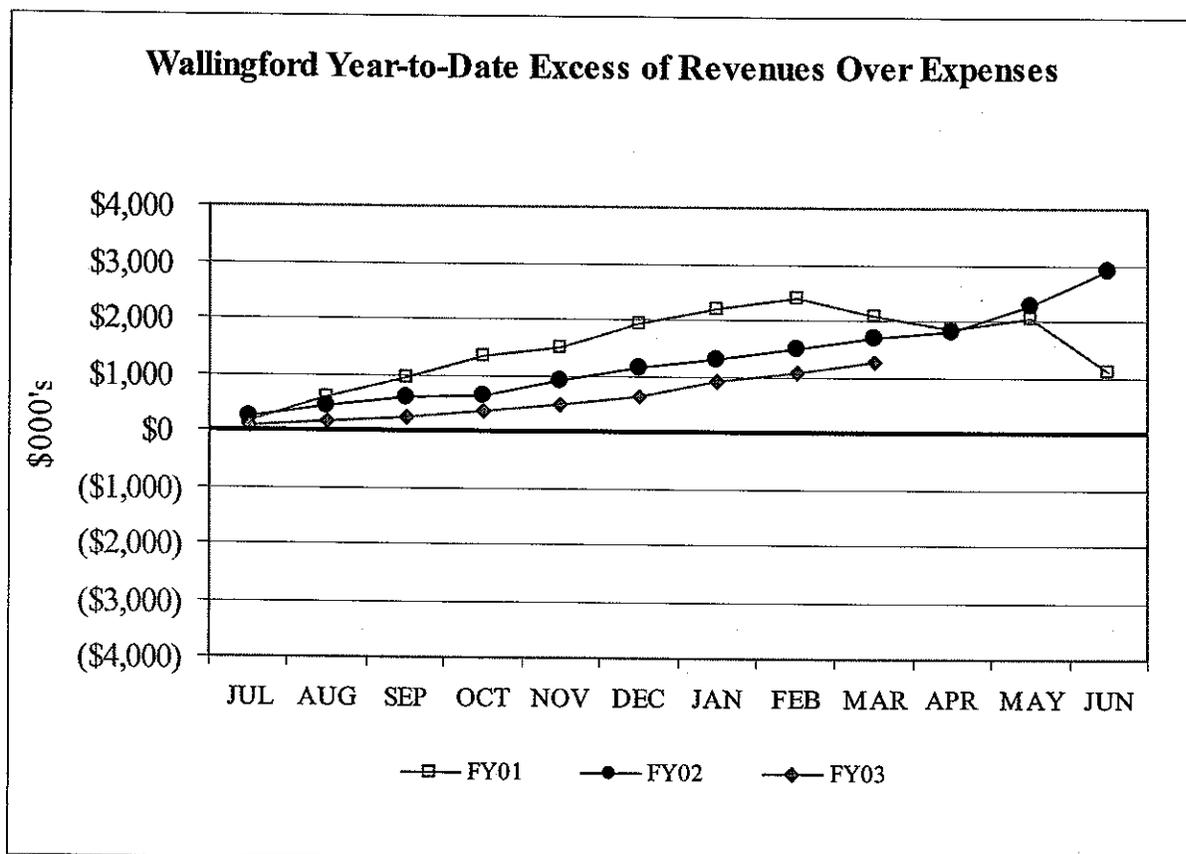
March 2003

REVENUES:

- Service Charges Solid Waste – Spot: increased member deliveries has reduced the need for spot waste resulting in below budget revenues.
- Electricity: reflects the 5M kwhs produced over budget and sold at higher than expected rates of \$.2221/kwh as compared to a budget rate of \$.2167/kwh.
- Interest Income: is below budget due to lower than expected interest rates.

EXPENDITURES:

- General Administration: reflects the cost reductions made by CRRA for salaries and associated overhead expenses.
- Resources Recovery Facility: variance is the result of allocating budget 1/12 per month.
- Waste Transport: expenses are down as a result of the Mid-Connecticut project acceptance of diverted waste during times when the project needed waste as compared to the more costly alternative of exporting waste out-of-state directly from the plant.
- Recycling: electronic recycling events scheduled for May.
- Landfill – Wallingford: due to timing of construction projects.



WALLINGFORD PROJECT - FINANCIAL RESULTS

For the Period Ending March 31, 2003

	FY 03 Budget	Budget YTD	Actual YTD	Favorable (Unfavorable) YTD Variance	% Utilization of Budget
REVENUES					
Service Charges Solid Waste - Members	\$8,360,000	\$6,270,000	\$6,149,433	(\$120,567)	73.56%
Service Charges Solid Waste - Spot	\$330,000	\$247,500	\$70,276	(\$177,224)	21.30%
Electricity	\$12,030,850	\$9,023,138	\$9,857,772	\$834,635	81.94%
Miscellaneous Income	\$17,500	\$13,125	\$6,125	(\$7,000)	35.00%
Interest Income	\$680,000	\$510,000	\$275,787	(\$234,213)	40.56%
TOTAL REVENUES	\$21,418,350	\$16,063,763	\$16,359,393	\$295,631	76.38%
EXPENDITURES					
General Administration	\$773,584	\$580,188	\$471,344	\$108,844	60.93%
Debt Service/Administration	\$6,290,753	\$4,718,065	\$4,810,317	(\$92,252)	76.47%
Resources Recovery Facility	\$8,070,636	\$6,052,977	\$6,344,966	(\$291,989)	78.62%
Ash Disposal	\$2,833,365	\$2,125,024	\$2,176,173	(\$51,149)	76.81%
Waste Transport	\$1,824,612	\$1,368,459	\$236,890	\$1,131,569	12.98%
Recycling	\$40,000	\$30,000	\$0	\$30,000	0.00%
Landfill - Wallingford	\$1,585,400	\$1,189,050	\$1,054,139	\$134,911	66.49%
TOTAL EXPENDITURES	\$21,418,350	\$16,063,763	\$15,093,829	\$969,934	70.47%
SURPLUS/(DEFICIT)	\$0	\$0	\$1,265,564	\$1,265,564	
TONNAGE					
Deliveries Tons (CRRA)	158,000	118,500	116,997	(1,503)	74.0%
Diverted / Exported Tons	20,000	15,000	6,216	(8,784)	31.1%
Processed Tons	138,000	103,500	110,020	6,520	79.7%

SOUTHEAST PROJECT – VARIANCE ANALYSIS

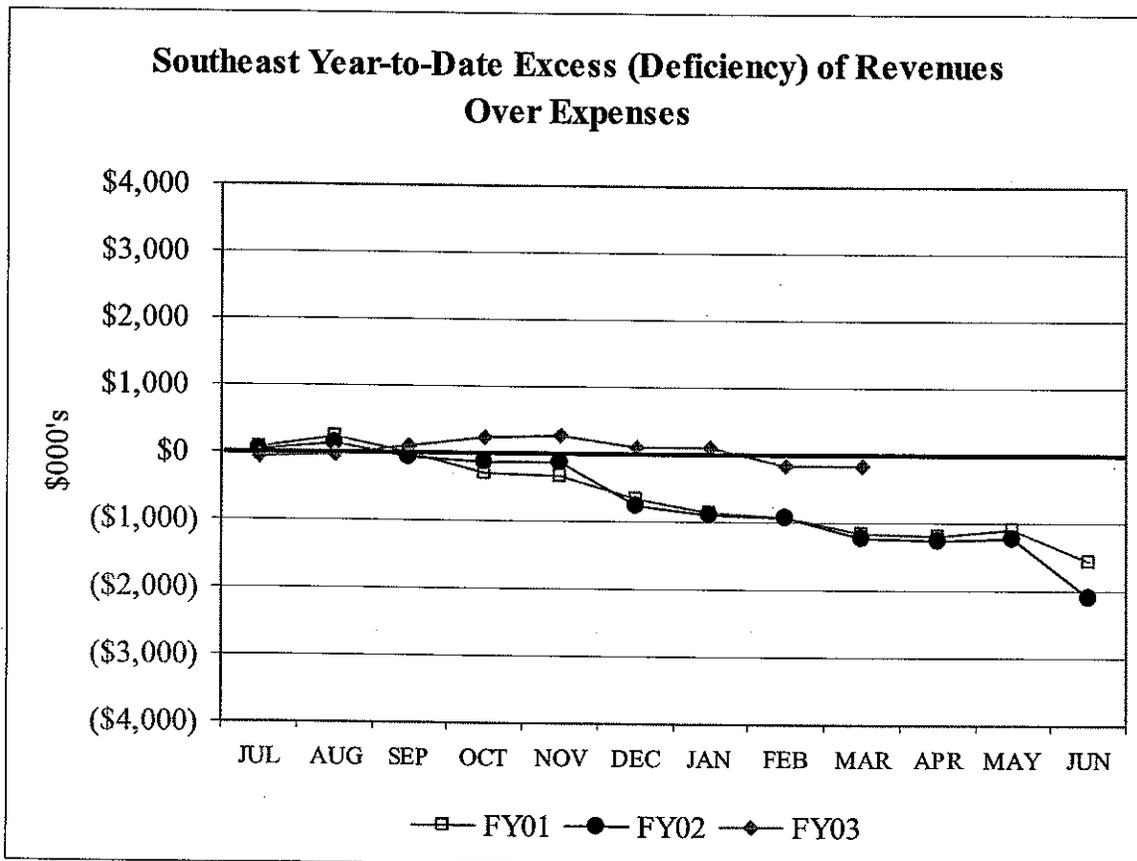
March 2003

REVENUES:

- Service Charges Solid Waste – Members: increased waste deliveries from the Mohegan Sun Resort (expansion), New London and Norwich (business & community growth).
- Service Charges Solid Waste – Contract: budget assumption included SCRRA contracting with private hauler for waste deliveries which did not occur.
- Service Charges Solid Waste – Spot: reflects above budget diversions from the Mid-Connecticut project.
- Interest Income: is below budget due to market factors and reduced reserve balances.
- Use of Prior Year(s) Net Assets: slightly below budget due to lower than expected expenses.

EXPENDITURES:

- Resources Recovery Facility: Net resource recovery facility expenses are below budget due to above budget *electricity revenues* from increased energy sales and higher average unit rates.
- Ash Disposal: increased expenses due to higher than budgeted ash generation rates.



SOUTHEAST PROJECT - FINANCIAL RESULTS

For the Period Ending March 31, 2003

	FY 03 Budget	Budget YTD	Actual YTD	Favorable (Unfavorable) YTD Variance	% Utilization of Budget
REVENUES					
Service Charges Solid Waste - Members	\$9,080,100	\$6,810,075	\$7,269,090	\$459,015	80.06%
Service Charges Solid Waste - Contracts	\$861,750	\$646,313	\$544,036	(\$102,277)	63.13%
Service Charges Solid Waste - Spot	\$253,700	\$190,275	\$403,672	\$213,397	159.11%
Interest Income	\$220,000	\$165,000	\$48,338	(\$116,662)	21.97%
Use of Prior Year(s) Net Assets	\$1,382,262	\$1,036,697	\$673,834	(\$362,863)	48.75%
Use of Reserve (Montville LF Postclosure)	\$142,000	\$106,500	\$62,002	(\$44,498)	43.66%
TOTAL REVENUES	\$11,939,812	\$8,954,859	\$9,000,972	\$46,113	75.39%
EXPENDITURES					
General Administration	\$903,889	\$677,917	\$601,144	\$76,773	66.51%
Debt Service/Administration	\$1,286,012	\$964,509	\$963,464	\$1,045	74.92%
Resources Recovery Facility	\$6,788,164	\$5,091,123	\$5,203,864	(\$112,741)	76.66%
Ash Disposal	\$2,445,822	\$1,834,367	\$2,022,948	(\$188,582)	82.71%
Recycling	\$283,925	\$212,944	\$241,259	(\$28,315)	84.97%
Landfill - Montville	\$232,000	\$174,000	\$123,752	\$50,248	53.34%
TOTAL EXPENDITURES	\$11,939,812	\$8,954,859	\$9,156,431	(\$201,572)	76.69%
SURPLUS/(DEFICIT)	\$0	\$0	(\$155,459)	(\$155,459)	
TONNAGE					
Deliveries Tons (CRRA)	178,000	133,500	141,736	8,236	79.63%
Delivered Tons (Company)	69,000	51,750	51,197	(553)	74.20%
Total Deliveries	247,000	185,250	192,933	7,683	78.11%
Processed Tons	247,000	185,250	191,180	5,930	77.40%

ADMINISTRATION - FINANCIAL RESULTS

For the Period Ending March 31, 2003

	FY 03 Budget	Budget YTD	Actual YTD	Favorable (Unfavorable) YTD Variance	% Utilization of Budget
REVENUES					
Mid-Connecticut Reimbursement	\$4,861,016	\$3,645,762	\$2,850,161	(\$795,601)	58.63%
Bridgeport Reimbursement	\$1,048,925	\$786,694	\$602,357	(\$184,337)	57.43%
Wallingford Reimbursement	\$496,523	\$372,392	\$336,008	(\$36,384)	67.67%
Southeast Reimbursement	\$235,428	\$176,571	\$135,823	(\$40,748)	57.69%
Miscellaneous Income	\$125,000	\$93,750	\$134,951	\$41,201	107.96%
Interest Income	\$30,000	\$22,500	\$18,660	(\$3,840)	62.20%
TOTAL REVENUES	\$6,796,892	\$5,097,669	\$4,077,960	(\$1,019,709)	60.00%
EXPENDITURES					
Personal Services	\$4,505,999	\$3,379,499	\$2,971,036	\$408,463	65.94%
Non-Personal Services	\$2,134,402	\$1,600,802	\$1,015,905	\$584,897	47.60%
Capital Expenditures	\$44,000	\$33,000	\$6,807	\$26,193	15.47%
Debt Service/Administration	\$112,491	\$84,368	\$65,552	\$18,816	58.27%
TOTAL EXPENDITURES	\$6,796,892	\$5,097,669	\$4,059,300	\$1,038,369	59.72%
SURPLUS/(DEFICIT)	\$0	\$0	\$18,660	\$18,660	

Variance Analysis:

Cost containment efforts are on-going.

TAB 3

CRRA FINANCIAL MITIGATION PLAN

UPDATED SCHEDULE as of April 30, 2003

Task Description	Due Date	Responsibility	Status
A. Termsheet/Resolution			
1. Review and approve Supplemental Resolution and Termsheet with Finance Committee	4/10	CRRA	Completed
2. Submit Supplemental Resolution to Board	4/11	CRRA	Completed
3. Resolution of Loan Drawdown and Termsheet by the Board of Directors . Approval of Supplemental Resolution	4/17	CRRA	Completed
B. Master Loan Agreement (MLA) – Interim Period (6/03 – 6/04)			
1. Submit MLA to Treasurer and OPM	5/7	CRRA	
2. Treasurer and OPM Approval	5/16	TR/OPM	
3. Closing	5/20	All	
4. Requisition for Debt Service Payment	June	CRRA	
5. Fund Mid-Connecticut Debt Service Account	June	CRRA	
C. Financial Mitigation Plan (FMP) – Interim Period (6/03 – 6/04)			
1. Submit FMP to Treasurer and OPM	5/2	CRRA	
2. Treasurer and OPM Approval	5/11	TR/OPM	
3. Requisition for Debt Service Payment	June	CRRA	
4. Fund Mid-Connecticut Debt Service Account	June	CRRA	
D. Financial Mitigation Plan – Post 6/30/04	To be developed in FY04		
E. Master Loan Agreement – Post 6/30/04	To be developed in FY04		

Key:

CRRA = Connecticut Resources Recovery Authority
 PC = Pullman & Comley
 OPM = Office of Policy & Management
 TR = Office of the State Treasurer
 WG = Working Group

TAB 4

**MID CONNECTICUT PROJECT
SOURCE AND USE OF CASH FUNDS**

CONFIDENTIAL - DRAFT - FOR DISCUSSION PURPOSES ONLY

FY03

	ACTUAL												ESTIMATED		
	July	August	September	October	November	December	January	February	March	April	May	June			
BEGINNING CASH BALANCE:	\$0	\$510	\$0	\$0	\$0	\$0	\$2,763,221	\$5,306,604	\$576,173	\$6,378,841	\$4,724,948	\$1,897,521			
SOURCES OF FUNDS:															
Lockbox	6,050,000	4,380,000	3,440,000	5,775,000	2,590,000	7,535,000	7,270,000	2,700,000	3,773,955	3,585,000	4,128,821	4,287,623			
Energy payments	1,202,362	0	0	0	0	0	0	72,390	972,848	1,201,220	1,237,098	1,182,823			
Interest	1,292	3,332	696	684	1,148	275	5,117	5,919	3,240	6,000	500	500			
Trustee: Debt Service Reserve Fund Adjustment	0	0	0	0	0	0	584,917	0	0	0	0	0			
Trustee: Deposit - Excess O&M and R&R Funds *	0	0	0	0	0	0	0	0	0	0	0	0			
Deposit - Escrowed CL&P Payment	0	0	0	0	0	3,583,153	0	1,681,090	7,895,910	0	0	0			
Total	\$ 7,253,654	\$ 4,383,332	\$ 3,440,696	\$ 5,775,684	\$ 2,591,148	\$ 11,118,428	\$ 7,860,034	\$ 4,459,399	\$ 12,645,954	\$ 4,792,220	\$ 5,366,419	\$ 5,470,946			
USES OF FUNDS:															
Covanta invoice	1,181,894	1,232,547	1,230,975	1,219,568	1,207,928	1,414,253	1,237,149	1,289,752	1,201,679	1,228,685	1,220,197	1,220,197			
Operating Expenses	4,910,334	3,839,962	2,626,747	5,211,158	4,161,350	4,769,806	1,908,354	5,728,928	3,470,458	3,046,279	4,802,501	4,802,501			
Debt service - Existing	2,175,916	2,175,916	2,175,916	2,175,916	1,967,802	2,171,149	2,171,149	2,171,149	2,171,149	2,171,149	2,171,149	2,171,149			
Debt service - State Supplemental Financing					0	0	0	0	0	0	0	0			
Total	\$ 8,268,144	\$ 7,248,426	\$ 6,033,637	\$ 8,606,642	\$ 7,337,080	\$ 8,355,208	\$ 5,316,652	\$ 9,189,829	\$ 6,843,285	\$ 6,446,113	\$ 8,193,847	\$ 8,193,847			
Excess/(Deficit) in current month:	(1,014,490)	(2,865,093)	(2,592,942)	(2,830,958)	(4,745,932)	2,763,221	2,543,383	(4,730,430)	5,802,668	(1,653,893)	(2,827,428)	(2,722,901)			
SUBTOTAL CASH BALANCE	\$ (1,014,490)	\$ (2,864,583)	\$ (2,592,942)	\$ (2,830,958)	\$ (4,745,932)	\$ 2,763,221	\$ 5,306,604	\$ 576,173	\$ 6,378,841	\$ 4,724,948	\$ 1,897,521	(\$ 825,381)			
TRANSFERS FROM RESERVES	1,015,000	2,864,583	2,592,942	2,830,958	4,745,932	0	0	0	0	0	0	825,381			
STATE SUPPLEMENTAL FINANCING ⁽¹⁾⁽²⁾		0	0	0	0	0	0	0	0	0	0	1,500,000			
ENDING CASH BALANCE	\$ 510	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,763,221	\$ 5,306,604	\$ 576,173	\$ 6,378,841	\$ 4,724,948	\$ 1,897,521	\$ 1,500,000			
IDENTIFIED RESERVE BALANCE	\$14,962,696	\$13,201,140	\$11,610,878	\$8,977,331	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$2,731,399	\$1,906,018			
CUMULATIVE SUPPLEMENTAL FINANCINGS												\$0			

* One-time adjustment by Trustee due to excess amounts in O&M and R&R Funds. Each Fund requirement is \$1.5 million.

⁽¹⁾ State Loan will only support monthly debt service

⁽²⁾ Borrowing from State Loan will be at maximum level in months preceding PILOT payments in order to alleviate cashflow drain.

Reserve #1 to hold
at \$1.5 million

Lockbox payment
reduced \$400K
due to prepayment

Feb. Requisition
includes PILOT
payment of \$1.2M

**MID CONNECTICUT PROJECT
SOURCE AND USE OF CASH FUNDS**

CONFIDENTIAL - DRAFT - FOR DISCUSSION PURPOSES ONLY

	ESTIMATED											
	July	August	September	October	November	December	January	February	March	April	May	June
BEGINNING CASH BALANCE:	\$1,500,000	\$2,171,149	\$1,355,351	\$554,851	\$412,321	\$0	\$997,500	\$2,628,400	\$0	\$0	\$0	\$0
SOURCES OF FUNDS:												
Lockbox	4,714,000	5,211,000	5,508,000	4,892,000	5,430,000	5,011,000	4,853,000	5,038,000	4,294,000	4,760,000	5,472,000	5,715,000
Energy payments	1,241,000	1,250,000	1,358,000	1,285,000	1,248,000	1,211,000	1,362,000	423,000	963,000	1,421,000	1,332,000	1,274,000
Interest	500	500	500	500	500	500	500	500	500	500	500	500
Trustee: Debt Service Reserve Fund Adjustment	0	0	0	0	0	0	556,400	0	0	0	0	0
Trustee: Deposit - Excess O&M and R&R Funds *	0	0	0	0	0	0	0	0	0	0	0	0
Deposit - Escrowed CL&P Payment	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$ 5,955,500	\$ 6,461,500	\$ 6,866,500	\$ 6,177,500	\$ 6,678,500	\$ 6,222,500	\$ 6,771,900	\$ 5,461,500	\$ 5,257,500	\$ 6,181,500	\$ 6,804,500	\$ 6,989,500
USES OF FUNDS:												
Covanta invoice	1,220,197	1,183,000	1,197,000	1,160,000	1,191,000	1,172,000	1,162,000	1,175,000	1,126,000	1,151,000	1,195,000	1,213,000
Operating Expenses	4,202,501	6,618,000	4,260,000	3,927,000	4,396,000	3,980,000	3,896,000	5,947,000	3,599,000	3,859,000	4,415,000	4,364,000
Debt service - Existing	2,171,149	2,171,000	2,171,000	2,171,000	2,171,000	2,169,000	2,166,000	2,166,000	2,166,000	2,166,000	2,166,000	2,166,000
Debt service - State Supplemental Financing	0	16,000	39,000	53,000	61,000	73,000	86,000	110,000	134,000	149,000	169,000	182,000
Total	\$ 7,593,847	\$ 9,988,000	\$ 7,667,000	\$ 7,311,000	\$ 7,819,000	\$ 7,394,000	\$ 7,310,000	\$ 9,398,000	\$ 7,025,000	\$ 7,325,000	\$ 7,945,000	\$ 7,925,000
Excess/(Deficit) in current month:	(1,638,347)	(3,526,500)	(800,500)	(1,133,500)	(1,140,500)	(1,171,500)	(538,100)	(3,936,500)	(1,767,500)	(1,143,500)	(1,140,500)	(935,500)
SUBTOTAL CASH BALANCE	(\$138,347)	(\$1,355,351)	\$554,851	(\$578,649)	(\$728,179)	(\$1,171,500)	\$459,400	(\$1,308,100)	(\$1,767,500)	(\$1,143,500)	(\$1,140,500)	(\$935,500)
TRANSFERS FROM RESERVES	138,347	1,355,351	0	412,321	0	0	0	0	0	0	0	0
STATE SUPPLEMENTAL FINANCING (1)(2)	2,171,149	1,355,351	0	578,649	728,179	2,169,000	2,169,000	1,308,100	1,767,500	1,143,500	1,140,500	2,166,000
ENDING CASH BALANCE	\$2,171,149	\$1,355,351	\$554,851	\$412,321	\$0	\$997,500	\$2,628,400	\$0	\$0	\$0	\$0	\$1,230,500
IDENTIFIED RESERVE BALANCE	\$1,767,672	\$412,321	\$412,321	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SUPPLEMENTAL FINANCINGS	\$3,671,149	\$5,026,500	\$5,026,500	\$5,605,149	\$6,333,328	\$8,502,328	\$10,671,328	\$11,979,428	\$13,746,928	\$14,890,428	\$16,030,928	\$18,196,928

* One-time adjustment by Trustee due to excess amounts in O&M and R&R Funds. Each Fund requirement is \$1.5 million.
 (1) State Loan will only support monthly debt service
 (2) Borrowing from State Loan will be at maximum level in months preceding PILOT payments in order to alleviate cashflow drain.

Aug. Requisition
includes PILOT
payment of \$1.7M

Feb. Requisition
includes PILOT
payment of \$1.7M

TAB 5

**Resolution Regarding A Recycling Residue Delivery Agreement with Willimantic
Waste Paper Company, Inc.**

RESOVED: The President is authorized to enter into a recycling residue delivery agreement for the Mid-Connecticut Project with Willimantic Waste Paper Company, Inc., substantially in accordance with the terms and conditions discussed at this meeting.

Connecticut Resources Recovery Authority
Contract Summary for
Willimantic Waste Paper Company, Inc., Recycling Residue Delivery Agreement
Mid-Connecticut Project

Presented to the CRRA Board on: May 15, 2003

Vendor/ Contractor(s): Willimantic Waste Paper Company, Inc.

Effective date: July 1, 2003

Contract Type/Subject matter: Delivery of recycling residue

Facility(ies) Affected: Wallingford Resources Recovery Facility

Original Contract: 1998

Current Contract Term: July 1, 2003 – June 30, 2004

Revenue Dollar Value: Approximately \$15,000/year

Amendment(s): None

Term Extensions: None

Other Pertinent Provisions:

- Tip fee of \$68.75/ton

Note: CRRA projects accept residue from recycling facilities as defined in CGS 22a-207. Recycling residue delivered to CRRA facilities may not be declared as municipal waste (recycling residue may not count toward a town's minimum waste delivery commitment). At its February, 2003 meeting, CRRA's Board of Directors set the disposal for recycling residue at \$68.75/ton.

MID-CONNECTICUT RECYCLING RESIDUE DELIVERY AGREEMENT

THIS MID-CONNECTICUT RECYCLING RESIDUE DELIVERY AGREEMENT (the "Agreement") is made and entered into as of this 1st day of July, 2003, by and between the **CONNECTICUT RESOURCES RECOVERY AUTHORITY**, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, having its principal offices at 100 Constitution Plaza, 17th Floor, Hartford, Connecticut 06103-1722 (hereinafter "CRRA") and **WILLIMANTIC WASTE PAPER COMPANY, INC.**, a Connecticut corporation, having its principal offices at 185 Recycling Way, P.O. Box 239, Willimantic, Connecticut 06226-0239 (hereinafter "Hauler", the term "Hauler" also includes any affiliates, subsidiaries, related entities and agents).

Preliminary Statement

Pursuant to the terms and conditions set forth below, CRRA is willing to accept "Recycling Residue," as defined in CRRA's Mid-Connecticut Permitting, Disposal & Billing Procedures ("Procedures"), generated within the corporate boundaries of Member Municipalities and Non-Member Municipalities and delivered by Hauler to the Mid-Connecticut project facility or facilities designated by CRRA (the "Designated Facility").

NOW, THEREFORE, in consideration of CRRA issuing to Hauler a permit to dispose of Recycling Residue at the Designated Facility, the mutual covenants, promises and representations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CRRA and Hauler hereby agree as follows.

Terms and Conditions

1. All terms that are not defined in this Agreement shall have the same respective meanings assigned to such terms in the Procedures, which Procedures are hereby incorporated by reference and made a part hereof as if such Procedures had been attached in their entirety to this Agreement. For purposes of this Agreement, the term "Member Municipalities" shall mean those municipalities that either are members of CRRA's Mid-Connecticut resources recovery project or have an agreement to deliver solid waste to such project. For the purposes of this Agreement, the term "Non-Member Municipalities" shall mean those municipalities that are not members of any CRRA resources recovery project or do not have any agreement with CRRA to deliver Acceptable Waste to any such CRRA project, but excluding those municipalities that are either members of the Bristol resources recovery project in Bristol, Connecticut (the "Bristol Project") or have a written agreement to deliver solid waste to the Bristol Project or any of the Wesi Projects.
2. Prior to delivering any "Recycling Residue" to the "Designated Facility", Hauler shall obtain all permits that are required by the Procedures. Hauler shall also, at all times, comply with the Procedures, including any amendments thereto that are made from time to time by CRRA.

3. Prior to delivering any "Recycling Residue" to the "Designated Facility", the Hauler shall submit, along with its permit application, a guaranty of payment satisfactory to CRRA in all respects and in the form of a letter of credit, a surety bond or a cashier's check in an amount sufficient to cover two (2) months' of waste disposal charges as estimated by CRRA. CRRA shall reassess the amount of the guarantee from time to time.
4. Hauler shall amend its Letter of Credit or surety bond or provide any additional cashier's checks to CRRA if requested to do so by CRRA for any additional amounts. Additionally, if Hauler submits to CRRA either a letter of credit or surety bond, Hauler shall, within sixty (60) days before the expiration of the same, renew the letter of credit or surety bond and furnish the renewed letter of credit or surety bond to CRRA. If Hauler's letter of credit or surety bond is canceled or terminated, Hauler shall immediately submit to CRRA a new letter of credit or surety bond that complies with the requirements of this Section 4. If Hauler fails to comply with any of the requirements of this Section 4, then CRRA may deny Hauler any further access to the Facility and/or revoke its permit for the same.
5. During the term of this Agreement, Hauler shall deliver to the "Designated Facility" all "Recycling Residue" generated within the corporate boundaries of any of the "Member Municipalities" that Hauler, any entity affiliated with Hauler or any agent of Hauler collects pursuant to an agreement or otherwise, or that comes into Hauler's possession through other means.
6. During the term of this Agreement, Hauler shall deliver to the "Designated Facility" all "Recycling Residue" generated within the corporate boundaries of any of the "Non-Member Municipalities" that Hauler, any entity affiliated with Hauler or any agent of Hauler collects pursuant to an agreement or otherwise, or that comes into Hauler's possession through other means. CRRA reserves the right to interrupt Hauler's delivery of Recycling Residue from Non-Member Municipalities to the Designated Facility for any reason.
7. Hauler shall pay to CRRA a service fee of SIXTY-EIGHT AND 75/100 (\$68.75) DOLLARS for each ton of Recycling Residue delivered to the Designated Facility by Hauler pursuant to this Agreement (the "Recycling Residue Service Fee"). This Recycling Residue Service Fee, which was established by the CRRA Board of Directors, may be modified from time to time by said CRRA Board of Directors and Hauler shall be responsible to pay any such modification of the Recycling Residue Service Fee.
8. If Hauler fails to deliver to the "Designated Facility" any "Recycling Residue" that the Hauler is required to deliver pursuant of this Agreement, then for the remaining term of this Agreement following such failure, Hauler shall pay CRRA a service fee consisting of the Recycling Residue Service Fee plus FOUR AND NO/100 (\$4.00) DOLLARS for each ton of "Recycling Residue" delivered to the "Designated Facility" by Hauler. Hauler's obligation to pay the per ton service fee as set forth above shall survive the termination or expiration of this Agreement. If Hauler fails to

pay any amount on any invoice hereunder by the due date for the same, CRRA shall have the right to refuse to accept any further deliveries of "Recycling Residue" by Hauler hereunder.

9. Hauler shall at all times defend, indemnify and hold harmless CRRA, any Operator and their respective directors, officers, employees and agents on account of and from and against any and all liabilities, actions, claims, damages, losses, judgments, workers' compensation payments, costs and expenses (including but not limited to attorneys' fees and court costs) arising out of injuries to the person (including death), damage to property or any other damages alleged to have been sustained by: (a) CRRA, any operator, or any of their respective directors, officers, employees, agents or subcontractors, or (b) Hauler or any of its directors, officers, employees, agents or subcontractors, or (c) any other person, to the extent any such injuries, damage or damages are caused or alleged to have been caused, in whole or in part, by the acts, omissions or negligence of Hauler any of its affiliates, directors, officers, employees, agents or subcontractors.
10. Hauler further undertakes to reimburse CRRA for damage to property of CRRA caused by Hauler, any of its affiliates, any of its directors, officers, employees, agents or subcontractors. The existence of insurance shall in no way limit the scope of this indemnification. Hauler's obligations under this Section shall survive the termination or expiration of this Agreement.
11. Hauler shall pay any invoice rendered by CRRA for any charges and costs incurred in connection with this Agreement, including but not limited to, disposal charges, penalties, fines, interest charges, attorneys fees and adjustments, within twenty (20) days from the date of such invoice.
12. Any "Recycling Residue" delivered by Hauler must comply with the requirements for "Recycling Residue" set forth in the Procedures and in Exhibit A attached hereto and made a part hereof.
13. Hauler, its affiliates, entities or other agents shall deliver to the "CRRA System" all CRRA Project Waste generated within the corporate boundaries of any of the "CRRA Project Municipalities" that Hauler or any such entity or agent collects pursuant to an agreement or otherwise, or that comes into Hauler's or such entity's or agent's possession through other means.

For purposes of this Section 13: (i) the term "CRRA System" shall mean CRRA's resources recovery facilities, transfer stations, recycling facilities, disposal sites and any alternative site or sites chosen by CRRA for processing or disposing of waste; (ii) the term "CRRA Project Municipalities" shall mean those municipalities that are either members of any of CRRA's resources recovery projects or have an agreement to deliver waste to any of these projects; and (iii) the term "CRRA Project Waste" shall mean waste that can be accepted at and processed by the CRRA System.

In the event that Hauler fails to comply with any of its obligations under this Agreement, then such failure shall constitute an event of default on the part of Hauler hereunder, and CRRA shall have the right to terminate this Agreement.

14. This Agreement may not be assigned in whole or in part by the Hauler and shall be void, if so assigned, except upon the express written consent of the CRRA, which consent will be unreasonably party. In the event of a dissolution of or merger involving Hauler, Hauler shall promptly provide CRRA with written notice of such event, including the effective date thereof. To the extent permitted by law, CRRA and Hauler desire that neither KTI, Inc. ("KTI") nor any officer, director, parent corporation, subsidiary, or any person, firm, or corporation acquiring all or substantially all of the business assets of KTI by merger, consolidation, transfer of assets or otherwise, shall have any direct or indirect financial or ownership interest in or managerial influence over Hauler or its affiliates or on Hauler's performance under this Agreement. If KTI or any officer, director, parent corporation, subsidiary, or any person, firm, or corporation acquiring all or substantially all of the business assets of KTI by merger, consolidation, transfer of assets or otherwise, seeks to participate as an owner or in the performance of Hauler's obligations under this Agreement or to participate in any way in any future project or venture with Hauler or any of its affiliates, Hauler shall notify CRRA of Hauler's or such affiliate's intent to enter into such relationship. To the extent permitted by law, Hauler shall not enter into, or shall cause its affiliate not to enter into, such relationship if CRRA disapproves of the same. CRRA shall notify Hauler of its disapproval, if at all, no later than fifteen (15) days after CRRA's receipt of notice from Hauler of its or its affiliate's intent to enter into such relationship. Any failure by Hauler to comply with the terms of this paragraph 14 shall constitute a default under this Agreement. Nothing in this paragraph 14 shall prohibit Hauler from purchasing an asset of KTI.
15. This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
16. This agreement shall be governed by and construed in accordance with the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut.
17. The term of this Agreement shall commence on July 1, 2003 (the "Commencement Date") and shall continue until June 30, 2004. This Agreement shall become effective on the Commencement Date, subject to the approval of CRRA's Board of Directors.
18. This Agreement constitutes the entire agreement and understanding between the parties hereto and concerning the subject matter hereof and supersedes any and all previous agreements, written or oral, between the parties hereto and concerning the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first written above.

WILLIMANTIC WASTE
PAPER COMPANY, INC.

CONNECTICUT RESOURCES
RECOVERY AUTHORITY

By: J. Sh
Its Treasurer
(Title)
Duly Authorized

By: _____
Thomas D. Kirk
Its President
Duly Authorized

EXHIBIT A

Requirements Regarding Recycling Residue.

Municipality agrees that the Recycling Residue to be delivered to the CRRA System shall meet each of the following requirements:

- (a) Must be Recycling Residue emanating from within the corporate boundaries of the designated Member Municipality or Non-Member Municipality source;
- (b) Must not be of such a quality or other nature as to materially impair the operation or capacity of the System or any portion thereof, normal and reasonable wear and usage excepted;
- (c) Must not be of such a quality or other nature as to materially impair the strength or the durability of the structures, equipment, or works, which are a part of the System or any portion thereof;
- (d) Must not be of such a quality or other nature as to create flammable or explosive conditions in the System or any portion thereof;
- (e) Must not contain chemical or other properties which are deleterious, as determined by CRRA, to any part of the System or capable of causing material damage to any part of the System or to personnel; and
- (f) Must not include any hazardous or toxic substance as defined by applicable federal or state law, regulation or other promulgation, except to the extent permitted by CRRA, from time to time, in writing at such points and under such conditions as CRRA shall prescribe.
- (g) Must originate from a facility that is properly permitted with all governmental entities including, but not limited to, the State of Connecticut Department of Environmental Protection and, if necessary, the local governmental body where the facility is located.

The CRRA System is not intended to be used for the transportation, storage or disposal of hazardous waste, and Municipality agrees to use its best efforts to take all necessary or appropriate actions to ensure that hazardous waste is not delivered to the CRRA System and that no part of the CRRA System becomes classified as a hazardous or toxic materials storage or processing facility.

Compliance with Requirements.

Hauler shall cause all Recycling Residue at any time delivered directly to the CRRA System by or on behalf of the Member Municipality or Non-Member Municipality to comply with all requirements of CRRA. In all cases where such requirements involve technical or scientific analyses or determinations, CRRA shall have final authority as to methods, standards, criteria, significance, evaluation and interpretation of such analyses and determinations. At its discretion, CRRA shall permit no new deliveries and shall discontinue existing deliveries of Recycling Residue by or on behalf of the Hauler if said Recycling Residue does not comply with such requirements of CRRA. CRRA may, from time to time, make a determination of the respects in which Recycling Residue delivered to the CRRA System by or on behalf of the Hauler is not in compliance with such requirements then in effect. CRRA shall provide the Hauler with notice of any such determination. Any such determination shall be considered final and binding sixty (60) days after such notice.

TAB 6

Resolution Regarding A Solid Waste Delivery Agreement with Waste Management of Connecticut, Inc.

RESOVED: The President is authorized to enter into a solid waste delivery agreement for the Mid-Connecticut Project with Waste Management of Connecticut, Inc., substantially in accordance with the terms and conditions discussed at this meeting.

**Connecticut Resources Recovery Authority
Contract Summary for
Waste Management MSW Delivery Agreement – Mid-Connecticut Project**

Presented to the CRRA Board on: May 15, 2003

Vendor/ Contractor(s): Waste Management of Connecticut, Inc.

Effective date: July 1, 2003

Contract Type/Subject matter: Waste delivery

Facility(ies) Affected: Mid-Connecticut Resources Recovery Facility

Original Contract: 1997

Current Contract Term: July 1, 2003 – June 30, 2004

Revenue Dollar Value: Approximately \$3,216,825/year

Amendment(s): None

Term Extensions: None

Other Pertinent Provisions:

- Tip fee of \$63.75/ton member or contract waste, \$64.00/ton non-member waste over 650 tons/month
- Acceptable Waste can be delivered from any of the 70 member and contract municipalities
- Hauler deliveries to the four Mid-Connecticut transfer stations is limited to the following amounts: Essex up to 200 tons per week, Watertown up to 250 tons per week, Torrington up to 200 tons per week, Ellington 0 tons per week. Tons in excess of these amounts must be delivered directly to the Mid-Connecticut plant in Hartford
- Hauler must deliver a minimum (put-or-pay) of 4,205 tons per month
- Acceptable waste can also be delivered from non-member towns
- Non-member waste deliveries are interruptible by CRRA

MID-CONNECTICUT SOLID WASTE DELIVERY AGREEMENT

THIS MID-CONNECTICUT SOLID WASTE DELIVERY AGREEMENT (the "Agreement") is made and entered into as of this 1st day of July 2003, by and between the **CONNECTICUT RESOURCES RECOVERY AUTHORITY**, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, having its principal offices at 100 Constitution Plaza, 17th Floor, Hartford, Connecticut 06103 (hereinafter "CRRA") and **WASTE MANAGEMENT OF CONNECTICUT, INC.**, a Connecticut corporation, having its principal offices at **19 Wheeler Street, New Haven, Connecticut 06512** (hereinafter "Hauler").

Preliminary Statement

Pursuant to the terms and conditions set forth below, CRRA is willing to accept Acceptable Waste generated within the corporate boundaries of any of the Member Municipalities or the Non-Member Municipalities, and delivered by Hauler to the Mid-Connecticut facilities described in paragraph 11 of this Agreement (collectively, the "Facilities").

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CRRA and Hauler hereby agree as follows.

Terms and Conditions

1. All terms that are used but not defined in this Agreement shall have the same respective meanings assigned to such terms in CRRA's Mid-Connecticut Project Permitting, Disposal and Billing Procedures (the "Procedures"), which Procedures are hereby incorporated by reference herein and made a part hereof as if such Procedures had been attached in their entirety to this Agreement. For purposes of this Agreement, (i) the term "Wesi Projects" shall mean the resources recovery projects operated by Wheelabrator Environmental Systems, Inc., Bridgeport Resco Company, L.P. or Riley Energy Systems of Lisbon Corporation and located in Lisbon, Connecticut; Bridgeport, Connecticut; Peekskill, New York; Millbury, Massachusetts; and North Andover, Massachusetts; (ii) the term "Member Municipalities" shall mean those municipalities that either are members of CRRA's Mid-Connecticut resources recovery project or have an agreement to deliver solid waste to such project; (iii) the term "Non-Member Municipalities" shall mean those municipalities that are not members of any CRRA resources recovery project or do not have any agreement with CRRA to deliver Acceptable Waste to any such CRRA project, but excluding those Connecticut municipalities that are either members of the Bristol resources recovery project in Bristol, Connecticut (the "Bristol Project") or have a written agreement to deliver solid waste to the Bristol Project or any of the Wesi Projects, but such exclusion shall apply only to the extent of the amount of solid waste that is contractually committed to be delivered under such agreement to the Bristol Project or any of the Wesi Projects; (iv) the term "Acceptable Waste" shall have the same meaning assigned to such term in the Procedures but excluding Non-Processible Waste and any materials or waste that are or may in the future be required by law and/or regulation to be recycled; (v) the term "Authorized Representative" or "Authorized

Representative of CRRA” shall mean any person designated in writing to Hauler by the President of CRRA; and (vi) “Hauler” shall mean **Waste Management of Connecticut, Inc.** and its Affiliate Companies and such company that acquires all or substantially all of the Hauler’s assets as defined and as set forth in paragraph 22 herein.

2. During the term of this Agreement, Hauler shall deliver to the Facilities at least four thousand two hundred five (4,205) tons of Acceptable Waste per month generated within the corporate boundaries of any of the Member Municipalities (the “Minimum Tonnage”). For each month during the term of this Agreement, Hauler shall deliver to the Facility at least the Minimum Tonnage or Hauler shall pay CRRA the per ton service fee specified under paragraph 4 of this Agreement as if Hauler had delivered such amount for such month. If CRRA cannot accept any part of the Minimum Tonnage under this Agreement, Hauler shall have no obligation to pay CRRA the service fee for such part of the Minimum Tonnage not accepted by CRRA hereunder.
3. Each month during the term of this Agreement, CRRA will accept from Hauler all Acceptable Waste generated within the Member Municipalities and delivered by Hauler to the Facilities pursuant to the terms and conditions of this Agreement. In addition to the above, Waste Management shall pay any surcharges which may be imposed from time-to-time, including the Essex Transfer Station recycling surcharge or the Ellington Transfer Station surcharge for East Windsor deliveries.
4. Hauler shall pay to CRRA a service fee of SIXTY-THREE and 75/100 (\$63.75) Dollars for each ton of Acceptable Waste which was or should have been delivered by Hauler pursuant to paragraphs 2 or 3 of this Agreement. Based on the provisions of paragraph 2 hereof, the minimum billing for each month will be \$268,068.75. Nothing in this Agreement shall prevent Hauler from proving that CRRA either could have mitigated its damages or that it did mitigate its damages.
5. In the event that CRRA authorizes to accept and Hauler desires to deliver at the Facilities deliveries of Acceptable Waste generated within the corporate boundaries of the City of Middletown, Connecticut, CRRA will notify Hauler, by written notice, and Hauler shall deliver such Acceptable Waste to the Facility in accordance with paragraph 6.
6. During each month of the term of this Agreement, CRRA may, in its sole and absolute discretion, accept, on a spot basis, at the Facility, in accordance with the conditions stated below, additional Acceptable Waste from Non-Member Municipalities. Hauler acknowledges that CRRA typically considers several factors when scheduling spot waste deliveries, including but not limited to price. In the event another party offers to pay a higher service fee for spot waste deliveries, Hauler shall have the right of first refusal to accept the higher service fee. Upon notification, Hauler has to respond in a timely manner, sometimes a short response time, from the time of notification thereof to reject or accept the higher price for spot waste deliveries to allow CRRA to plan accordingly in managing waste deliveries. If Hauler does not respond in a timely manner or refuses to meet the higher price for spot waste deliveries then CRRA has the right to use other spot waste customers, without any obligation or responsibility to Hauler. CRRA agrees that, except for its existing contractual obligations with other haulers, it will consider Hauler’s ability to deliver spot waste as a preferred supplier, when spot waste needs arise from

time-to-time, provided Hauler is in good standing. For each week during the term hereof, any such additional Acceptable Waste shall be accepted only at the Facilities upon the prior weekly authorization of CRRA in which the Authorized Representative of CRRA shall advise Hauler of the amount of such additional Acceptable Waste CRRA shall accept during such week, and Hauler shall deliver such authorized amount. For purposes of this Agreement, acceptance of both Acceptable Waste from Westi and residue from various recycling facilities shall not constitute acceptance of spot waste. If Hauler requests CRRA to accept additional Acceptable Waste at an alternative CRRA resources recovery facility and CRRA agrees to in its sole discretion, for purposes of paragraphs 5 and 6 only, shall pay to CRRA to the applicable per ton service fee set forth on Exhibit A attached hereto and made as part hereof for each ton of additional Acceptable Waste delivered to and accepted at an alternative CRRA resources recovery facility pursuant to paragraphs 5 and 6, unless the actual costs to CRRA for such services at an alternative CRRA resources recovery facility are greater than the amount payable by Hauler based on the applicable per ton service fee for such facility set forth in Exhibit A. In such event, CRRA shall notify Hauler of such greater costs and Hauler shall pay the same to CRRA if Hauler delivers any additional Acceptable Waste to such facility.

7. Hauler shall pay (i) Sixty-Three and 75/100 (\$63.75) for the first 650 tons per month. Thereafter, Hauler shall pay to CRRA a service fee of: (ii) Sixty-Four and 00/100 (\$64.00) dollars for each ton of Acceptable Waste delivered to and accepted at the Facility pursuant to paragraphs 5 and 6 of this Agreement.
8. Monthly invoices for the service fees stated in paragraphs 4 and 7 above shall be issued by CRRA and paid by Hauler in accordance with this Agreement and the Procedures, except that invoices shall be paid within twenty (20) days from the date of invoice and if any amount on any such invoice remains unpaid after such twenty (20) day period, such amount shall be deemed past due. Hauler's obligation to pay the per ton service fees as set forth above shall survive the termination or expiration of this Agreement.
9. The performance of obligations regarding Acceptable Waste from Member Municipalities under this Agreement except for payments required above may be suspended by either party in the event the transportation, or delivery of, or disposal of such Waste at the Facility are prevented by a cause or causes beyond the reasonable control and without the willful act or negligence of such party. Such causes shall include, but not be limited to acts of God, acts of war, riot, fire, explosion, accident, flood, or sabotage, lack of adequate fuel or power, strike, labor dispute, changes in governmental laws, regulations, rule makings, permits, approvals, requirements (other than the Procedures or the application requirements for CRRA permits), orders or actions which significantly affect Acceptable Waste or the Facility. In the event that facility maintenance or repair is the excuse, Hauler agrees to arrange for the disposal of Acceptable Waste from Member Municipalities at the nearest available CRRA waste disposal facility at the prices set forth herein.
10. Any Acceptable Waste delivered by Hauler must comply with the requirements for Acceptable Waste set forth in the Procedures and in Exhibit B attached hereto and made

a part hereof. Acceptable Waste generated by the Non-Member Municipalities and delivered by Hauler hereunder may include individual loads which combine Acceptable Waste from Member and Non-Member Municipalities. Except as otherwise authorized herein, Hauler shall not deliver any Acceptable Waste generated from sources other than the Member Municipalities and Non-Member Municipalities, and any such Acceptable Waste so delivered by Hauler shall constitute a violation under this Agreement and the Procedures.

11. During the term of this Agreement, Hauler may make deliveries of Acceptable Waste to the following facilities in the following amounts:

- Essex Transfer Station: up to 200 tons per week;
- Watertown Transfer Station: up to 250 tons per week; and
- Torrington Transfer Station: up to 200 tons per week.

All deliveries in excess of these amounts must be made directly to CRRA's Mid-Connecticut waste processing facility located at 300 Maxim Road in Hartford, Connecticut (the "Facility").

If Department of Environmental Protection allows the increase of permitted Acceptable Waste deliveries, then CRRA will remove the aforementioned tonnage limitations of this Section 11.

12. The term of this Agreement shall commence on July 1, 2003 and shall continue until June 30, 2004.
13. If, prior to June 30, 2004, CRRA offers to take non-spot Acceptable Waste from any other waste hauler, CRRA shall offer to accept from Hauler, on similar terms, the same amount of non-spot Acceptable Waste as stated in paragraph 2 at the same price and for the same term as it offered to such other waste hauler.
14. Prior to delivering any Acceptable Waste to any of the Facilities, Hauler shall obtain all permits that are required by the Procedures, and shall comply with all other pre-delivery requirements set forth therein and in the applications (including instructions) for such permits. Hauler shall at all times comply with the Procedures, including any amendments thereto that are made by CRRA from time-to-time.
15. Prior to delivery of any "Acceptable Waste" to the Facility, Hauler shall submit, along with its permit application, a guaranty of payment satisfactory to the CRRA in all respects and in the form of Letter of Credit, surety bond or cashier's check in an amount sufficient to cover two (2) months of waste disposal charges as estimated by the CRRA. CRRA shall reassess the amount of the guarantee from time to time.
16. Hauler shall amend its Letter of Credit or surety bond or provide additional cashier's check to the CRRA if requested to do so by the CRRA for any additional amounts of Acceptable Waste delivered pursuant to this Agreement. Additionally, if Hauler submits

to CRRA either a letter of credit or surety bond, Hauler shall, within sixty (60) days before the expiration of same, renew the letter of credit or surety bond and furnish the renewed letter of credit or surety bond to CRRA. If Hauler's letter of credit or surety bond is canceled or terminated, Hauler shall immediately resubmit to CRRA a new letter of credit or surety bond that complies with the requirements of this paragraph 16. If Hauler fails to comply with any of these requirements of this paragraph 16, then CRRA may deny Hauler any further access to the facilities and/or revoke its permit for same.

17. Hauler shall pay to CRRA any other costs that arise from the acceptance or disposal of Unacceptable Waste or other waste delivered by Hauler to any of the Facilities or the Mid-Connecticut Facility. Such costs shall include but are not limited to: (i) damage to any of the Facilities or the Mid-Connecticut Facility from either the delivery, processing, receipt or handling of any Unacceptable Waste delivered by Hauler; and (ii) any clean-up, decontamination or repairs to any of the Facilities or the Mid-Connecticut Facility necessitated by the delivery, processing, receipt or handling of any Unacceptable Waste delivered by Hauler.
18. Hauler, and only Hauler as defined in paragraph 1 herein, is hereby permitted to deliver Acceptable Waste to the Facilities pursuant and subject to this Agreement. Hauler, as defined in paragraph 1 herein, shall be subject to the terms and conditions of this Agreement and the Procedures and Hauler is to abide by and comply with the terms and conditions of this Agreement and the Procedures, and failure of the Hauler to so abide and comply shall constitute a default by Hauler hereunder. In the event the Hauler acquires or merges with any other company or entity that does not fall within the definition in paragraph 22 herein, neither such company, entity, nor any of the assets or waste sources of such company or entity shall be permitted or authorized to deliver Acceptable Waste hereunder.
19. CRRA and Hauler acknowledge and agree that this Agreement does not in any way change, modify or affect the obligations of Hauler to deliver municipal solid waste to the Wallingford Facility pursuant to a certain Wallingford Solid Waste Delivery Agreement by and between CRRA and Hauler, dated July 1, 2003.
20. Hauler and CRRA represent that this agreement is valid, binding and lawful. Hauler shall at all times defend, indemnify, and hold harmless CRRA, any operator and their respective directors, officers, employees, agents on the count of and from and against any and all liabilities, actions, claims, damages, losses, judgments, worker's compensation payments, cost and expenses including but not limited to, attorneys' fees and court costs, arising out of injuries to the person including death, damage to the property, or any other damages alleged to have been sustained by: (a) CRRA, any operator, or any of their respective directors, officers, employees, agents or sub-contractors, or (b) Hauler or any of it's directors, officers, employees, agents or sub-contractors, or (c) Any other person, to the extent any such injuries, damage or damages are caused by or alleged to have been caused, in whole or in part, by the acts or omissions or negligence of the Hauler or any of its affiliates, directors, officers, employees, agents or subcontractors. Hauler further undertakes to reimburse CRRA for damage to property of CRRA caused by Hauler, any of its affiliates, or any of its directors, officers, employees, agents or subcontractor. Hauler shall not indemnify CRRA for CRRA's own sole negligence or

CRRA's own willful acts. The existence of insurance shall in no way limit the scope of this indemnification. Hauler's obligations under this section shall survive the termination of this Agreement.

21. Moreover, neither Hauler nor CRRA shall ever offer this Agreement as evidence or otherwise claim that this Agreement either supports or contradicts the existence or validity of flow control.
22. Neither party shall assign nor transfer, or permit the assignment or transfer of this agreement or the rights hereunder without the prior written consent of the other party otherwise said assignments shall be void, provided, however, the Hauler may transfer or assign its interest hereunder to an "Affiliated Company" or to a person, firm or corporation acquiring all or substantially all of the business assets of the Hauler by merger, consolidation, transfer of assets or otherwise without the prior written consent of CRRA. In the event of such assignment or transfer, the assignee shall assume the liability of the Hauler, but such assumption of liability shall not relieve the Hauler of liability under this Agreement. For purposes of this section, "Affiliated Company" means any company which controls, is controlled by, or is under common control with the Hauler.
23. To the extent permitted by law, CRRA and Hauler desire that neither KTI, Inc. ("KTI") nor any officer, director, affiliate or subsidiary of KTI have any direct or indirect financial or ownership interest in or managerial influence over Hauler or its affiliates or on Hauler's performance under this Agreement. If KTI or any officer, director, affiliate or subsidiary thereof seeks to participate as an owner or in the performance of Hauler's obligations under this Agreement or to participate in any way in any future project or venture with Hauler or its affiliates, Hauler shall notify CRRA of its intent to enter into such relationship. To the extent permitted by law, Hauler shall not enter into such relationship if CRRA disapproves of such relationship. CRRA shall notify Hauler of its disapproval, if at all, no later than fifteen (15) days after CRRA's receipt of notice from Hauler of its intent to enter into such relationship. Any failure by Hauler to comply with the terms of this paragraph shall constitute a default under this Agreement. Nothing in this paragraph 23 shall prohibit Hauler from purchasing an asset of KTI.
24. This Agreement shall be governed by, and construed, interpreted and enforced in accordance with the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut.
25. This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
26. CRRA shall have the right, but not the obligation to inform the Hauler of its failure to comply with any of its obligations under this Agreement. Such failure shall constitute an event of default on the part of the Hauler hereunder and CRRA shall have the right to immediately suspend Hauler's ability to deliver under this Agreement. CRRA shall have the right to terminate the Agreement if within seven (7) days Hauler does not rectify the problem to the satisfaction of CRRA. This section does not affect Hauler's obligations or CRRA's rights under paragraph 13.

27. This Agreement shall become effective on the date hereof, subject to the approval of CRRA's Board of Directors, which approval will be sought at the June 2003 meeting of CRRA's Board of Directors.
28. This Agreement constitutes the entire agreement and understanding between the parties hereto and concerning the subject matter hereof and supersedes any and all previous agreements, written or oral, between the parties hereto and concerning the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first written above.

**WASTE MANAGEMENT
OF CONNECTICUT, INC.**

**CONNECTICUT RESOURCES
RECOVERY AUTHORITY**

By: _____

(Print Name)

Its _____

(Title)
Duly Authorized

By: _____

Thomas D. Kirk
Its President
Duly Authorized

EXHIBIT A

Service Fees Payable By Hauler For Disposal Of Acceptable Waste At Alternative CRRA Resources Recovery Facilities Pursuant To Paragraph 6 Only.

<u>Facility</u>	<u>Service Fee Per Ton</u>
Bridgeport	\$71.00
Southeast (Preston)	\$60.00
Wallingford	\$55.00

EXHIBIT B

For purposes of this Exhibit B, the term "Facilities", as used below shall include the any alternative CRRA resources recovery facility, as referenced in Paragraph 6; the Wallingford Facility; and the nearest available CRRA waste disposal facility, as referenced in paragraph 11.

Requirements Regarding Acceptable Waste.

Hauler agrees that the Acceptable Waste to be delivered to the Facilities shall meet each of the following requirements:

- (a) Must be Acceptable Waste emanating from within the corporate boundaries of any of the Member Municipalities or the Non-Member Municipalities;
- (b) Must not be of such a quality or other nature as to materially impair the operation or capacity of any of the Facilities or any portion thereof, normal and reasonable wear and usage excepted;
- (c) Must not be of such a quality or other nature as to materially impair the strength or the durability of the structures, equipment, or works which are a part of any of the Facilities or any portion thereof;
- (d) Must not be of such a quality or other nature as to create flammable or explosive conditions in any of the Facilities or any portion thereof;
- (e) Must not contain chemical or other properties which are deleterious, as determined by CRRA, to any part of the Facilities or capable of causing material damage to any part of the Facilities or to personnel; and
- (f) Must not include any hazardous or toxic substance as defined by applicable Federal or State law, regulation or other promulgation, except to the extent permitted by CRRA, from time-to-time, in writing at such points and under such conditions as CRRA shall prescribe.

The Facilities are not intended to be used for the transportation, storage or disposal of hazardous waste, and Hauler agrees to use its best efforts to take all necessary or appropriate actions to ensure that hazardous waste is not delivered to any of the Facilities and that no part of the Facilities becomes classified as a hazardous or toxic materials storage or processing facility.

Compliance with Requirements.

Hauler shall cause all Acceptable Waste at any time delivered directly or indirectly to any of the Facilities by it to comply with all requirements of CRRA. In all cases where such requirements involve technical or scientific analyses or determinations, CRRA shall have final authority as to methods, standards, criteria, significance, evaluation, and interpretation of such analyses and determinations. Hauler shall permit no new deliveries and shall discontinue existing deliveries of Acceptable Waste by Hauler which include any Acceptable Waste that does not comply with such requirements of CRRA. CRRA may, from time-to-time, make a determination of the respects in which Acceptable Waste delivered to any of the Facilities by Hauler is not in compliance with such requirements then in effect. CRRA shall provide Hauler with notice of any such determination. Any such determination shall be considered final and binding sixty (60) days after such notice.

TAB 7

**Resolution Regarding A Solid Waste Delivery Agreement with Waste Management
of Connecticut, Inc.**

RESOVED: The President is authorized to enter into a solid waste delivery agreement for the Wallingford Project with Waste Management of Connecticut, Inc., substantially in accordance with the terms and conditions discussed at this meeting.

**Connecticut Resources Recovery Authority
Contract Summary for
Waste Management MSW Delivery Agreement – Wallingford Project**

Presented to the CRRA Board on: May 15, 2003

Vendor/ Contractor(s): Waste Management of Connecticut, Inc.

Effective date: July 1, 2003

Contract Type/Subject matter: Waste delivery

Facility(ies) Affected: Wallingford Resources Recovery Facility

Original Contract: 1997

Current Contract Term: July 1, 2003 – June 30, 2004

Revenue Dollar Value: Approximately \$2,624,435/year

Amendment(s): None

Term Extensions: None

Other Pertinent Provisions:

- Tip fee of \$55.00/ton,
- Minimum delivery (put-or-pay) commitment of 2100 tons/month (\$115,500/month),
- Acceptable Waste can be delivered from any of the five project member towns,
- Acceptable Waste collected in the City of New Haven may be delivered to the facility,
- Non-member (New Haven waste) is interruptible by CRRA,
- CRRA can divert Waste Management waste to the Mid-Connecticut facility during periods of high waste volume and during scheduled and unscheduled Wallingford plant outages,
- WM pays \$51.00/ton rate on tons diverted from the Wallingford facility to the Mid-Connecticut facility

WALLINGFORD SOLID WASTE DELIVERY AGREEMENT

THIS WALLINGFORD SOLID WASTE DELIVERY AGREEMENT (the "Agreement") is made and entered into as of this 1st day of July, 2003, by and between the **CONNECTICUT RESOURCES RECOVERY AUTHORITY**, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, having its principal offices at 100 Constitution Plaza, 17th Floor, Hartford, Connecticut 06103 (hereinafter "CRRA") and **WASTE MANAGEMENT OF CONNECTICUT, INC.**, a Connecticut corporation, having its principal offices at 19 Wheeler Street, New Haven, Connecticut 06512 (hereinafter "Hauler").

Preliminary Statement

Pursuant to the terms and conditions set forth below, CRRA is willing to accept Acceptable Waste generated within the corporate boundaries of Cheshire, Hamden, Meriden, New Haven, North Haven or Wallingford, Connecticut (the "Listed Municipalities") and delivered by Hauler to the Wallingford resources recovery facility located at 530 South Cherry Street in Wallingford, Connecticut (the "Facility").

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CRRA and Hauler hereby agree as follows.

Terms and Conditions

1. All terms that are used but not defined in this Agreement shall have the same respective meanings assigned to such terms in CRRA's Wallingford Project Permitting, Disposal and Billing Procedures (the "Procedures"), which Procedures are hereby incorporated by reference herein and made a part hereof as if such Procedures had been attached in their entirety to this Agreement. For purposes of this Agreement the term "Wallingford Manager" shall mean the individual designated by CRRA to administer this Agreement on behalf of CRRA. "Hauler" shall mean **Waste Management of Connecticut, Inc.** and its Affiliate Companies and such company that acquires all or substantially all of the Hauler's assets as defined and as set forth in paragraph 22 herein.
2. During the term of this Agreement, Hauler shall deliver to the Facility at least two thousand one hundred (2,100) tons of Acceptable Waste per month generated within the corporate boundaries of any of the Listed Municipalities (the "Minimum Tonnage"). For each month during the term of this Agreement, Hauler shall deliver to the Facility at least the Minimum Tonnage or Hauler shall pay CRRA the per ton service fee specified under paragraph 4 of this Agreement as if Hauler had delivered such amount for such month.

3. Each month during the term of this Agreement, CRRA will accept from Hauler all Acceptable Waste generated within the Listed Municipalities and delivered by Hauler to the Facility pursuant to the terms and conditions of this Agreement.
4. Hauler shall pay to CRRA a service fee of fifty-five and 00/100 (\$55.00) Dollars for each ton of Acceptable Waste which was or should have been delivered to the Facility by Hauler pursuant to paragraphs 2 and 3 of this Agreement. Based on the provisions of paragraph 2, the minimum billing each month will be \$115,500.00. Nothing in this Agreement shall prevent Hauler from proving that CRRA either could have mitigated its damages or that it did mitigate its damages.
5. During the term of this Agreement, Hauler shall continue delivering all Acceptable Waste generated within the Listed Municipalities for which any of the Listed Municipalities either pays CRRA or Hauler. Such deliveries shall not be included in the total deliveries described in paragraphs 2 and 3.
6. Deliveries of Acceptable Waste from New Haven hereunder may not be accepted by CRRA due to operational problems, facility maintenance, or excess deliveries from other Listed Municipalities, or for any other reason as determined by CRRA in its and absolute discretion.
7. Each year during the term of this Agreement, CRRA shall have the right to divert Acceptable Waste to CRRA's Mid-Connecticut resources recovery facility located at 300 Maxim Road in Hartford, Connecticut (the "Mid-Connecticut Facility"), and Hauler shall, as directed by CRRA, deliver such diverted Acceptable Waste to the Mid-Connecticut Facility in accordance with the terms and conditions of this Agreement. Any diversion of Acceptable Waste by CRRA hereunder shall not reduce the Minimum Tonnage amount of Acceptable Waste required to be delivered by Hauler pursuant to Paragraph 2 of this Agreement, but Hauler shall be credited for such amount. CRRA will determine its need to divert any Acceptable Waste to the Mid-Connecticut Facility for each week by Thursday of the immediately preceding week. The CRRA representative will call a designated representative of the Hauler to coordinate the diversion of Acceptable Waste deliveries hereunder for the next week.
8. Hauler shall pay CRRA a service fee of fifty-one and 00/100 dollars (\$51.00) for each ton of diverted Acceptable Waste delivered to and accepted at the Mid-Connecticut Facility pursuant to paragraph 7 of this Agreement.
9. Monthly invoices for the service fees stated in paragraphs 4 and 8 hereof shall be issued by CRRA and paid by Hauler in accordance with the Procedures. Hauler's obligation to pay the per ton service fees as set forth above shall survive the termination or expiration of this Agreement.
10. The performance of any obligations under this Agreement, except for the payments required above, may be suspended by either party in the event the transportation of

Acceptable Waste or the disposal of Acceptable Waste at the Facility are prevented by a cause or causes beyond the reasonable control and without the willful act or negligence of such party. Such causes shall include, but not be limited to acts of God, acts of war, riot, fire, explosion, accident, flood, or sabotage, lack of adequate fuel or power, strike, labor dispute, changes in governmental laws, regulations, rule makings, permits, approvals, requirements (other than the Procedures or the application requirements for CRRA permits), orders or actions which significantly effect Acceptable Waste or the Facility. In the event facility maintenance or repair is the excuse, Hauler agrees to arrange for the disposal of Acceptable Waste at the nearest available CRRA waste disposal facility at the prices set forth herein.

11. Any Acceptable Waste delivered by Hauler must comply with the requirements for Acceptable Waste set forth in the Procedures and in Exhibit A attached hereto and made a part hereof. Acceptable Waste generated by the Listed Municipalities and delivered by Hauler may include individual loads which combine Acceptable Waste from the Listed Municipalities. Hauler shall not deliver any Acceptable Waste generated from sources other than any of the Listed Municipalities and any such Acceptable Waste so delivered by Hauler shall constitute a violation under this Agreement and the Procedures.
12. The term of this Agreement shall commence on July 1, 2003 and shall continue until June 30, 2004.
13. If, prior to June 30, 2004, CRRA offers to accept Acceptable Waste on a long term, non-spot basis from any other waste hauler, CRRA shall offer to accept on similar terms the same amount of waste as stated in paragraph 2 at the same price and for the same term as it offered to such other waste hauler.
14. Prior to delivering any "Acceptable Waste" to the Facility hauler shall obtain all permits that are required by the Procedures, and shall comply with all other pre-delivery requirements set forth therein and in the applications (including instructions) for such permits. Notwithstanding any prior position or statement by Hauler and during the term of this Agreement, Hauler shall at all times comply with the Procedures, including any amendments thereto that are made by CRRA from time-to-time.
15. Prior to delivering any "Acceptable Waste" to the Facility, hauler shall obtain all permits that are required by CRRA's Wallingford Project Permitting, Disposal and Billing Procedures (the "Wallingford Procedures"), and shall comply with all other pre-delivery requirements set forth therein and in the applications (including instructions) for such permits. Notwithstanding any prior position or statement by Hauler and during the term of this Agreement, Hauler shall at all times comply with the Wallingford Procedures, including any amendments thereto that are made by CRRA from time-to-time.
16. Prior to delivery of any "Acceptable Waste" to the Facility, Hauler shall submit, along with its permit application, a guaranty of payment satisfactory to the CRRA in all respects and in the form of Letter of Credit, surety bond or cashier's check in an amount sufficient to cover three (3) months of waste disposal charges as estimated by the CRRA.

CRRA shall reassess the amount of the guarantee from time to time. Hauler shall amend its Letter of Credit or surety bond or provide additional cashier's check to the CRRA if requested to do so by the CRRA for any additional amounts. Additionally, if Hauler submits to CRRA either a letter of credit or surety bond, Hauler shall, within sixty (60) days before the expiration of same, renew the letter of credit or surety bond and furnish the renewed letter of credit or surety bond to CRRA. If Hauler's letter of credit or surety bond is canceled or terminated, Hauler shall immediately resubmit to CRRA a new letter of credit or surety bond that complies with the requirements of this Section 16. If Hauler fails to comply with any of these requirements of this Section 16, then CRRA may deny Hauler any further access to the facilities and/or revoke its permit for same.

17. Hauler shall pay to CRRA any other costs that arise from the acceptance or disposal of Unacceptable Waste or other waste delivered by Hauler to any of the Facilities or the Wallingford Facility. Such costs shall include but are not limited to: (i) damage to any of the Facilities or the Wallingford Facility from either the delivery, processing, receipt or handling of any Unacceptable Waste delivered by Hauler; and (ii) any clean-up, decontamination or repairs to any of the Facilities or the Wallingford Facility necessitated by the delivery, processing, receipt or handling of any Unacceptable Waste delivered by Hauler.
18. Hauler, and only Hauler as defined in paragraph 1 herein, is hereby permitted to deliver Acceptable Waste to the Facilities pursuant and subject to this Agreement. Hauler, as defined in paragraph 1 herein, shall be subject to the terms and conditions of this Agreement and the Procedures and Hauler is to abide by and comply with the terms and conditions of this Agreement and the Procedures, and failure of the Hauler to so abide and comply shall constitute a default by Hauler hereunder. In the event the Hauler acquires or merges with any other company or entity that does not fall within the definition in paragraph 22 herein, neither such company, entity, nor any of the assets or waste sources of such company or entity shall be permitted or authorized to deliver Acceptable Waste hereunder.
19. CRRA and Hauler acknowledge and agree that this Agreement does not in any way change, modify or affect the obligations of Hauler to deliver municipal solid waste to the Mid-Connecticut Facility pursuant to a certain Mid-Connecticut Solid Waste Delivery Agreement by and between CRRA and Hauler, dated July 1, 2003.
20. Hauler and CRRA represent that this agreement is valid, binding and lawful. Hauler shall at all times defend, indemnify, and hold harmless CRRA, any operator and their respective directors, officers, employees, agents on the count of and from and against any and all liabilities, actions, claims, damages, losses, judgments, worker's compensation payments, cost and expenses, including, but not limited to, attorneys' fees and court costs, arising out of injuries to the person including death, damage to the property or any other damages alleged to have been sustained by: (a) CRRA, any operator, or any of their respective directors, officers, employees, agents or sub-contractors, or (b) Hauler or any of it's directors, officers, employees, agents or sub-contractors, or (c) Any other person, to the extent any such injuries, damage or damages are caused by or alleged to have

been caused, in whole or in part, by the acts or omissions or negligence of the Hauler or any of its affiliates, directors, officers, employees, agents or subcontractors. Hauler further undertakes to reimburse CRRA for damage to property of CRRA caused by Hauler, any of its affiliates, or any of its directors, officers, employees, agents or subcontractor. Hauler shall not indemnify CRRA for its own sole negligence or CRRA's own willful acts. The existence of insurance shall in no way limit the scope of this indemnification. Hauler's obligations under this section shall survive the termination of this Agreement.

21. Neither Hauler nor CRRA shall ever offer this Agreement as evidence or otherwise claim that this Agreement either supports or contradicts the existence or validity of flow control. Further, during the term of this Agreement, CRRA shall not attempt to enforce against Hauler any section of the Procedures that was included to implement flow control.
22. Neither party shall assign nor transfer, or permit this assignment or transfer of this agreement or the rights hereunder without the prior written consent of the other party otherwise said assignment shall be void, provided, however, the Hauler may transfer or assign its interest hereunder to an "Affiliated Company" or to a person, firm or corporation acquiring all or substantially all of the business assets of the Hauler by merger, consolidation, transfer of assets or otherwise without the prior written consent of CRRA. In the event of such assignment or transfer, the assignee shall assume the liability of the Hauler, but such assumption of liability shall not relieve the Hauler of liability under this Agreement. For purposes of this section, "Affiliated Company" means any company, which controls, is controlled by, or is under common control with the Hauler.
23. This Agreement shall be governed by, and construed, interpreted and enforced in accordance with the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut.
24. This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.
25. CRRA shall have the right, but not the obligation to inform the Hauler of its failure to comply with any of its obligations under this Agreement. Such failure shall constitute an event of default on the part of the Hauler hereunder and CRRA shall have the right to immediately suspend Hauler's ability to deliver under this Agreement. CRRA shall have the right to terminate the Agreement, if within seven (7) days Hauler does not rectify the problem to the satisfaction of CRRA. This section does not affect Hauler's obligations under paragraph 16.
26. This Agreement shall become effective on the date hereof, subject to the approval of CRRA's Board of Directors whose approval will be sought at its June, 2003 Board meeting.

27. This Agreement constitutes the entire agreement and understanding between the parties hereto and concerning the subject matter hereof and supersedes any and all previous agreements, written or oral, between the parties hereto and concerning the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first written above.

**WASTE OF MANAGEMENT OF
CONNECTICUT, INC.**

**CONNECTICUT RESOURCES
RECOVERY AUTHORITY**

By: _____

Its _____
(Title)
Duly Authorized

By: _____

Thomas D. Kirk
Its President
Duly Authorized

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EXHIBIT A

For purposes of this Exhibit A, the term "Facility", as used below, shall include the Wallingford Facility, the Mid-Connecticut Facility, and the nearest available other CRRA waste disposal facility.

Requirements Regarding Acceptable Waste.

Hauler agrees that the Acceptable Waste to be delivered to the Facility shall meet each of the following requirements:

- (a) Must be Acceptable Waste emanating from within the corporate boundaries of any of the Listed Municipalities;
- (b) Must not be of such a quality or other nature as to materially impair the operation or capacity of the Facility or any portion thereof, normal and reasonable wear and usage excepted;
- (c) Must not be of such a quality or other nature as to materially impair the strength or the durability of the structures, equipment, or works which are a part of the Facility or any portion thereof;
- (d) Must not be of such a quality or other nature as to create flammable or explosive conditions in the Facility or any portion thereof;
- (e) Must not contain chemical or other properties which are deleterious, as determined by CRRA, to any part of the Facility or capable of causing material damage to any part of the Facility or to personnel; and
- (f) Must not include any hazardous or toxic substance as defined by applicable federal or state law, regulation or other promulgation, except to the extent permitted by CRRA, from time-to-time, in writing at such points and under such conditions as CRRA shall prescribe.

The Facility is not intended to be used for the transportation, storage or disposal of hazardous waste, and Hauler agrees to use its best efforts to take all necessary or appropriate actions to ensure that hazardous waste is not delivered to the Facility and that no part of the Facility becomes classified as a hazardous or toxic materials storage or processing facility.

Compliance with Requirements.

Hauler shall cause all Acceptable Waste at any time delivered directly to the Facility by it to comply with all requirements of CRRA. In all cases where such requirements involve technical or scientific analyses or determinations, CRRA shall have final authority as to methods, standards, criteria, significance, evaluation, and interpretation of such analyses and determinations. Hauler shall permit no new deliveries and shall discontinue existing deliveries of Acceptable Waste by Hauler which include any Acceptable Waste that does not comply with such requirements of CRRA. CRRA may, from time-to-time, make a determination of the respects in which Acceptable Waste delivered to the Facility by Hauler is not in compliance with such requirements then in effect. CRRA shall provide Hauler with notice of any such determination. Any such determination shall be considered final and binding sixty (60) days after such notice.

TAB 8

**RESOLUTION RE: AUTHORIZATION FOR PAYMENT OF ANDERSON KILL
AND OLICK**

RESOLVED: That the President of CRRA is hereby authorized to pay Anderson Kill and Olick up \$250,000 to reimburse Anderson Kill for fees and expenses incurred up April 17, 2003, but not paid, which exceed the June 2002 authorized amount of \$300,000 for work with the Attorney General's Office in the matter of In re: Enron Corp., et al. (Chapter 11, Case No. 01-16034(AJG)) ("Bankruptcy Case") and for the additional work not anticipated on the CL&P issues which arose in the Bankruptcy Case and in discussions with CL&P to obtain monies owed to CRRA.

FURTHER RESOLVED: That the President of CRRA is hereby authorized to pay Anderson Kill an additional \$100,000, including any remained of the aforementioned authorization, for any further work Anderson Kill does from April 18, 2003 forward on the condition Anderson Kill inform CRRA when it is within \$50,000 of this \$100,000 authorized expenditure.

TAB 9

Connecticut Resources Recovery Authority South Meadows Power Block Facility Response to Oil Release

May 15, 2003

Executive Summary

On March 12, 2003 oil was discovered in the cooling water discharge at the South Meadows Power Block Facility. The Connecticut River is the receiving water into which the cooling water is discharged.

In accordance with Section 1 (b) 2 of Article III of CRRA's Procurement Policies and Procedures ("PP&Ps"), effective November 21, 2002, CRRA contracted with Environmental Services, Inc. ("ESI") to respond to the release and conduct spill cleanup activities. ESI was employed by CRRA pursuant to the State of Connecticut Department of Administrative Services ("DAS") Emergency Response Contract (Contract Award # 023-A-17-00612-C).

As required by Section 1(c) of Article III of the PP&Ps, this is to notify the Board of Directors that this procurement was not conducted pursuant to a competitive process, but was instead made pursuant to a DAS contract, pursuant to the PP&Ps.

Although this situation may also be considered an Emergency Situation pursuant to Section 10 of Article V of the PP&P, Board ratification of the contract is not necessary since the contract was a DAS contract, covered under Section 1(b) of Article III of the PP&Ps.

Discussion

On March 12, 2003, at approximately 2:00 pm, CRRA was notified that several representatives of the Connecticut Department of Environmental Protection's ("DEP") Hazardous Materials Unit were at the CRRA South Meadows Power Block Facility investigating an oil spill which had been reported to DEP from a third party the previous day, and which was present in the Connecticut River adjacent to the CRRA South Meadows facility. Covanta Mid-Conn, Inc. ("Covanta") operates the South Meadows Power Block Facility under contract to CRRA.

At the time, DEP was preparing to contract directly with ESI, an environmental response contractor, to contain, recover and remove the oil in the river, which was visible around the cooling water intake structures, and in the cooling water discharge channel.

At the time, based on conversation with the DEP representatives, it was CRRA's understanding that both Covanta and the DEP believed that the original source of the oil

present in the discharge channel was not from CRRA's South Meadows facility; rather, it was believed that it was from another source, and was being introduced into the cooling water system at the intake point in the river.

At the time, Covanta advised the DEP that Covanta did not intend to contract with ESI to remediate the oil, since Covanta believed at that time that the facility was not the source of the oil.

Although both the DEP and Covanta believed that the South Meadows facility was not the source of the oil, and DEP was preparing to contract with ESI to clean up the release, CRRA staff made a decision to contract directly with ESI, employing ESI to contain, recover and remove the released oil in the areas around the cooling water intake, the jetty area, and the discharge channel. While on site, CRRA staff advised ESI that CRRA would employ ESI directly, pursuant to the State of Connecticut Department of Administrative Services contract for emergency response services; ESI agreed to do so.

CRRA made the decision to directly employ ESI for the following reasons:

- First, regardless of the original source of the oil, CRRA staff were concerned that the facility was discharging oil from an NPDES permitted outfall, the permit for which does not authorize the discharge of oil.
- Second, CRRA staff believed that, since the oil was being discharged from the permitted outfall, the facility, rather than DEP, was obligated to take all necessary actions to prevent any further discharge of oil, and contain and recover the oil that had been discharged, pursuant to the facility's NPDES discharge permit, and pursuant to the Oil Pollution Prevention Regulations at 40 CFR Part 112 (requiring implementation of the facility SPCC Plan).

CRRA staff were concerned that if the DEP managed the cleanup directly, DEP would be in a position to in-turn seek recovery of the cost of the cleanup from CRRA, Covanta, or both, with the monetary amount potentially consisting of double or triple the cost of the cleanup. Since Covanta did not intend to contract with ESI, CRRA did so.

Covanta continued its investigation of the release, which included examination of the lubricating oil coolers associated with the facility heat exchanger. Covanta concluded that, in fact, there was a leak in the lube oil cooling unit associated with the cooling water system, and that approximately 250 gallons of oil was released to the river during a six day period beginning on March 6, and continuing through approximately 4:15 pm on March 12.

Financial Summary

The cost of the response activities is approximately \$36,000.00. Covanta has agreed to reimburse CRRA for the cost of this remediation activity.

TAB 10

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Weather



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- Home
- News
- Entertainment
- Sports
- Business
- Local Shopping
- Jobs
- Cars
- Real Estate
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- Columnists
- Connecticut
- Education
- Health
- Latest News
- Lottery
- Nation/World
- Photo/Video Gallery
- Politics
- Special Reports
- Towns
- Traffic
- Weather

Entertainment

- Arts & Theater
- Attractions
- Columnists
- Dining
- Events
- Movies
- Music
- TV & Radio
- TV Listings

Sports

- Auto Racing
- Baseball
- Basketball
- College Sports
- Columnists
- Golf
- Football
- High School Sports
- Hockey
- Husky Hardcores
- Scores & Stats
- Skating
- UConn Football

Business

- Columnists
- Real Estate
- Technology
- Web 100

Lifestyle

- Books
- Celebrity
- Columnists
- Food
- New England Guide
- Northeast Magazine
- Style & Shopping
- Travel

Opinion

- Columnists
- Commentary
- Editorials
- Letters
- Other Opinion

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CONNECTICUT

River Cleanup Continues

■ Mile-Long Oil Spill Traced To Trash-To-Energy Plant

March 15, 2003

By OSHRAT CARMIEL, Courant Staff Writer

A contractor hired by the Connecticut Resources Recovery Authority was still mopping up about 300 gallons of oil Friday that spilled this week from its trash-to-energy plant into the Connecticut River.

The spill, first spotted Tuesday, created a sheen across the river that spanned over a mile, according to officials at the state Department of Environmental Protection, who viewed the slick from an airplane on Wednesday.

CRRA has taken responsibility for the spill and is paying an environmental services company \$10,000 to \$15,000 to clean it up, said Peter Egan, director of environmental services at CRRA, based in Hartford.

"CRRA takes its environmental stewardship obligations very seriously," Egan said. "This is not a significant spillage of oil. Still, we take it very seriously."

The spill was first noticed Tuesday by employees at a business park downstream in Wethersfield. They phoned the DEP.

State environmental officials studied the banks of the river alongside the sheen, but could not initially find the source, said Rich Ciasullo, who supervises emergency response for the DEP.

On Wednesday, DEP officials flew above the river and noticed that the oil was especially thick near the area of the CRRA's trash-to energy plant on Murphy Road. "The sheen was heaviest from there; there was nothing upstream from there," Ciasullo said.

The source of the spill was a breach in the plant's "lubricating oil cooler," which helps mitigate the steam that is generated when trash is being burned, Egan said.

Under normal circumstances, water is pumped from the river into the plant to cool the steam, then is ejected back into the river. Somehow oil from the system leaked out and flowed into the river along with the cooling water.

Tom Kirk, CRRA's president, said that the agency did not know the spill was coming from the plant, but agreed to cover the costs. He said that his agency will pass on the expense to the electricity plant operator, Covanta Energy Corp.

Covanta is in Chapter 11 bankruptcy, Kirk said that would

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covered in Chapter 11 bankruptcy. Link said that would not prevent it from taking responsibility.

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Tuesday 8 April, 2003

NEWS SEARCH

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Statewide/ Regional

Inside information gave firm inside track

Gregory B. Hladky, Capitol Bureau Chief

April 08, 2003

HARTFORD — A North Haven company that won a \$19.5 million contract to remove soil from the state's huge Adriaen's Landing project apparently had some key information its rival bidders lacked.

Executives of Earth Technology Inc., were confident in early 2001 that they could dump the soil for free at the Connecticut Resources Recovery Authority's Hartford landfill, according to bid documents. That allowed ETI to offer disposal costs that were about \$834,000 below those of its closest rival bidder, which expected to pay dumping fees of at least \$5 per ton to the CRRA.

Earth Technology was awarded the contract in March 2001, and it eventually grew to \$24.2 million because of added work.

Current officials at the CRRA and at the Capitol Cities Economic Development Authority, which runs Adriaen's Landing, insist they never gave ETI any inside knowledge or made any confidential deals about free soil disposal. They say they don't know who might have disclosed that information.

ETI has been the focus of another contract controversy involving the city of West Haven and the company's links with former New Haven Economic Development Director Salvatore J. Brancati Jr.

Brancati has been acting as a consultant to West Haven and various developers but he denies engaging in any conflict of interest.

ETI President Frank Ruocco failed to respond to requests for an interview for this story. However, Ruocco has publicly rejected claims that Brancati works for him.

According to CRRA officials, Brancati made several calls to the CRRA concerning a separate contract that agency had with another of Ruocco's firms, SRS Transportation. Documents show that Brancati was also involved in providing insurance information and correct billing locations for SRS Transportation.

Brancati also failed to respond to calls for comment.

Adriaen's Landing officials said about 36,500 tons of soil from their project were dumped for free at the Hartford landfill. The remainder of the 101,000 tons ETI removed from Adriaen's Landing were supposed to be disposed of

News
Front Page
New Haven
Shoreline
North Metro
West Metro
Naugatuck Valley
Fairfield County
Other Connecticut
Statewide/ Regional
US/World
Weather
Obituaries
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...ETI removed from Adriaen's Landing were supposed to be disposed of at other landfills for various fees.

At the same time it was delivering soil from Adriaen's Landing to the CRRA landfill free of charge, ETI and its sister company, SRS Transportation, were also trucking in dirt from other sources and paying \$3 per ton for its disposal.

However, Peter Egan, the CRRA's director of environmental services, insisted that it is "highly unlikely" that those deliveries could have gotten mixed up or that the CRRA was shortchanged.

Capitol Cities Economic Development Authority spokesman Matt Fleury said his agency's selection of ETI was proper because that company would have been the lowest bidder even if the no-charge dumping issue was eliminated. ETI's final bid was \$1.48 million less than the second-lowest bidder, Manafort Bros.

Officials at Manafort did not return calls seeking comment.

CRRA spokesman Brian Flaherty said his agency also benefited from the ETI arrangement because it didn't have to pay for the soil it needed to cover the landfill on a daily basis, something he said happens about 10 percent of the time.

CRRA officials said the fees were waived because they wanted to help out the state project since it would benefit the entire region. They also said that the no-fee arrangement would have been available to whoever won the contract.

The \$771 million Adriaen's Landing project downtown Hartford is the Rowland administration's biggest single, urban redevelopment effort.

A federal grand jury is investigating Gov. John G. Rowland's administration for alleged corruption in the awarding of state contracts. Federal and state investigators are also probing the CRRA's failed \$220 million deal with Enron. The CRRA project involved in the deal and the agency's Hartford landfill serve about 70 mid-Connecticut cities and towns.

→ Sources say that critical decisions concerning ETI's arrangement with the CRRA would have been made by two former agency executives, Peter N. Ellef and Robert E. Wright. Both resigned last year in the wake of the Enron deal.

Ellef, who was both CRRA chairman and Rowland's co-chief of staff at the time, declined requests through his lawyer for an interview. Wright did not return repeated telephone calls.

A second federal grand jury is believed to be focusing on Ellef's role in the alleged steering of state contracts to certain companies.

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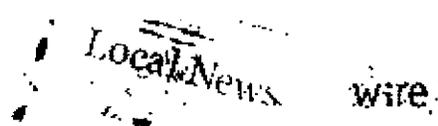
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Friday 18 April, 2003

NEWS SEARCH

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Statewide/ Regional

2 North Haven firms face inquiry

Gregory B. Hladky, Capitol Bureau Chief

April 18, 2003

HARTFORD — The state attorney general's office has launched an investigation into questionable state contracts involving two North Haven companies and the Connecticut Resources Recovery Authority.

"We are investigating Earth Technology Inc. and (its sister company) SRS Transportation because of indications that there may have been irregularities or improprieties in some agreements involving dumping at the CRRA landfill," Attorney General Richard Blumenthal said Thursday.

One focus of the probe concerns whether Earth Technology received inside information from the CRRA that helped it win a \$24. 2 million contract at the state's massive Adriaen's Landing project in Hartford, according to a source close to the investigation.

Both companies had no-bid contracts to deliver soil to the CRRA's Hartford landfill in 2000 and 2001 either for free or at very low cost. There are already ongoing federal inquiries into alleged contract corruption within Gov. John G. Rowland's administration and into the CRRA's failed \$220 million deal with Enron.

"Specifically, we're concerned about possible favoritism shown toward these two companies (Earth Technology and SRS Transportation) either in deals or information made available to them that may not have been provided to other (bidding) competitors," Blumenthal said.

"Our focus is on the CRRA," said Blumenthal. "Any other relevant dealings would also be scrutinized, but we haven't focused on Adriaen's Landing."

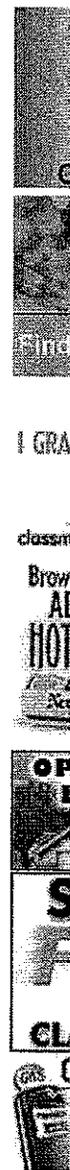
Officials at Adriaen's Landing and the CRRA insist their decisions involving the two companies were proper and beneficial to the public.

Frank Ruocco, president of both Earth Technology and SRS Transportation, failed to respond to requests for interviews Thursday.

Ruocco's companies have become involved in no-bid contract controversies in West Haven in part because of their apparent links to former New Haven Economic Development Director Salvatore J. Brancati Jr.

Brancati, who left his job in New Haven amid questions of conflict of interest, has worked as a consultant for West Haven and several companies involved in economic development in that community.

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Brancati has denied any conflict of interest.

State records and interviews with state officials show that Brancati was involved in SRS Transportation's contracts with the CRRA and met repeatedly in 2000 and 2001 with Peter N. Ellef, who was then both CRRA chairman and Gov. Rowland's co-chief of staff.

Brancati has described himself as a good friend of Ellef, who was forced to resign from both posts last year in the wake of the Enron controversy.

Brancati couldn't be reached for comment on this story.

Blumenthal said the new probe is an expansion of his office's ongoing investigation into the CRRA's disastrous Enron deal.

Blumenthal said his office's inquiry has not been extended to Earth Technology's no-bid contract with West Haven because the attorney general has no direct jurisdiction over municipal contracts.



Ellef has more recently been identified by sources as a key focus of a federal corruption probe involving the steering of state contracts to certain companies in return for bribes. Lawrence E. Alibozek, Rowland's former deputy chief of staff and a close ally of Ellef's, has already pleaded guilty in the case.

Rowland has repeatedly denied any knowledge of any illegal activities on the part of Alibozek or any other member of his staff and has ordered all state agencies to cooperate with the federal investigation. Earth Technology was the low bidder in 2001 on a contract to remove soil from the Adriaen's Landing project in part because, unlike competing bidders, Ruocco's firm assumed it could dispose of the soil free at the CRRA landfill. The \$19.5 million contract was later increased to \$24.2 million.

Current officials at the CRRA and the Capitol Cities Economic Development Authority, which runs Adriaen's Landing, say they never gave Ruocco or his company any inside information and don't know who did.

CCEDA spokesman Matt Fleury said his agency's selection of ETI was proper because that company would have been the lowest bidder even if the no-charge dumping issue was eliminated. ETI's final bid was \$1.48 million less than the second lowest bidder, Manafort Brothers.

"We feel we got the best deal for our money," Fleury said.

CRRA spokesman Brian Flaherty said his agency felt the no-cost deal was beneficial because it both helped out the state's \$771 million Adriaen's Landing project and because it provided free cover material for the Hartford landfill.

CRRA officials insist the free disposal agreement would have been available to any company that was awarded the Adriaen's Landing contract.

Earth Technology was also awarded a separate \$660,000 no-bid state contract to remove hazardous material from the Adriaen's Landing project. That contract was also later increased to \$780,000.

Gregory B. Hladky can be contacted at gghladky@nhregister.com or at (860) 524-0719.



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"Where's the Contract?"

Arm-twisting and phone calls from the top for another CRRA sweetheart deal.

by [Carole Bass](#) - April 17, 2003

It was a rush job. Employees at Connecticut's trash authority were told to negotiate a no-bid contract with a new company that wanted to bring contaminated soil to the authority's Hartford landfill.

Negotiations were bumpy. The Connecticut Resources Recovery Authority (CRRA) wanted to take about 15,000 tons of contaminated dirt over six months, then put the contract out to bid. The contractor wanted a five-year, 100,000-ton deal.

Early in the negotiations, a CRRA employee e-mailed the lawyer representing the contractor, SRS Transportation of North Haven. The e-mail turned up in an *Advocate* review of CRRA files.

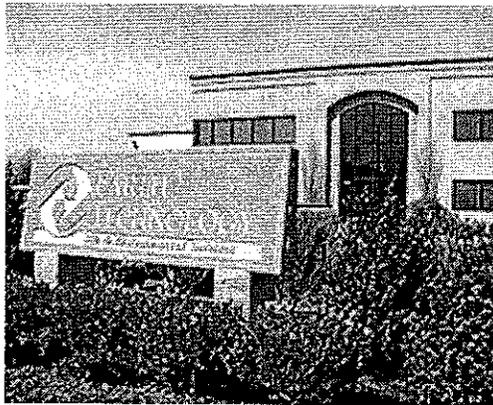
"I am concerned," wrote the employee. "I sent a draft to be discussed." Instead, SRS retyped the draft in final form and sent it back with the signature of owner Frank Ruocco, as if it were a done deal. The contract, the employee wrote, "is not acceptable as is."

Then came a voicemail from someone she'd never heard of.

It was Sal Brancati, a New Haven dealmaker with close ties to CRRA board Chairman Peter Ellef.

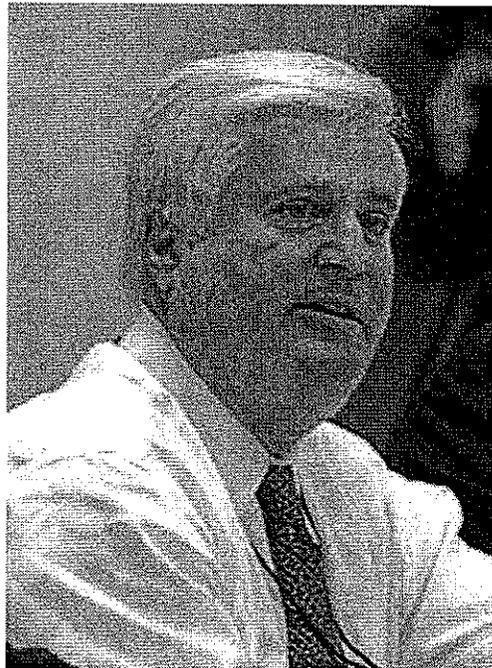
"He wanted me to move the contract

KATHLEEN CEI PHOTO



Frank Ruocco's North Haven HQ.

BOB MACDONNELL / COURTESY OF HARTFORD COURANT



Former Rowland administration official Peter Ellef called "right after that Sal guy."

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along," recalls the employee, who asked not to be named. "He wanted it moved on behalf of Mr. Ruocco. It was like, 'I want this now' kind of thing. As a professional, I didn't think it was appropriate. I was kind of like, 'Who are you?'"

I V I U I W.
(04/17/03)
by Paul Bas

She didn't return the call. She e-mailed Ruocco's lawyer again: "I have serious concerns about some actions taken by your client. We will need to get this clarified before any next steps are taken."

Tree Walls
Wallpaper
(04/10/03)
by Paul Bas

But that wasn't the end of it. Next she heard from Ellef himself--a busy and powerful man whose day job was as the governor's co-chief of staff. This employee didn't usually hear from the chairman of the board.

No Smoke.
(04/03/03)
by Paul Bas

"He left me two calls," she says. "They were to the effect that, 'Where's the contract?' He definitely wanted the contract moved."

Crime archi
Developme
»

These messages, she says, came "right after Mr. Bronconti--Mr. Brancacci--that Sal guy called."

related top

She didn't speed up the contract. It did get done soon after, anyway, in August 2000. It was another in a set of deals that have been coming to light that occurred under the watch of Ellef, the governor's former chief of staff--deals, often without competitive bidding, worth hundreds of millions of dollars. The deals rewarded political allies. And they in some cases cost taxpayers and trash-authority ratepayers big money. The SRS deal came together a few months before the biggest public rip-off in Connecticut history, in which CRRA forked over \$220 million to Enron in what the state attorney general calls an illegal loan. When Enron went bust, CRRA customers picked up the tab.

Stealers' W.
(04/17/03)
by Paul Bas

Cut to Deat
(04/17/03)
by Dan Lev

"Nobody T
(04/03/03)
by Carole E

The SRS Transportation contract, though less generous than Ruocco's and Brancati's initial proposal, nonetheless amounted to a no-bid, sweetheart deal negotiated under pressure from the top. According to Ruocco's own figures, it saved the politically connected contractor at least \$275,000 and as much as \$920,000. It was part of a set of suspicious deals swung around the same time for Ruocco worth tens of millions of dollars. (See accompanying article, "Deals, Deals, Deals.")

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CRRA spokesman Brian Flaherty insists the SRS deal saved money for the agency as well as for Ruocco. But CRRA records and interviews with staffers reveal red flags:

CARC

No Accide
(04/10/03)
by Carole I

: Ellef's involvement. He was forced to resign from both the CRRA board and Gov. John Rowland's office last year, when the Enron scandal got too hot for an election year. The CRRA is the subject of state criminal and civil investigations. And Ellef is an apparent target of an FBI probe into corruption in the Rowland administration. Ellef's former deputy chief of staff pleaded guilty this year to taking bribes, part of a "conspiracy" to trade government contracts for cash and gold. Ellef's lawyer says he is not talking to reporters.

"Nobody T
(04/03/03)
by Carole I

The Deal tl
Away
(04/03/03)
by Carole I

: Brancati's role. As New Haven's economic development director, he forged a close relationship with Ellef. A few hours after City Hall in early 2000, amid a period

author arch

close relationship with Ellef. After leaving City Hall in early 2000 amid myriad conflicts of interest, Brancati became a freelance "consultant" for local governments and for private businesses seeking government contracts. His connection to Ellef casts light on the backroom dealings that apparently have been rampant under the Rowland administration. His work for Ruocco--which he and Ruocco have both denied to the *Advocate*--spells a conflict in West Haven, where Brancati simultaneously represented the city on a development project and tried to get Ruocco a piece of the project. (See "A Long and Fruitful Relationship," facing page accompanying article.) Neither Brancati nor Ruocco returned phone calls for this article.

: After CRRA signed its deal with SRS, it let the company start delivering contaminated soil to the Hartford landfill immediately--before filling out a permit application for its trucks or posting a \$15,000 guarantee of payment. That was unusual, says Mike Tracey, CRRA's engineering services director. "We would not usually let a vehicle into the landfill until it had a permit."

: After the six-month contract expired, the CRRA extended it three times over an additional six months, all without competitive bidding. It never did go out to bid.

: Under the contract, Ruocco paid \$3 a ton to dispose of contaminated soil at the Hartford landfill. A schedule of CRRA disposal charges for different types of materials for fiscal year 2001 lists "certified soil"--that is, certified by state environmental regulators as not too contaminated for a regular landfill--at \$95 a ton. A copy of that fee list in the CRRA files bears a handwritten note: "\$95 a ton, but 3 a ton for Mr. Rocco, Sal Broncotte" (double sic).

: In November 2001, after the contract finally ended, Ruocco offered to pay \$15 a ton--five times what he had been paying. He noted in a letter that SRS paid other landfills and brokers between \$12 and \$30 a ton.

CRRA officials defend the SRS deal. A quasi-public agency whose board of directors is controlled by the governor, the authority is primarily in the business of running trash incinerators and landfills. It's funded largely by towns that send trash to its various sites.

CRRA officials say the SRS contract actually saved money for the authority. That's because state environmental regulators approved SRS' contaminated soil deliveries for use as daily cover soil at the Hartford landfill. Before that, CRRA bought virgin soil as cover material. Now, instead of paying, it was getting paid to take Ruocco's material.

The \$95-a-ton fee for "certified soil" actually refers to soil that's more contaminated than Ruocco's, the CRRA's Tracey says. That "certified soil" can't be used as cover material, but is simply dumped at the landfill.

Although CRRA staff told the board last summer that it was about to start seeking competitive bids for cover soil, it has yet to do so. But Peter Egan, the authority's director of environmental services, says he has instituted an informal

competitive process.

CRRA has a new contract with SRS in the works: to pay CRRA \$8 a ton to deliver 35,000 tons of contaminated soil from ... Bridgeport.

Deals, Deals, Deals

CRRA's sweetheart deal with North Haven contractor Frank Ruocco's SRS Transportation is just a fraction of Ruocco's government work. Ruocco's Earth Technology Inc. and Earth Technology LLC seem to specialize in government contracts and subcontracts, many of them no-bid deals.

A sampling:

: West Haven gave Earth Technology about \$1.3 million in no-bid contracts to remove contaminated soil at school construction projects. (See "Digging Up Dirt in West Haven," March 20.)

: The state departments of transportation and environmental protection both put Earth Technology on lists of contractors qualified to do environmental cleanups. The list allows the agencies to hand Earth Tech jobs all over the state, often without bidding.

: At Adriaen's Landing--the massive, state-subsidized redevelopment project in Hartford--ETI landed a \$19.5 million cleanup contract. It was low bidder. But, as Greg Hladky reported in the *New Haven Register*, Earth Technology's bid benefited from the knowledge that it could dispose of thousands of tons of contaminated soil for free at the Hartford landfill. Other bidders expected to pay for disposal. The Connecticut Resources Recovery Authority, which owns the Hartford landfill, already had a business relationship with ETI and another Ruocco company. More work was later added to the contract, producing a total taxpayers' bill of \$24.2 million.

: The state later gave ETI a second Adriaen's Landing contract--this one an "emergency" cleanup deal without competitive bidding, Hladky reported. That one eventually cost taxpayers \$780,000.

"A Long & Fruitful Relationship"

Sal Brancati and Frank Ruocco never, ever had a private business relationship. Never. That's what Brancati, a New haven city official turned private "consultant," said.

That's what Ruocco, a North Haven contractor, said.

They said it when people questioned why Brancati--hired by West Haven City Hall to "help" a developer with that city's Sawmill Road project--pushed the developer to take Ruocco on as a demolition contractor and partner. If the pair did have a private business relationship, that was a conflict of interest. It could have threatened the project's success.

A June 1, 2000, letter from Brancati says something different. It indicates that Brancati was simultaneously and privately working on Ruocco's behalf on a separate deal with a quasi-state agency. The letter turned up in an *Advocate* review of files of the Connecticut Resources Recovery Authority (CRRA).

Written on the letterhead of Brancati's consulting firm, Maritime Professional Advisors, the three-paragraph letter gets right to the point.

"Dear Mr. Wright," it begins. "Thank you for your cooperation in the matter of the agreement between SRS LLC and the Connecticut Resources Recovery Authority."

Mr. Wright is Robert Wright, then president of CRRA, the quasi-public state trash authority. SRS is SRS Transportation LLC, one of Ruocco's companies.

Brancati was pushing a deal that would let SRS take contaminated soil to the CRRA-owned Hartford landfill for a tenth or less of what Ruocco paid other landfills.

Brancati was pushing so hard that, with his letter to Wright, he enclosed "an executed original of your Agreement," signed by Ruocco. That startled Wright and other CRRA officials, who had sent Ruocco's lawyer an early draft, with many terms still to be negotiated.

"The only outstanding issue" was timing, Brancati wrote. "SRS LLC is prepared to begin as soon as possible, that being stated we would appreciate your timely execution of this proposed Agreement."

He closed: "We thank you for your cooperation once again and look forward to a long and fruitful relationship."

So who is "we"?

Brancati and Ruocco didn't return phone calls last week to answer that question.

Funny--Brancati didn't hesitate to pick up the phone back in the summer of 2000. He called two different CRRA staff people on Ruocco's behalf, asking about the SRS contract. Mike Tracey, a CRRA engineer who fielded one of those calls, recalls that Brancati wasn't just looking for information but was "trying to push it along."

Brancati cc'ed his letter to Peter Ellef. Ellef was CRRA's chairman of the board as well as Gov. John Rowland's co-chief of staff. Brancati has said that, as New

Haven's economic development chief in the '90s, he developed a close relationship with Ellef. "Sal used it to his advantage all the time," according to someone close to the Rowland administration.

Separate scandals forced Brancati out of New Haven City Hall in the spring of 2000 and Ellef out of his CRRA and governor's office posts last year. Now Ellef is an apparent target of a federal bribes-for-no-bid-contracts investigation.

Meanwhile, back in West Haven, Mayor Rich Borer says he "wasn't aware" that Brancati wrote to the CRRA on behalf of Frank Ruocco.

Borer hired Brancati as a development "consultant" in the spring of 2000. That summer--exactly the same time that Brancati and Ruocco's SRS were negotiating with the trash authority--Borer joined Brancati in urging the Sawmill Road developer to give Ruocco's Earth Technology Inc. a \$1.75 million demolition contract and part-ownership of the project.

Borer also signed a secret side deal with Ruocco, guaranteeing him that if the Sawmill developer left the project, West Haven would pay Ruocco. The developer did leave, and the city paid Earth Technology nearly \$140,000 for no-bid work, much of it apparently unauthorized. (See "Nobody Told Us," April 3.)

Asked whether Brancati's SRS role conflicted with his West Haven work, Borer hedges: "If in any way he's on the payroll or he's consulting for them somehow, then yes." But, he says, "I don't know if that's the case. When I spoke to Frank, he told me that he does not hire Sal."

It's "absolutely" a conflict, declares City Councilman Jim Amendola, who heads a committee investigating the Sawmill project. "It's not a thing you can morally do and look in the mirror." At a council meeting Monday night, he planned to ask for funding to help sift through some of the financial and legal questions.

Maybe Brancati knows where he could find some money.

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Dispatch

TAB 11

CONNECTICUT RESOURCES RECOVERY AUTHORITY

April 2003 Monthly Customer MSW Deliveries

The following summarizes deliveries for the period ending April 30, 2003. Attached are individual, detailed reports on each of the four projects. The following table provides a summary of waste deliveries to each project.

Monthly Customer Delivery Report Member Municipal Solid Waste

Project	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Bridgeport - CRRA ¹	616,097	634,966	3%	514,953	490,677	-5%	51,243	49,011	-4%
Bridgeport - Co. ²	94,868	87,735	-8%	75,843	118,737	57%	11,407	18,330	61%
Bridgeport TOTAL	710,965	722,701	2%	590,795	609,414	3%	62,650	67,340	7%
Mid-Connecticut ³	880,698	887,757	1%	728,237	736,541	1%	79,453	79,683	0%
Southeast - Memb.	196,137	198,816	1%	165,525	158,715	-4%	16,823	16,979	1%
Southeast - Co.	43,204	47,744	11%	35,978	56,887	58%	5,269	5,690	8%
Southeast TOTAL	239,340	246,560	3%	201,503	215,603	7%	22,093	22,669	3%
Wallingford	158,221	161,376	2%	132,966	131,304	-1%	13,773	14,308	4%

¹ Includes member, CRRA contract and diverted waste.

³ Includes member and contract municipalities.

² Includes in-state and out-of-state company customers.

BRIDGEPORT PROJECT Municipal Solid Waste Tonnage

Bridgeport Project Member Towns

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Bethany	1,142	1,307	14%	1,123	1,161	3%	95	79	-16%
Bridgeport	66,688	63,676	-5%	52,259	51,616	-1%	5,710	5,284	-7%
Darien	10,438	8,929	-14%	7,122	9,030	27%	932	1,171	26%
East Haven	11,924	13,206	11%	10,814	10,610	-2%	1,200	1,094	-9%
Easton	2,662	2,615	-2%	2,165	2,281	5%	218	236	8%
Fairfield	40,907	38,333	-6%	31,475	33,572	7%	3,125	3,697	18%
Greenwich	49,096	49,261	0%	40,553	41,895	3%	4,130	4,218	2%
Milford	30,912	37,203	20%	28,916	34,396	19%	3,146	3,272	4%
Monroe	14,089	12,084	-14%	9,948	10,335	4%	1,060	952	-10%
Norwalk	34,800	39,412	13%	32,491	31,526	-3%	3,324	3,542	7%
Orange	5,211	5,237	0%	4,314	4,444	3%	430	481	12%
Shelton	17,861	18,579	4%	15,330	15,645	2%	1,672	1,606	-4%
Stratford	24,599	24,522	0%	20,013	20,902	4%	2,252	2,410	7%
Trumbull	21,385	23,976	12%	19,686	17,349	-12%	2,036	1,708	-16%
Weston	5,331	5,171	-3%	4,250	4,164	-2%	476	427	-10%
Westport	15,934	16,410	3%	13,537	13,404	-1%	1,324	1,316	-1%
Wilton	8,210	8,308	1%	6,867	7,007	2%	713	686	-4%
Woodbridge	3,387	3,390	0%	2,795	2,953	6%	294	298	1%
SUBTOTAL MEMBER TOWNS	364,576	371,618	1.9%	303,658	312,289	2.8%	32,138	32,476	1.1%
Contract Total	248,692	219,507	-12%	177,122	147,999	-16%	17,952	15,695	-13%
Diverted Total	2,829	43,842	1450%	34,173	30,389	-11%	1,154	839	-27%
TOTAL CRRA (Member, Contract & Diverted)	616,097	634,966	3.1%	514,953	490,677	-4.7%	51,243	49,011	-4.4%

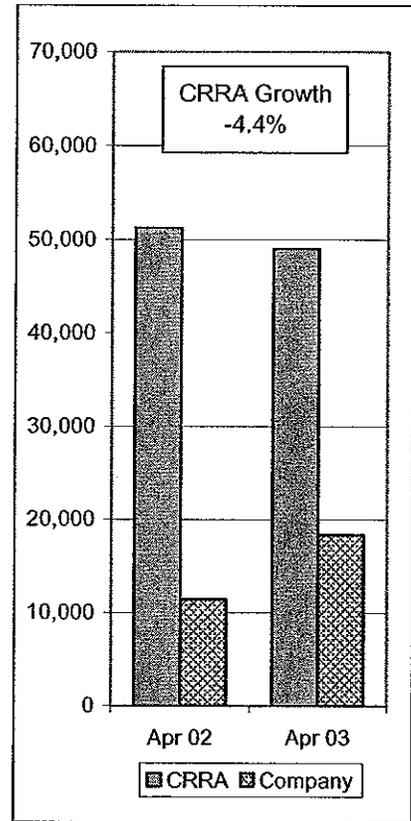
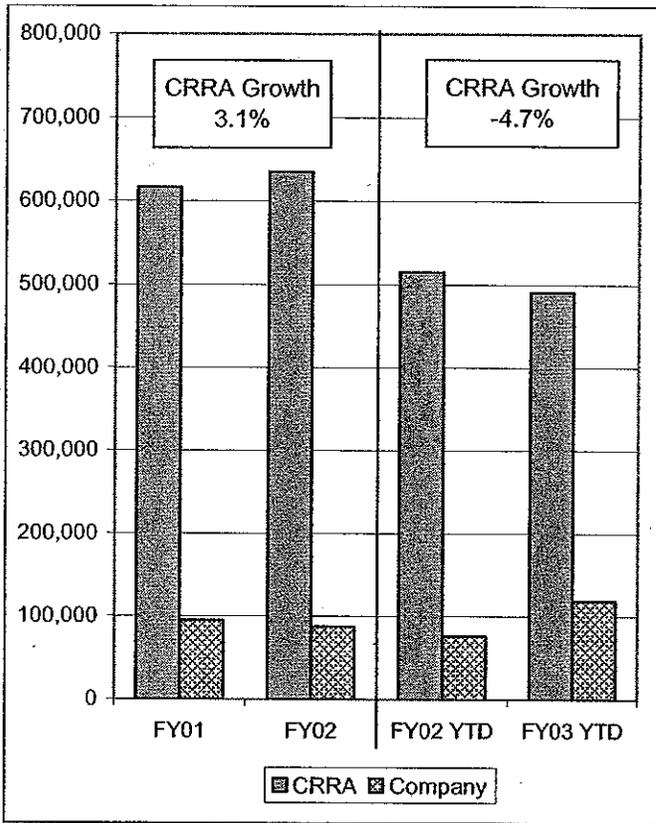
Bridgeport Project Company Spot Deliveries

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
In-State	94,868	87,735	-8%	75,843	113,187	49%	11,407	18,081	59%
Out-Of-State	0	0	0%	0	5,550	0%	0	249	0%
TOTAL COMPANY SPOT	94,868	87,735	-7.5%	75,843	118,737	56.6%	11,407	18,330	60.7%

Bridgeport Project Total Deliveries

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
CRRA	616,097	634,966	3.1%	514,953	490,677	-4.7%	51,243	49,011	-4.4%
Company	94,868	87,735	-7.5%	75,843	118,737	56.6%	11,407	18,330	60.7%
TOTAL TONNAGE	710,965	722,701	1.7%	590,795	609,414	3.2%	62,650	67,340	7.5%

Bridgeport Project Trends



MID-CONNECTICUT PROJECT

Municipal Solid Waste Tonnage

Mid-Connecticut Project Member Towns

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Beacon Falls	4,870	3,349	-31%	2,531	3,041	20%	308	304	-1%
Bethlehem	2,086	2,106	1%	1,738	1,658	-5%	186	161	-13%
Canton	5,439	5,547	2%	4,568	4,735	4%	473	542	15%
Chester	2,048	1,950	-5%	1,580	1,518	-4%	190	176	-7%
Clinton	10,205	11,264	10%	9,152	9,449	3%	961	953	-1%
Colebrook	814	838	3%	687	724	6%	70	65	-8%
Deep River	2,895	3,312	14%	2,726	2,559	-6%	289	240	-17%
East Granby	3,731	3,451	-8%	2,892	2,741	-5%	304	303	0%
East Hampton	6,435	8,446	31%	6,722	8,605	28%	863	1,003	16%
East Hartford	40,668	42,390	4%	34,933	34,978	0%	3,546	4,065	15%
Ellington	7,315	7,830	7%	6,399	6,885	8%	702	726	3%
Enfield	34,512	36,399	5%	29,805	30,662	3%	3,176	3,262	3%
Essex	5,106	5,180	1%	4,270	4,252	0%	469	430	-8%
Farmington	17,243	16,063	-7%	13,003	13,417	3%	1,516	1,727	14%
Glastonbury	21,030	20,960	0%	17,591	16,541	-6%	1,760	1,677	-5%
Goshen	1,338	1,489	11%	1,204	1,470	22%	115	144	25%
Granby	5,536	5,702	3%	4,645	4,817	4%	479	478	0%
Hartford	115,720	124,654	8%	103,033	93,544	-9%	11,161	10,110	-9%
Harwington	2,347	2,356	0%	1,949	1,980	2%	184	192	4%
Killingworth	2,649	2,605	-2%	2,169	2,157	-1%	235	193	-18%
Litchfield	5,789	5,812	0%	4,764	4,784	0%	492	472	-4%
Lyme	859	889	4%	735	756	3%	73	77	5%
Middlebury	3,434	3,396	-1%	2,769	3,194	15%	292	331	13%
Naugatuck	25,333	28,451	12%	23,108	24,120	4%	2,741	2,570	-6%
Newington	34,200	29,440	-14%	24,043	25,260	5%	2,578	2,866	11%
North Branford	8,729	8,098	-7%	6,598	7,155	8%	628	945	51%
Old Lyme	4,337	6,367	47%	5,164	3,826	-26%	547	372	-32%
Old Saybrook	16,765	17,733	6%	14,610	15,150	4%	1,459	1,627	12%
Oxford	3,853	4,415	15%	3,645	3,724	2%	378	386	2%
RRDD#1	14,518	14,888	3%	12,071	11,202	-7%	1,304	1,167	-10%
Rocky Hill	14,430	14,476	0%	11,922	12,202	2%	1,306	1,411	8%
Simsbury	14,743	14,823	1%	12,154	12,701	5%	1,255	1,414	13%
South Windsor	21,171	21,599	2%	17,758	20,071	13%	1,952	2,068	6%
Southbury	13,280	13,389	1%	11,074	10,914	-1%	1,133	1,099	-3%
Thomaston	6,281	6,697	7%	5,448	4,815	-12%	621	544	-12%
Torrington	30,429	30,642	1%	25,088	28,763	15%	2,702	3,232	20%

Mid-Connecticut Project Member Towns (Continued)

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Vernon	21,123	20,216	-4%	16,595	17,166	3%	1,734	1,735	0%
Watertown	17,581	17,800	1%	14,527	15,433	6%	1,544	1,812	17%
West Hartford	45,972	47,449	3%	38,921	40,919	5%	4,225	4,188	-1%
Westbrook	4,694	5,566	19%	4,453	5,705	28%	575	462	-20%
Wethersfield	17,481	17,862	2%	14,374	15,267	6%	1,735	1,744	1%
Woodbury	5,842	5,959	2%	4,918	4,862	-1%	495	488	-2%
TOTAL MEMBER TOWN	622,827	641,858	3.1%	526,336	533,724	1.4%	56,757	57,760	1.8%

Mid-Connecticut Project Contract Towns

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Avon	12,265	12,183	-1%	9,986	10,233	2%	1,078	1,018	-6%
Bloomfield	11,866	13,917	17%	10,622	11,774	11%	1,330	1,257	-5%
Bolton	1,950	2,039	5%	1,658	1,696	2%	152	187	23%
Canaan	714	757	6%	632	646	2%	57	92	62%
Cornwall	732	703	-4%	558	759	36%	58	77	33%
Coventry	4,168	3,780	-9%	3,131	3,239	3%	306	328	7%
Cromwell	13,547	13,953	3%	11,268	10,323	-8%	1,290	842	-35%
Durham/Middlefield	6,829	6,771	-1%	5,687	5,804	2%	600	680	13%
East Windsor	7,427	8,912	20%	7,775	5,189	-33%	538	551	2%
Guilford	0	4,548	0%	2,926	8,344	185%	775	770	-1%
Haddam	3,733	3,747	0%	3,107	3,091	-1%	310	303	-2%
Hebron	4,009	3,999	0%	3,402	3,302	-3%	329	357	9%
Madison	0	4,371	0%	2,799	8,191	193%	742	951	28%
Manchester	43,418	41,918	-3%	34,915	34,773	0%	3,472	3,632	5%
Marlborough	2,568	3,064	19%	2,439	3,000	23%	311	286	-8%
Norfolk	909	951	5%	785	844	7%	80	79	-1%
North Canaan	3,076	2,975	-3%	2,491	2,388	-4%	265	194	-27%
Portland	5,694	5,507	-3%	4,455	4,163	-7%	404	403	0%
Roxbury	992	1,035	4%	860	851	-1%	84	76	-10%
Salisbury/Sharon	5,617	5,336	-5%	4,268	4,290	1%	276	374	35%
Suffield	6,866	7,239	5%	5,967	6,042	1%	615	618	0%
Tolland	5,834	5,918	1%	4,876	5,183	6%	497	564	13%
Waterbury	68,919	65,302	-5%	54,281	51,952	-4%	5,769	5,331	-8%
Windsor Locks	10,887	10,745	-1%	9,059	7,080	-22%	890	805	-10%
TOTAL CONTRACT TOWN	222,021	229,667	3.4%	187,946	193,157	2.8%	20,230	19,775	-2.2%

Mid-Connecticut Project Member & Contract Towns

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Member Towns	622,827	641,858	3.1%	526,336	533,724	1.4%	56,757	57,760	1.8%
Contract Towns	222,021	229,667	3.4%	187,946	193,157	2.8%	20,230	19,775	-2.2%
TOTAL MEMBER & CONTRACT TOWN	844,848	871,526	3.2%	714,282	726,882	1.8%	76,987	77,536	0.7%

Mid-Connecticut Project In-State Spot

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Ashford	765	199	-74%	199	0	-100%	0	0	0%
Cheshire	0	468	0%	345	626	81%	235	162	-31%
Colchester	2,802	827	-70%	827	26	-97%	0	0	0%
CRRR Wallingford	15,829	3,185	-80%	3,087	75	-98%	26	75	190%
Eastford	582	78	-87%	78	0	-100%	0	0	0%
Hamden	0	710	0%	492	1,041	112%	262	372	42%
Lebanon	6	0	-100%	0	0	0%	0	0	0%
Meriden	0	487	0%	380	666	75%	287	149	-48%
New Haven	4,469	467	-90%	467	0	-100%	0	0	0%
North Haven	0	501	0%	419	741	77%	258	336	30%
Somers	71	0	-100%	0	28	0%	0	0	0%
Thompson	26	0	-100%	0	0	0%	0	0	0%
UConn/Storrs	7,079	7,885	11%	6,723	3,659	-46%	787	0	-100%
Union	207	83	-60%	83	0	-100%	0	0	0%
Wallingford	0	1,332	0%	846	2,638	212%	611	1,053	72%
Willington	25	11	-58%	11	0	-100%	0	0	0%
Windsor	907	0	-100%	0	96	0%	0	0	0%
Woodstock	43	0	-100%	0	0	0%	0	0	0%
TOTAL IN-STATE SPOT	32,813	16,231	-50.5%	13,955	9,597	-31.2%	2,466	2,147	-12.9%

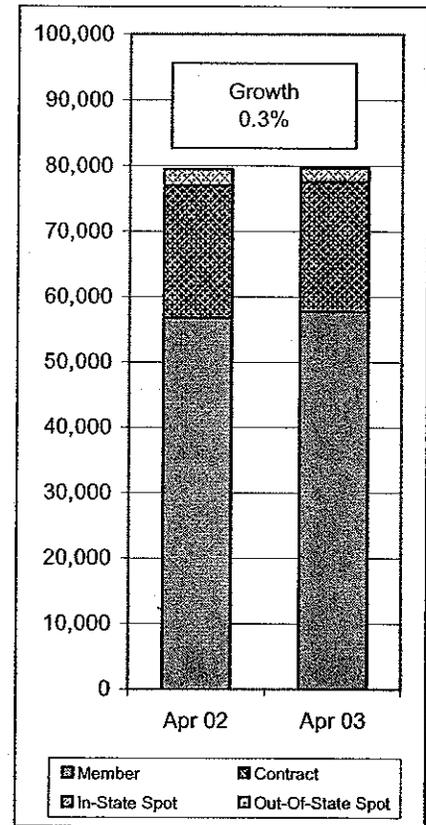
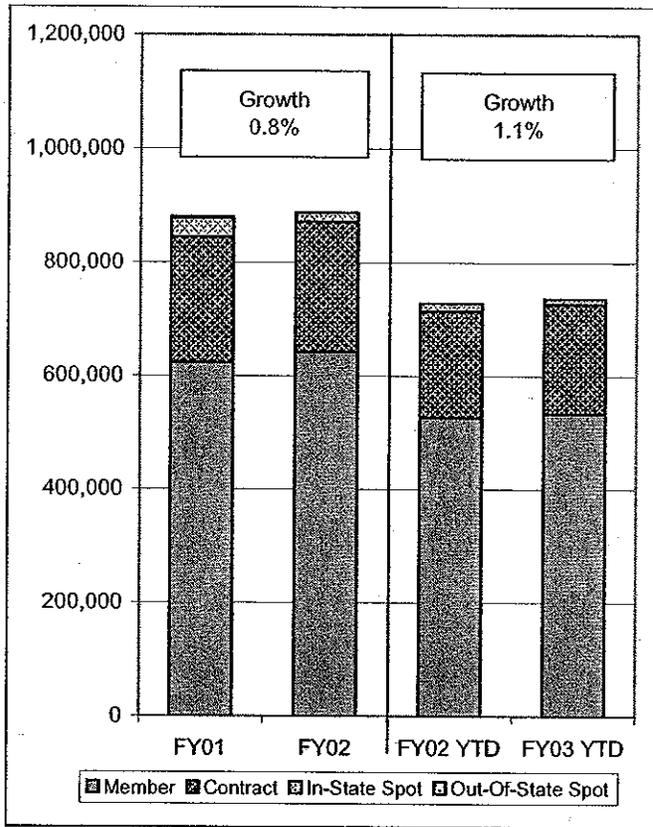
Mid-Connecticut Project Out-Of-State Spot

State	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Massachusetts	3,014	0	-100%	0	62	0%	0	0	0%
New York	23	0	-100%	0	0	0%	0	0	0%
TOTAL OUT-OF-STATE SPOT	3,037	0	-100.0%	0	62	0.0%	0	0	0.0%

Mid-Connecticut Project Total Deliveries

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Member Towns	622,827	641,858	3.1%	526,336	533,724	1.4%	56,757	57,760	1.8%
Contract Towns	222,021	229,667	3.4%	187,946	193,157	2.8%	20,230	19,775	-2.2%
In-State Spot	32,813	16,231	-50.5%	13,955	9,597	-31.2%	2,466	2,147	-12.9%
Out-of-State Spot	3,037	0	-100.0%	0	62	0.0%	0	0	0.0%
TOTAL TONNAGE	880,698	887,757	0.8%	728,237	736,541	1.1%	79,453	79,683	0.3%

Mid-Connecticut Project Trends



Mid-Connecticut Project Diversions And Exports

Type	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Diversions	51,324	61,481	20%	49,744	38,962	-22%	2,982	1,868	-37%
Exports	7,083	31,906	350%	19,167	31,691	65%	1,663	5,447	227%
TOTAL TONNAGE	58,407	93,386	59.9%	68,911	70,653	2.5%	4,645	7,314	57.5%

SOUTHEAST PROJECT Municipal Solid Waste Tonnage

Southeast Project Member Towns

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
East Lyme	9,956	9,619	-3%	7,881	8,697	10%	850	894	5%
Griswold	5,418	5,219	-4%	4,299	4,625	8%	484	544	12%
Groton	30,768	31,202	1%	25,631	26,924	5%	2,736	2,898	6%
Ledyard	7,808	8,467	8%	6,920	6,789	-2%	761	702	-8%
Montville	10,735	10,502	-2%	8,547	9,150	7%	948	949	0%
Radgowski/Corrigan	570	644	13%	541	536	-1%	57	54	-5%
Mohegan Sun Resort	4,369	6,796	56%	5,433	7,366	36%	640	699	9%
New London	19,673	20,895	6%	16,720	20,236	21%	1,956	2,255	15%
N. Stonington	2,519	3,009	19%	2,488	2,601	5%	252	248	-2%
Norwich	27,073	28,947	7%	23,669	26,730	13%	2,538	2,919	15%
Sprague	2,266	2,349	4%	1,945	1,944	0%	183	219	20%
Stonington	13,891	13,893	0%	11,382	11,581	2%	1,156	1,142	-1%
Waterford	15,555	15,165	-3%	12,455	12,417	0%	1,304	1,291	-1%
Guilford/Madison	25,862	12,697	-51%	12,697	0	0%	0	0	0%
Fisher Island	304	301	-1%	260	282	8%	22	13	-40%
Ct Niantic	433	909	110%	733	1,004	37%	91	107	18%
TOTAL MEMBER TOWN	177,200	170,614	-3.7%	141,601	140,882	-0.5%	13,977	14,934	6.8%

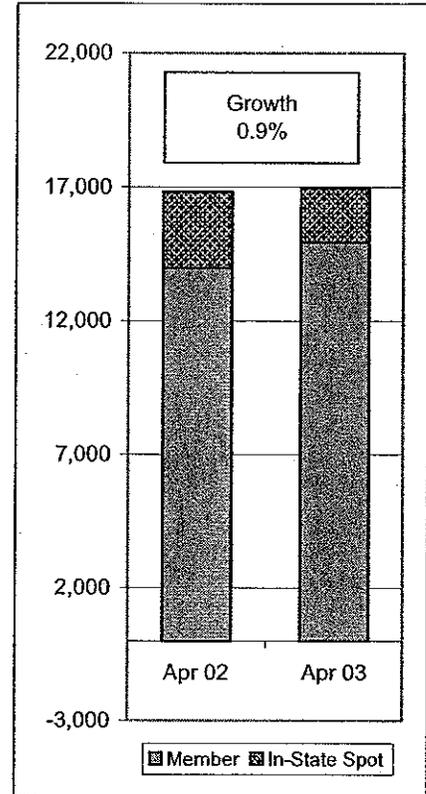
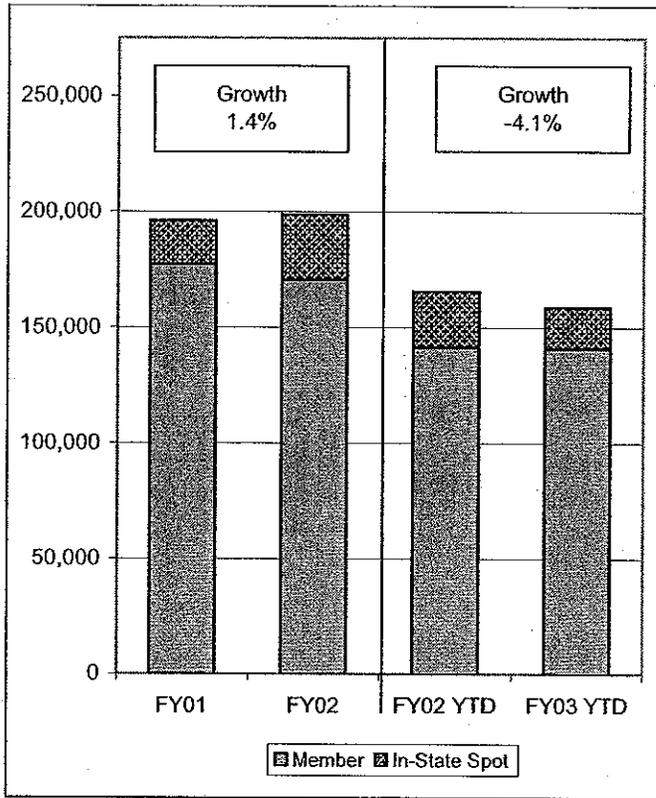
Southeast Project In-State Spot

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
CRRA	7,366	15,853	115%	13,783	7,871	-43%	1,795	1,029	-43%
Mansfield	6,883	7,062	3%	5,825	5,168	-11%	588	525	-11%
Preston	2,904	3,180	10%	2,590	2,926	13%	259	286	10%
Salem	765	1,029	34%	839	1,078	28%	104	121	17%
Killingly	1,019	1,078	6%	886	791	-11%	100	84	-16%
TOTAL IN-STATE SPOT	18,936	28,202	48.9%	23,924	17,834	-25.5%	2,846	2,045	-28.1%

Southeast Project Member Towns And In-State Spot

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Member Towns	177,200	170,614	-4%	141,601	140,882	-1%	13,977	14,934	7%
In-State Spot	18,936	28,202	49%	23,924	17,834	-25%	2,846	2,045	-28%
TOTAL MEMBER & IN-STATE SPOT	196,137	198,816	1.4%	165,525	158,715	-4.1%	16,823	16,979	0.9%

Southeast Project Trends



Southeast Project Company Deliveries

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Various	43,204	47,744	11%	35,978	56,887	58%	5,269	5,690	8%
TOTAL COMPANY	43,204	47,744	10.5%	35,978	56,887	58.1%	5,269	5,690	8.0%

Southeast Project Total Deliveries

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Member Towns	177,200	170,614	-4%	141,601	140,882	-1%	13,977	14,934	7%
In-State Spot	18,936	28,202	49%	23,924	17,834	-25%	2,846	2,045	-28%
Company Deliveries	43,204	47,744	11%	35,978	56,887	58%	5,269	5,690	8%
TOTAL TONNAGE	239,340	246,560	3.0%	201,503	215,603	7.0%	22,093	22,669	2.6%

WALLINGFORD PROJECT Municipal Solid Waste Tonnage

Wallingford Project Member Towns⁽¹⁾

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Cheshire	19,472	24,484	26%	20,205	17,172	-15%	2,218	1,817	-18%
Hamden	28,136	28,496	1%	23,291	29,585	27%	2,631	2,851	8%
Meriden	29,633	32,761	11%	27,025	27,911	3%	2,842	3,012	6%
North Haven	22,124	31,665	43%	26,678	19,224	-28%	2,422	2,301	-5%
Wallingford	37,004	37,306	1%	29,843	35,442	19%	3,279	3,905	19%
Diverted Waste ⁽²⁾	15,815	3,163	-80%	3,087	0	-100%	26	0	-100%
TOTAL MEMBER TOWN	152,184	157,876	3.7%	130,129	129,334	-0.6%	13,418	13,886	3.5%

(1) As of March 2002, member tonnage includes deliveries diverted to other projects.

(2) Accounts for member deliveries diverted to other projects.

Wallingford Project In-State Spot

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Bloomfield	0	0	-100%	0	0	0%	0	0	0%
Enfield	27	65	142%	54	22	-59%	5	0	-100%
Hartford	9	1	-87%	1	4	217%	0	0	-100%
Covanta Spot	0	153	0%	121	63	-48%	10	0	-100%
Havervill Plant	188	0	-100%	0	0	0%	0	0	0%
Manchester	0	0	0%	0	0	0%	0	0	0%
Mid-Ct By Pass	1,748	0	-100%	0	304	0%	0	148	0%
New Haven	4,064	3,270	-20%	2,649	1,576	-40%	338	274	-19%
Rocky Hill	0	1	4950%	1	0	-76%	1	0	-100%
Southington	0	0	0%	0	0	0%	0	0	0%
Waterbury	0	10	0%	10	0	-100%	0	0	0%
TOTAL IN-STATE SPOT	6,036	3,500	-42.0%	2,836	1,969	-30.6%	355	422	19.0%

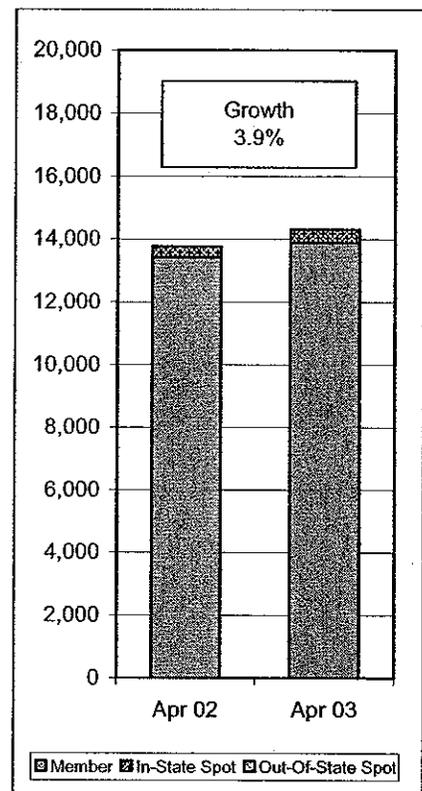
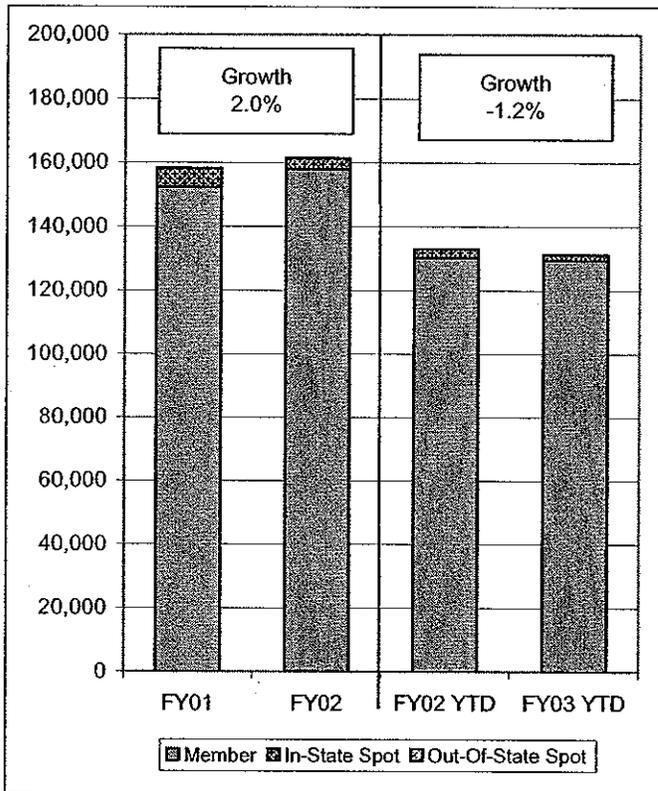
Wallingford Project Out-Of-State Spot

Town	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Massachusetts	0	1	0%	1	1	19%	0	0	-100%
New York	0	0	0%	0	0	0%	0	0	0%
TOTAL OUT-OF-STATE SPOT	0	1	0.0%	1	1	18.8%	0	0	-100.0%

Wallingford Project Total Deliveries

Source	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Member Towns(1)	152,184	157,876	3.7%	130,129	129,334	-0.6%	13,418	13,886	3.5%
In-State Spot	6,036	3,500	-42.0%	2,836	1,969	-30.6%	355	422	19.0%
Out-Of-State Spot	0	1	0.0%	1	1	18.8%	0	0	-100.0%
TOTAL TONNAGE	158,221	161,376	2.0%	132,966	131,304	-1.2%	13,773	14,308	3.9%

Wallingford Project Trends



Wallingford Project Diversions And Exports

Type	Fiscal Year			Fiscal Year-To-Date			Monthly		
	2001	2002	Growth	Apr 02	Apr 03	Growth	Apr 02	Apr 03	Growth
Diversions	15,815	6,660	-58%	3,087	5,713	85%	26	2,073	7953%
Exports	5,606	10,166	81%	8,497	2,651	-69%	1,350	76	-94%
TOTAL	21,421	16,826	-21.5%	11,583	8,365	-27.8%	1,375	2,149	56.2%

TAB 12

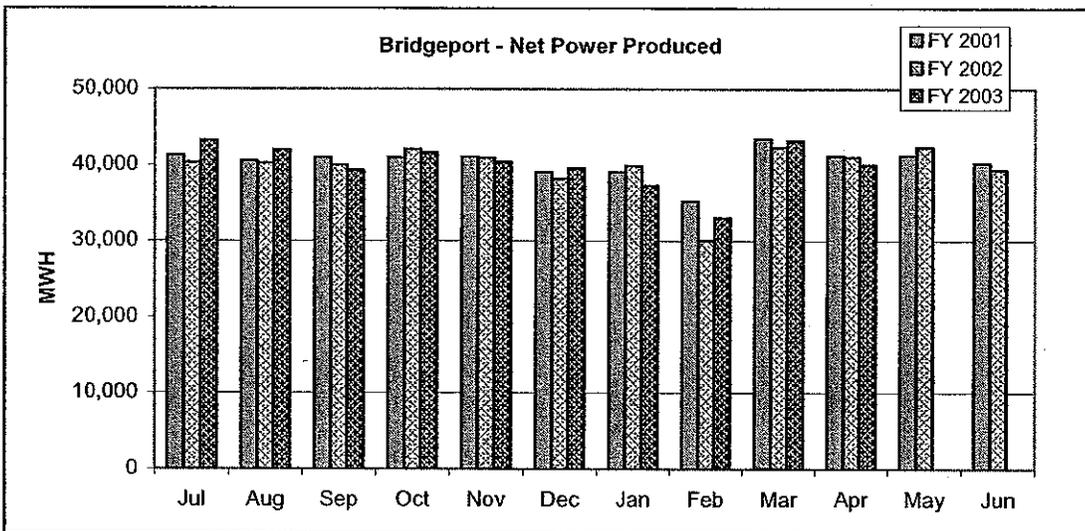
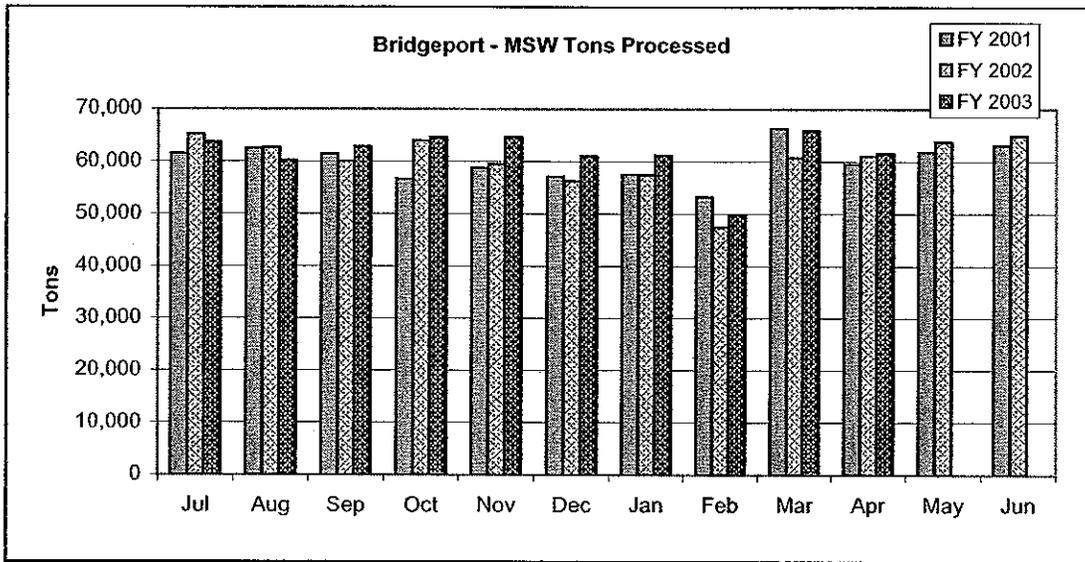
CONNECTICUT RESOURCES RECOVERY AUTHORITY

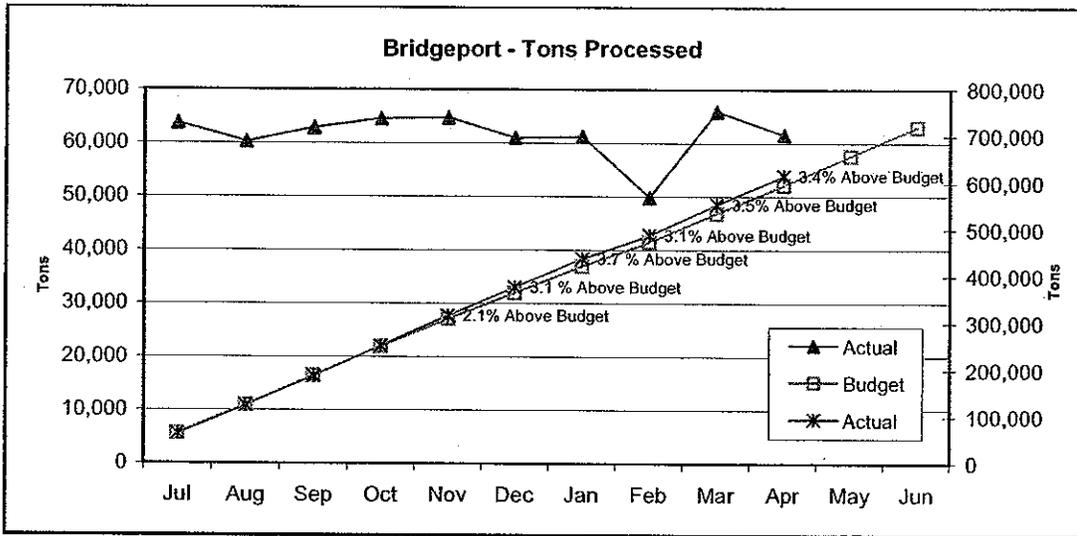
April 2003 Monthly Operational Summary

The following provides a summary of the operations of the four waste-to energy projects and the South Meadow Station's jet turbines for the period ending April 30, 2003. The tables provide monthly summaries of key operating parameters for each of the projects. The most recent 12-month total operating data is also provided for the period May 2002 through April 2003. The information presented in these tables has been obtained from daily and monthly reports provided to CRRA by facility operators.

BRIDGEPORT PROJECT

Item	April			12-Month Total Ending April 30		
	2002	2003	Change	2002	2003	Change
Tons MSW Processed	61,028	61,568	0.9%	719,329	744,450	3.5%
Steam (klbs)	396,679	387,876	-2.2%	4,697,815	4,711,049	0.3%
(% MCR)	95.8%	93.7%		93.3%	93.6%	
Power Net MWhr)	41,018	40,052	-2.4%	476,441	481,400	1.0%





Unscheduled Downtime

April	Boiler	Duration	Reason
24	2	2.5 Hrs.	Secondary air fan variable drive servicing

Scheduled Downtime

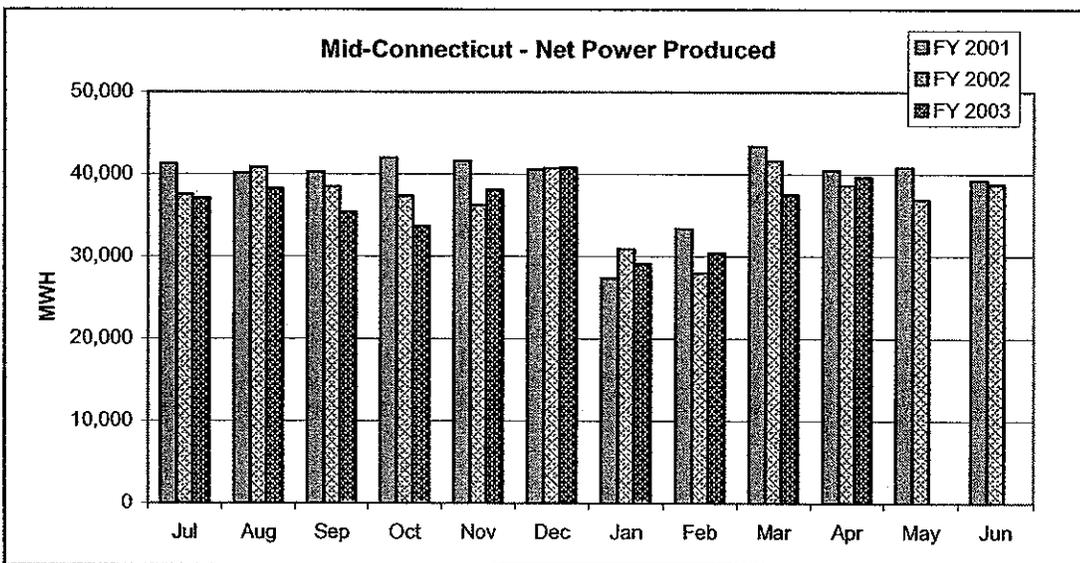
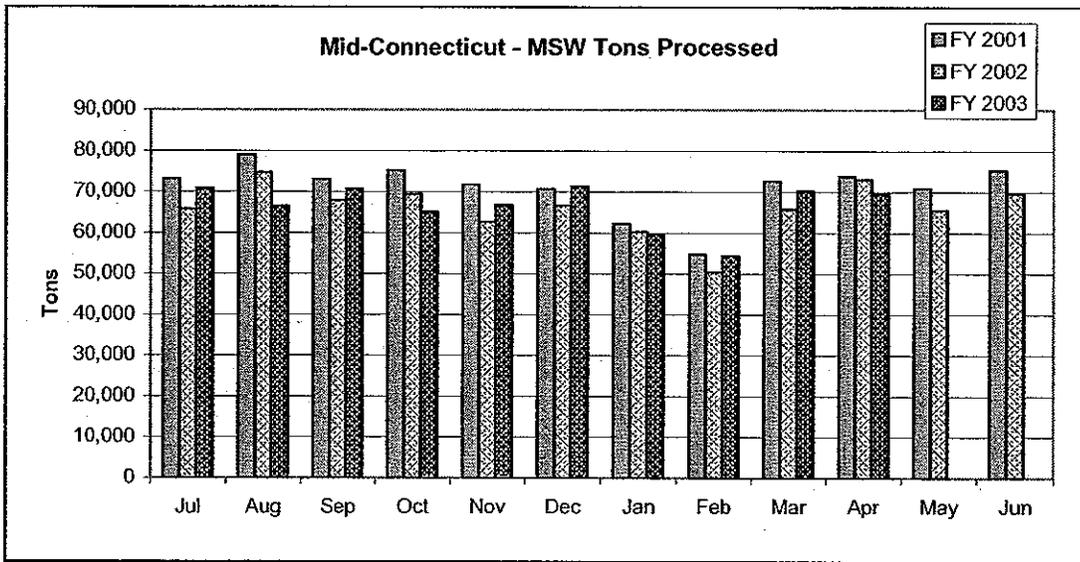
April	Boiler	Duration	Work Performed
12 - 18	1	129 Hrs.	Scheduled outage maintenance

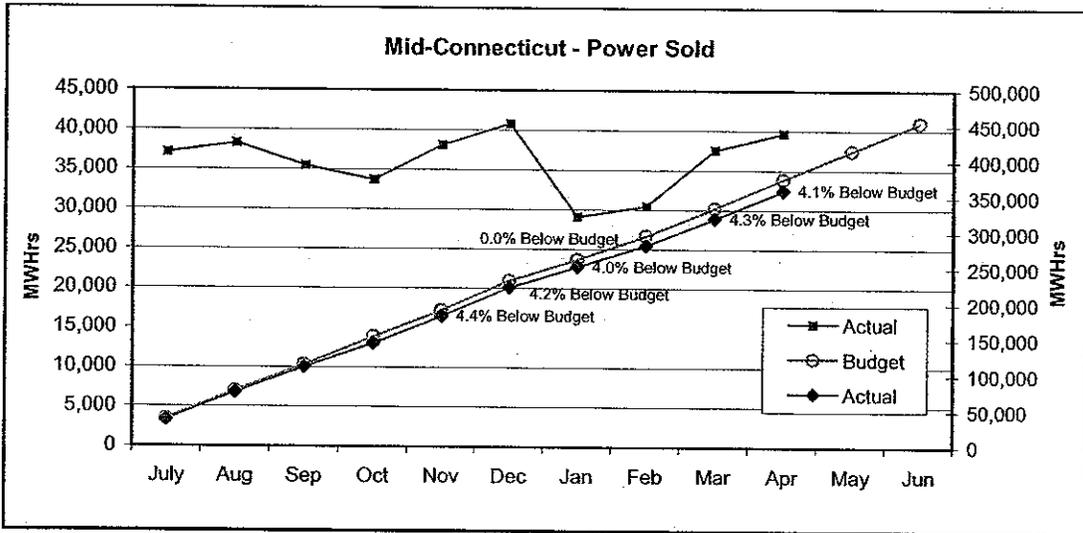
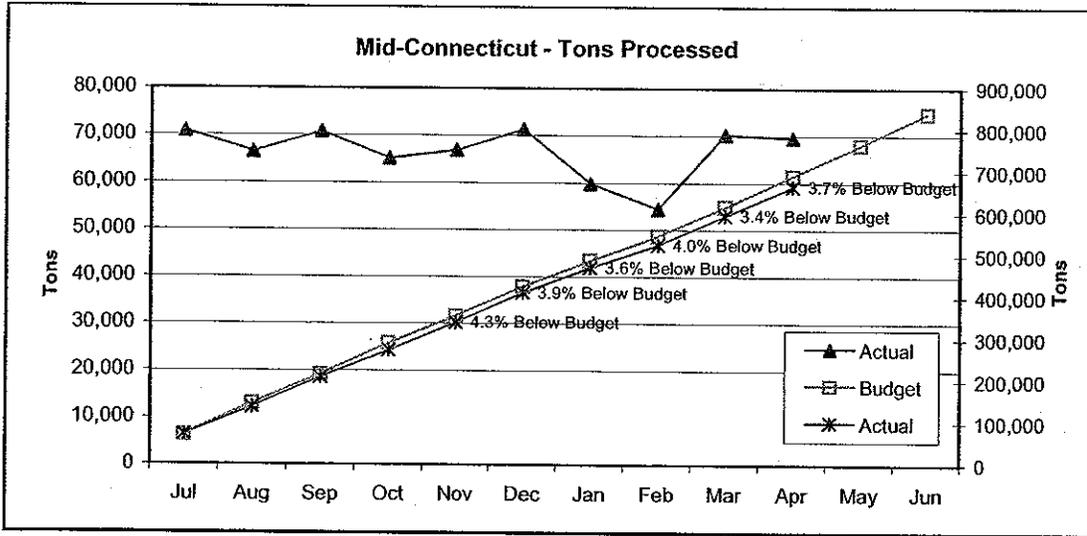
Unit Capacity Factors

April	Boiler 1	Boiler2	Boiler 3
	82%	99%	100%

MID-CONNECTICUT PROJECT

Item	April			12-Month Total Ending April 30		
	2002	2003	Change	2002	2003	Change
Tons MSW Processed	73,034	69,548	-4.8%	802,733	800,334	-0.3%
Steam (klbs)	460,820	460,789	0.0%	5,393,416	5,265,753	-2.4%
(% MCR)	92.4%	92.3%		88.8%	86.7%	
Power Net MWhr)	38,646	39,660	2.6%	450,548	435,820	-3.3%





Unscheduled Downtime

April	Boiler	Duration	Reason
2-3	11	26 Hrs.	Tube Leak and Grate Jam
17	11	9 Hrs.	Broken Grate Pin

Scheduled Downtime

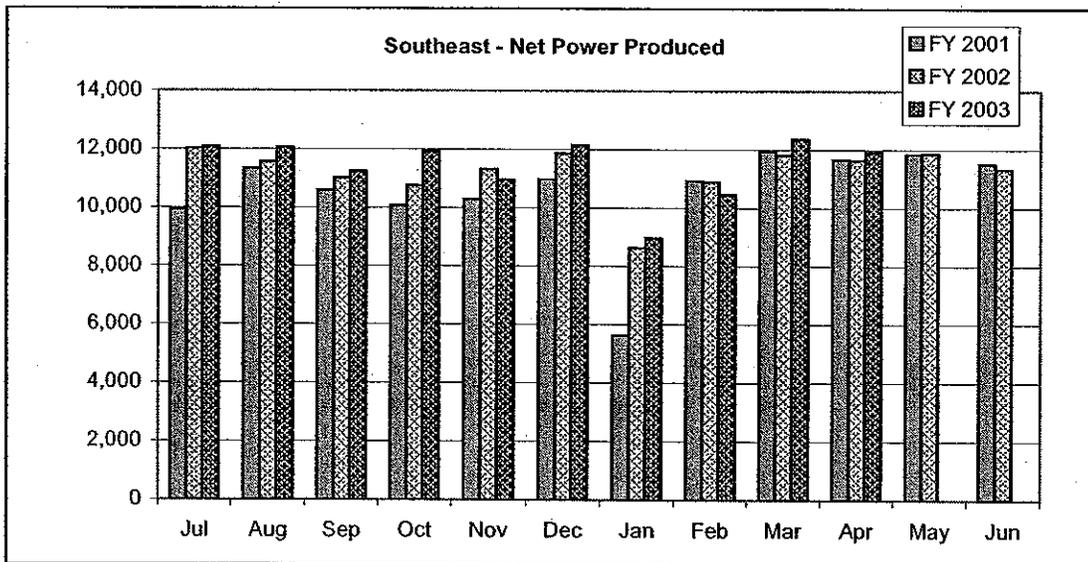
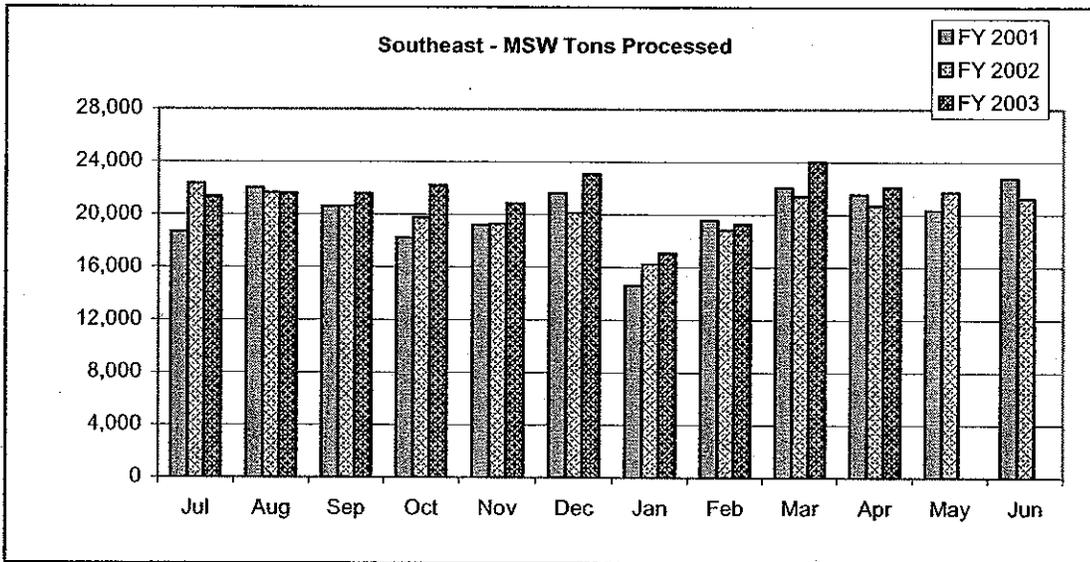
April	Boiler	Duration	Work Performed
11-17	12	88 Hrs.	Scheduled outage maintenance

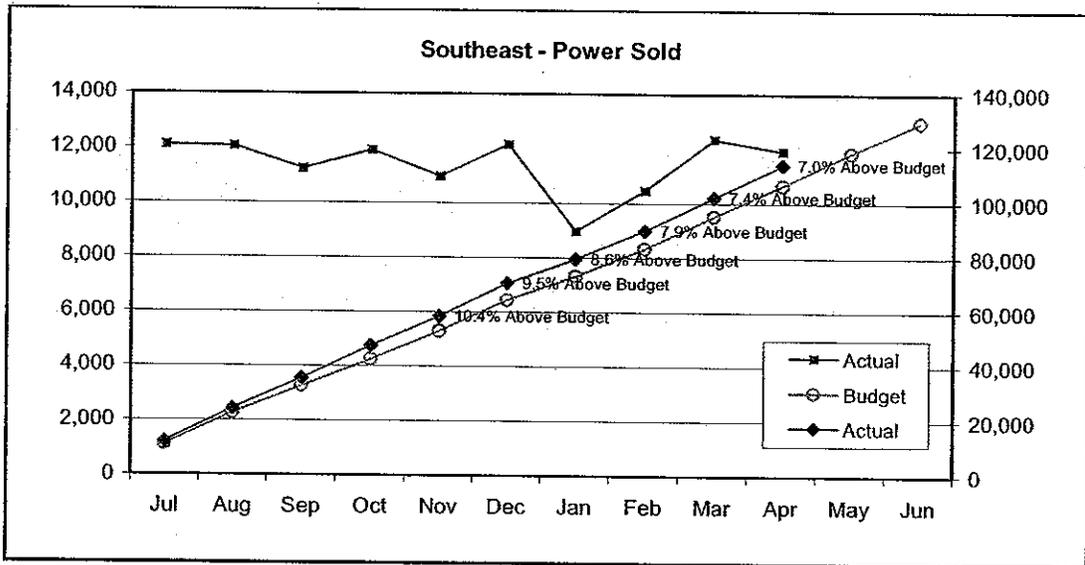
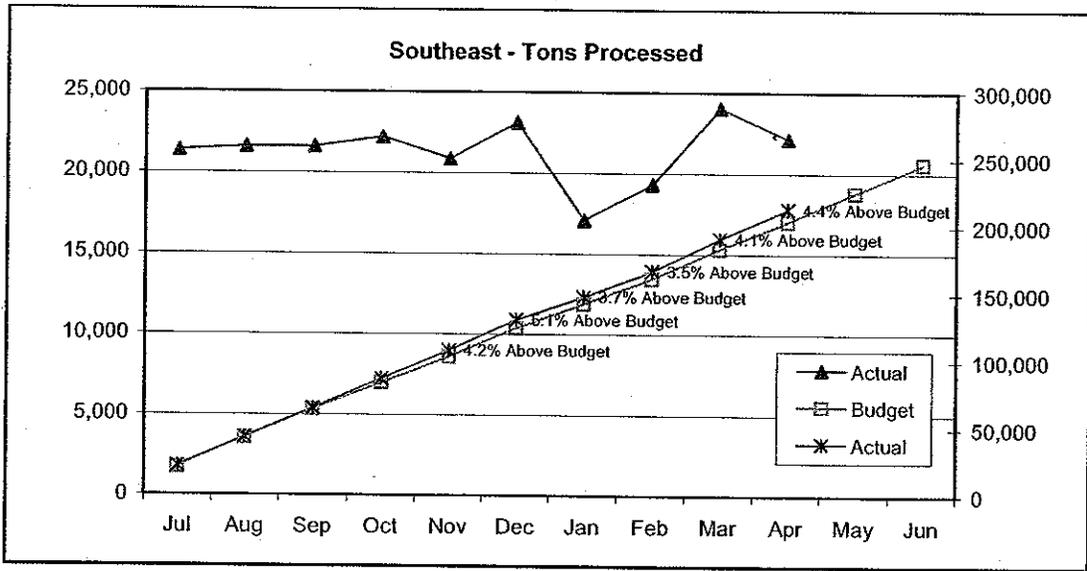
Unit Capacity Factors (%)

April	Boiler 1	Boiler2	Boiler 3
	89%	89%	99%

SOUTHEAST (PRESTON) PROJECT

Item	April			12-Month Total Ending April 30		
	2002	2003	Change	2002	2003	Change
Tons MSW Processed	20,716	22,118	6.8%	244,249	256,300	4.9%
Steam (klbs)	127,396	132,715	4.2%	1,484,706	1,518,184	2.3%
(% MCR)	96.5%	100.5%		92.4%	94.5%	
Power Net MWhr)	11,630	11,919	2.5%	134,855	137,286	1.8%





Unscheduled Downtime

April	Boiler	Duration	Reason
None			

Scheduled Downtime

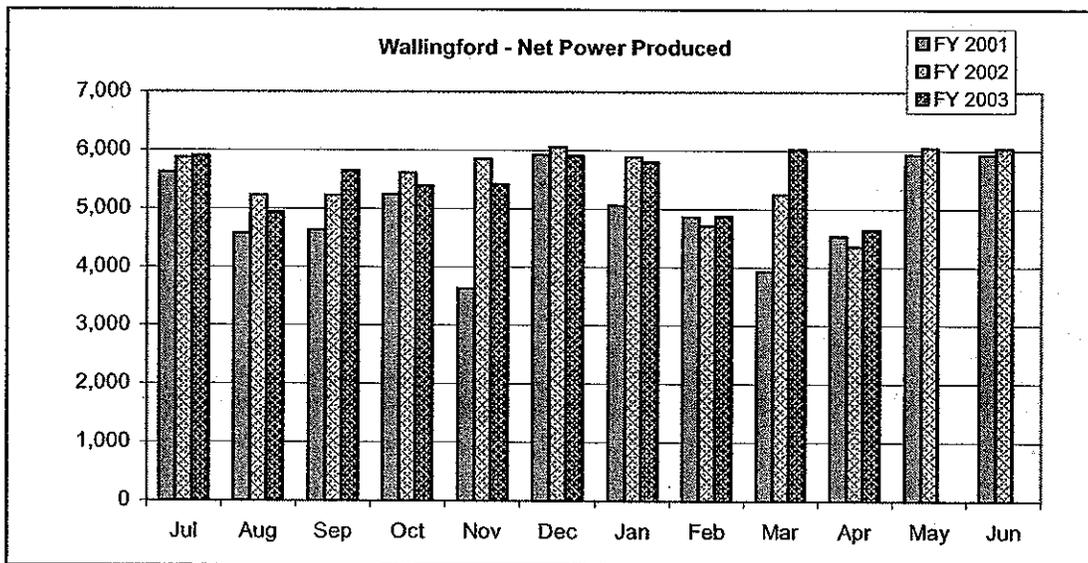
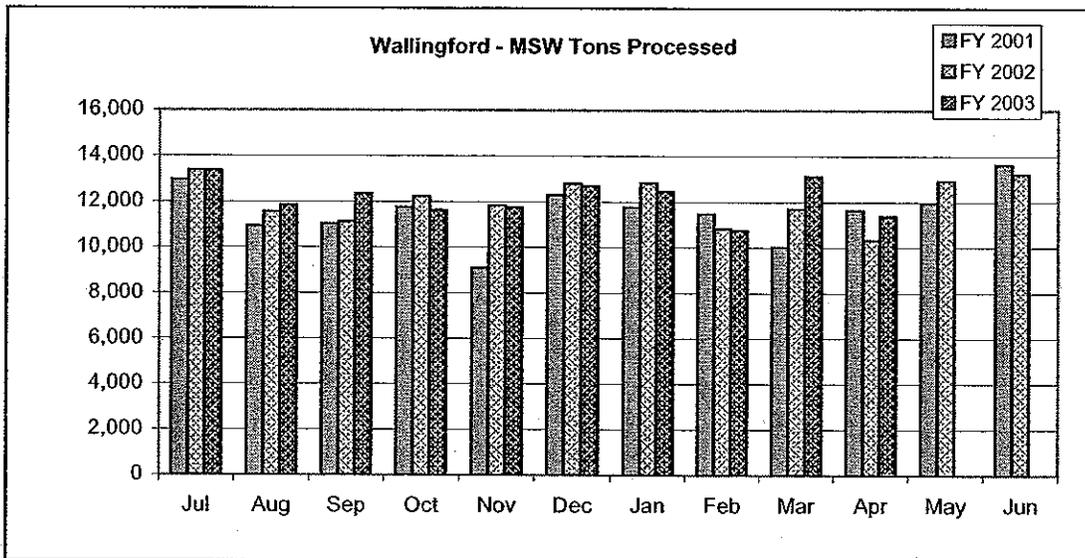
April	Boiler	Duration	Work Performed
None			

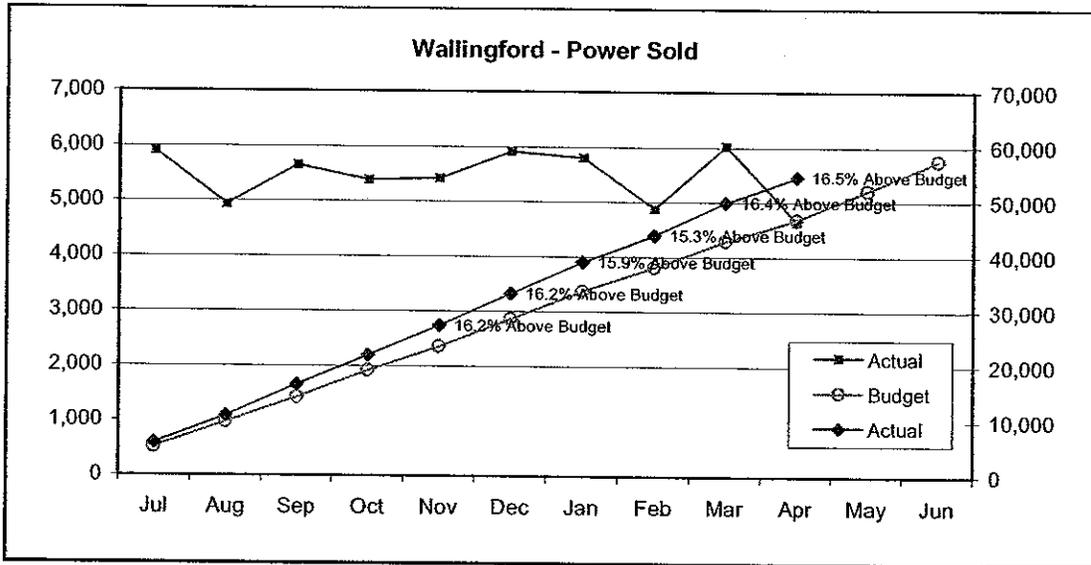
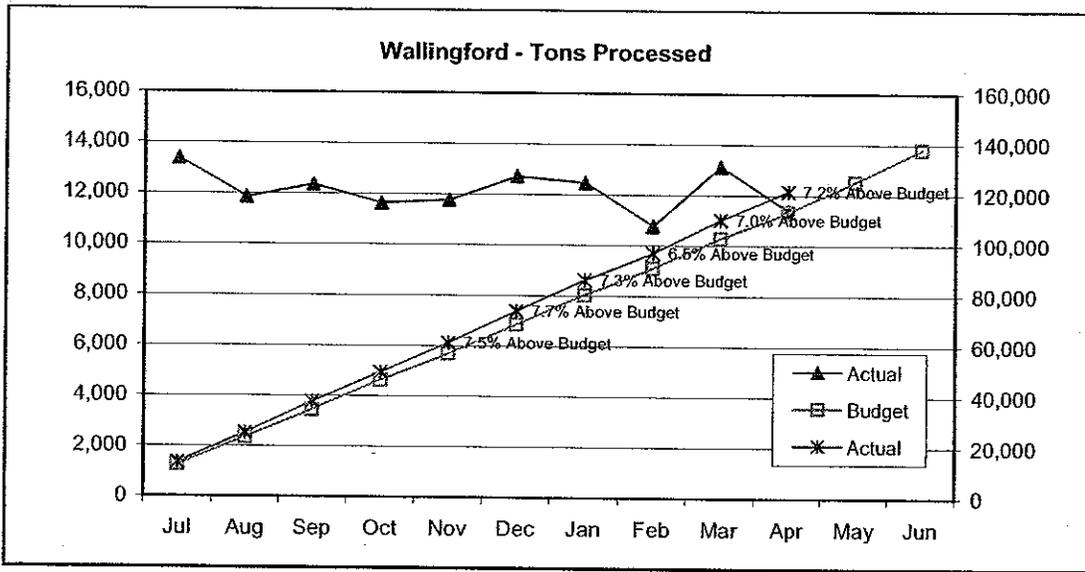
Unit Capacity Factors (%)

April	Boiler 1	Boiler2
	100%	100%

WALLINGFORD PROJECT

Item	April			12-Month Total Ending April 30		
	2002	2003	Change	2002	2003	Change
Tons MSW Processed	10,322	11,379	10.2%	144,180	147,549	2.3%
Steam (klbs)	60,302	65,184	8.1%	881,429	905,416	2.7%
(% MCR)	78.1%	84.4%		93.8%	96.4%	
Power Net MWhr)	4,351	4,644	6.7%	65,902	66,631	1.1%





Unscheduled Downtime

April	Boiler	Duration	Reason
None			

Scheduled Downtime

April	Boiler	Duration	Work Performed
1 - 9	2	212 Hrs.	Boiler cleaning, inspections and minor work
19 - 28	3	216 Hrs.	Convection section tube failure; Completed boiler cleaning, inspections and minor work

Unit Capacity Factors (%)

April	Boiler 1	Boiler 2	Boiler 3
	105%	75%	73%

SOUTH MEADOW JETS

During the month of April, the units were called to operate on one occasion. The jets produced a total of 220 MWH while operating approximately 1.3 hours. For April, the units generated net revenue of approximately \$119,000 compared to initial projections of approximately \$80,000.