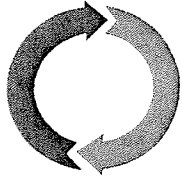


**CRRA
BOARD MEETING
NOVEMBER 18, 2004**



CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY

100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
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MEMORANDUM

TO: CRRA Board of Directors

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

DATE: November 12, 2004

RE: Notice of Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors held on Thursday, November 18, 2004 at 9:30 a.m. in the Board Room of 100 Constitution Plaza, Hartford, Connecticut.

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

Connecticut Resources Recovery Authority
Board of Directors' Meeting
Agenda
November 18, 2004
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A public portion from 9:30 to 10:00 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 September 23, 2004 Regular Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the approval of the October 15, 2004 Special Board Meeting Minutes (Attachment 2).
3. Board Action will be sought for the approval of the October 21, 2004 Regular Board Meeting Minutes (Attachment 3).

IV. Finance

1. Board Action will be sought regarding Changes to Certain Project Reserve Accounts (Attachment 4).
2. Board Action will be sought for the Adoption of the Revised Issuance and Retirement of Bonds, Notes and other Obligations of the Authority Policy (Attachment 5).
3. Board Action will be sought regarding the Purchase of the Epicor E-Procurement Module (Attachment 6).
4. Board Action will be sought for the approval of the General Fund Operating & Capital Budget (Attachment 7).
5. Board Action will be sought for the approval of the Operating & Capital Budget related to the Southeast Project (Attachment 8).

V. Executive Session

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

VI. Project Reports

A. Mid-Connecticut

1. Board Action will be sought regarding Delivery of Cover Soils to the Hartford Landfill (Attachment 9).
2. Board Action will be sought regarding Agreement for the Operation of the Essex Transfer Station for Recyclable Materials between the Connecticut Resources Recovery Authority, the Connecticut River Estuary Regional Planning Agency ("CRERPA") and the municipalities (Attachment 10).
3. Board Action will be sought regarding the Installation of High-Speed Roll-Up Doors in the RDF Storage Area at the Waste Processing Facility (Attachment 11).

VII. Chairman's and Committee Reports

A. The Policy and Procurement Committee will report on its November 4, 2004 meeting.

1. Board Action will be sought regarding the Adoption of the Revised "Vehicle Usage Policy" (Attachment 12).

B. The Organizational Synergy & Human Resources Committee will report on its November 18, 2004 meeting.

1. Board Action will be sought regarding the Adoption of the Updated Hiring, Compensation, Promotion and Dismissal Policy (Attachment 13).
2. Board Action will be sought regarding the 2005 Renewal of the Health, Dental, Life and Disability Insurance (Attachment 14).

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED SEVENTY-SEVENTH MEETING

SEPTEMBER 23, 2004

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, September 23, 2004 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Stephen Cassano, Vice-Chairman
Benson Cohn
Mark Cooper
James Francis
Michael Jarjura (Present beginning at 11:15 a.m.)
Edna Karanian
Mark Lauretti
Theodore Martland
Raymond O'Brien
Andrew Sullivan
Timothy Griswold (Ad-Hoc for Mid-CT Project)
(Present until 11:50 a.m.)
Sherwood Lovejoy (Ad-Hoc for Bridgeport Project)

Present from the CRRRA staff:

Thomas Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs & Development
Floyd Gent, Director of Operations
Laurie Hunt, Managing Director of Legal Affairs
Paul Nonnenmacher, Director of Public Affairs & Communications
Nhan Vo-Le, Director of Accounting Services (Present until 9:45 a.m.)
Agata Herasimowicz, Staff Accountant (Present until 9:45 a.m.)
Nancy Jacques, Accounting Assistant (Present until 9:45 a.m.)
John Jubb, Staff Accountant (Present until 9:45 a.m.)
Diane Le, Staff Accountant (Present until 9:45 a.m.)
Marion Miller, Accounting Assistant (Present until 9:45 a.m.)
Kristen Greig, Legal Temp

Also in attendance were: David Arruda of MDC, Peter Boucher of Halloran & Sage, LLP, Douglas Cohen of Brown Rudnick Berlack Israels LLP, Dominick M. DiGangi of MDC, Valentine Doyle of HEJN, Frank Marci of USA Hauling & Recycling, Joyce Tentor of HEJN & Scott Trenholm of Carlin, Charron & Rosen

Chairman Pace called the meeting to order at 9:30 a.m. and noted that a quorum was present.

Pledge of Allegiance

Chairman Pace requested that everyone stand for the Pledge of Allegiance, whereupon, the Pledge of Allegiance was recited.

PUBLIC PORTION

Chairman Pace said the first item on the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

Ms. Tentor introduced herself as a member of the Hartford Environmental Justice Network. Ms. Tentor stated that her group had some concerns regarding the transportation route used for the removal of contaminated soil from the power block area. Ms. Tentor stated that there had been tractor trailers wandering her neighborhood looking for a way to cross the interstate after missing a turn. Ms. Tentor said her group would not like to see contaminated soil traveling residential streets either here or at the final destination and asked for assurance that each driver would receive explicit directions to avoid doing so.

Chairman Pace responded that he felt this was an important issue. Mr. Kirk stated that TRC was the contractor, but the transportation was handled by a subcontractor. Mr. Kirk said that CRRA would contact TRC to ensure that their subcontractor was using the proper routes to avoid residential areas.

Ms. Tentor stated her group was also concerned with the decontamination of the vehicles and suggested that CRRA employees supervise that to make certain wash water was handled appropriately.

Chairman Pace suggested that Mr. Gent provide Ms. Tentor further answers to her questions while the Board was in Executive Session.

Ms. Tentor also stated that members of her group and the Commission for the Environment for the City of Hartford did a tour of the Hartford Landfill and were prohibited from taking photographs. Ms. Tentor said she was wondering why that was. Mr. Egan explained that he was the CRRA representative that led the tour and he had not been advised prior to the tour that they would be taking photographs. Mr. Egan stated that without the opportunity to confer with CRRA management and legal counsel, he made the decision not to allow pictures for that particular tour. Mr. Egan said the matter would be discussed in-house and he would be happy to provide another tour should management decide that was appropriate.

EMPLOYEE RECOGNITION

Director Sullivan stated that Ms. Vo-Le was awarded a certificate of achievement for financial reporting. Director Sullivan explained that Carlin, Charron & Rosen, CRRA's auditor, was very complimentary of the efforts that went into the financial reporting package, which made their job easier to accomplish.

Mr. Bolduc stated that Ms. Vo-Le and her staff kept CRRA on track through some particularly difficult times. Mr. Bolduc said Ms. Vo-Le was able to respond to multiple FOIA requests while putting together two annual reports. Mr. Bolduc said those accomplishments were a tribute to Ms. Vo-Le and her staff and expressed his appreciation for their efforts.

Chairman Pace stated that CRRA was setting an example for other quasi-public agencies and read a portion of the certificate to the Board. Chairman Pace congratulated the accounting department and Ms. Vo-Le.

Ms. Vo-Le introduced her staff and thanked them for their hard work. Ms. Vo-Le also thanked the Board for taking the time to review the audit and offering comments to make it better and thanked Mr. Bolduc and Mr. Kirk for their support.

Director O'Brien informed the Board that a Carlin, Charron & Rosen auditor stated it was rather atypical to be able to compile the financial report so quickly after the close of the fiscal year, which was a tribute to the accounting staff. Director Sullivan stated that the audit process was continuing in an efficient and very professional manner and added that the completion date of the audit spoke volumes about how far CRRA had come in their reporting and efficiency.

EXECUTIVE SESSION

Chairman Pace requested a motion to go into Executive Session. The motion made by Director O'Brien and seconded by Director Cooper was approved unanimously. Chairman Pace requested that the following people remain for the Executive Session:

Chairman Michael Pace
Vice Chairman Stephen Cassano
Benson Cohn
Mark Cooper
James Francis
Michael Jarjura
Edna Karanian
Mark Lauretti
Theodore Martland
Raymond O'Brien
Andrew Sullivan
Timothy Griswold
Sherwood Lovejoy

Tom Kirk
Jim Bolduc
Peter Egan
Laurie Hunt, Esq.

Peter Boucher of Halloran & Sage
Douglas Cohen of Brown Rudnick

The Executive Session began at 9:46 a.m. and concluded at 11:20 a.m. Chairman Pace noted that no votes were taken in Executive Session.

Chairman Pace requested a short recess.

Chairman Pace reconvened the Board meeting at 11:25 a.m.

Chairman Pace invited Ms. Tentor to follow-up on her earlier public comment. Ms. Tentor stated that her earlier remarks were directed toward the new remediation of the PCBs that was recently approved by the DEP. Ms. Tentor said her main concern was that CRRA stay ahead of the curve and monitor the subcontractors who would be responsible for transportation.

APPROVAL OF THE MINUTES OF THE JULY 22, 2004 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the July 22, 2004 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Martland.

The motion previously made and seconded was approved. Director Karanian abstained from the vote as she was not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian			X
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

APPROVAL OF THE MINUTES OF THE AUGUST 5, 2004 SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the August 5, 2004 Special Board meeting. The motion was made by Director O'Brien and seconded by Director Cooper.

The motion previously made and seconded was approved. Directors Cohn and Karanian

abstained from the vote as they were not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn			X
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian			X
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

APPROVAL OF THE MINUTES OF THE AUGUST 20, 2004 SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the August 20, 2004 Special Board meeting. The motion was made by Director O'Brien and seconded by Director Cooper.

The motion previously made and seconded was approved. Directors Cohn and Martland abstained from the vote as they were not present at the meeting.

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

Timothy Griswold, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING FINANCE COMMITTEE RECOMMENDATION TO BOARD OF DIRECTORS REGARDING RENEWAL OF CASUALTY INSURANCE PROGRAM

Chairman Pace requested a motion regarding the referenced item. Director Sullivan made the following motion:

RESOLVED: That the Board of Directors authorizes the renewal of the \$1 million Commercial General Liability policy through American International Group (AIG) for a premium of \$177,000, and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of \$1 million of Automobile Liability insurance through AIG for a premium of \$100,329, and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of \$30 million Umbrella excess of \$1 million covering Commercial General Liability (CGL) and Auto Liability through American International Group (AIG) for a premium of \$326,250, and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of a \$30 million limit for Pollution Legal Liability insurance through AIG for a premium of \$375,000.

The aggregate premium is \$978,579.

Director O'Brien seconded the motion.

Director Sullivan stated that the matter was discussed in detail at the Finance Committee meeting. Director Sullivan said that there was a savings of \$1,273,000 compared to the budget due to increased competition in the marketplace. Director Sullivan explained that these were annual policies, so CRRA could not be certain they would continue to realize the benefits of that in the future.

Director Sullivan reviewed the increases in coverage compared to last year's policies and recommended that the Board approve the resolution.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
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Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING THE FISCAL YEAR 2004 FINANCIAL STATEMENT AND AUDIT REPORT

Chairman Pace requested a motion regarding the referenced item. Director Sullivan made the following motion:

RESOLVED: That the Board hereby approves and endorses the Fiscal Year 2004 Financial Statement and Audit Report, substantially as discussed and presented at this meeting.

Director O'Brien seconded the motion.

Director Sullivan stated that the draft audit was reviewed by the Finance Committee and noted that some changes in language were recommended. Director Sullivan recognized that the changes were incorporated in Management's Discussion and Analysis.

Mr. Trenholm gave a brief overview of the audit. Mr. Trenholm stated that the Financial Statements, Management's Discussion and Analysis, the footnotes to the Financial Statements, and the Supplemental Schedules were management's representation. Mr. Trenholm explained that Carlin, Charron & Rosen's responsibility was to express an opinion of the financial statements based on their audit. The unqualified clean opinion expressed by the auditor indicated that the financial statements properly reflected the results of the Authority's operations and its cash flows.

Mr. Trenholm noted that there were no disagreements regarding matters of accounting principles and how those accounting principles were adopted and implemented by management. Mr. Trenholm added that there were no significant adjustments during the course of the audit.

Chairman Pace noted that Mr. Tremholm's statements were key to what the Board had asked management to do and what management was doing. Chairman Pace said the fact that there were no significant adjustments affirmed that accounting practices and policies to ensure transparency were in place.

Mr. Trenholm asked the Board to turn to the second page of Exhibit D of the audit. Mr. Trenholm pointed out "Undesignated" deficits for the Mid-Connecticut and Bridgeport projects and stated that the auditors would like the Board to address the use of nonexistent Unrestricted net assets. Mr. Trenholm stated that the Board could either un-designate the designated net assets to cover the undesignated deficit or there needed to be a plan to generate revenue in excess of expenses that would turn undesignated deficits into net assets.

Mr. Bolduc stated that this issue had existed for many years and noted that Bridgeport was in the process of correcting the deficit. Mr. Bolduc said that management was looking into various options to correct the deficit for the Mid-Connecticut project.

Director Sullivan stated that once the Board approved the audit, it would be submitted to the State and the trustees on September 30.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING THE ADOPTION OF AN ISSUANCE AND RETIREMENT OF BONDS, NOTES AND OTHER OBLIGATIONS OF THE AUTHORITY PROCEDURE

RESOLUTION REGARDING THE ADOPTION OF AWARDED LOANS, GRANTS AND OTHER FINANCIAL ASSISTANCE PROCEDURES

Director Sullivan made a motion to table the above-referenced matters until legal notice could be given. The motion seconded by Director O'Brien was approved unanimously.

The matters were tabled to be addressed at the November meeting.

RESOLUTION REGARDING PROJECTED LEGAL EXPENDITURES

Chairman Pace requested a motion regarding the referenced item. Director Sullivan made the following motion:

WHEREAS: CRRA has entered into Legal Services Agreements with various law firms to perform legal services; and

WHEREAS: CRRA is projecting additional outside legal services for fiscal year 2005.

NOW THEREFORE, it is RESOLVED: that the following amounts be authorized for projected legal fees to be incurred through June 30, 2005:

<u>Firm:</u>		<u>Amount:</u>
Anderson Kill & Olick	\$	500,000
Brown Rudnick		120,000
Halloran & Sage		500,000
Kainen & Escalera & McHale		75,000
McCarter & English		400,000
Pepe & Hazard		50,000
Perakos Zitzer		75,000
Pullman & Comley		100,000
Sidley Austin Brown & Wood		100,000

Director O'Brien seconded the motion.

Director Sullivan explained that the above-referenced resolution was intended to inform the Board of what had been spent and to authorize expenditures through June 30, 2005.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Timothy Griswold, Ad Hoc, Mid-Connecticut			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING EXPENDITURES FOR ODOR MONITORING SERVICES AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY

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

RESOLVED: That the President of CRRA be authorized to increase, to \$76,701.00, the existing Fiscal Year 2005 Request for Services with TRC Environmental Corporation for Odor Monitoring Support at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

Vice-Chairman Cassano seconded the motion.

Mr. Kirk stated that the MCAPS air processing system had eliminated virtually all of the odors emanating from the Mid-Connecticut facility, but there were occasional incidences, especially when there were operational issues at the plant. Mr. Kirk stated that CRRA was working closely with MDC to eliminate those issues, but felt CRRA's desire to be a good neighbor called for odor monitoring controls on evenings and weekends.

Mr. Kirk explained that the odor monitoring service would patrol the plant during evening hours to double check that the operator was taking appropriate measures to control odors. Mr. Kirk said that CRRA was hoping to get to the point where this service was no longer needed, but until then it was necessary to do everything possible to eliminate the odors.

Chairman Pace stated that it was important to be a good neighbor and noted his concern that CRRA had to pay for this service because the operator was not taking the necessary actions

to eliminate the problem.

Vice-Chairman Cassano suggested that CRRA look into that doors that would close automatically. Mr. Gent responded that CRRA was looking into newly designed doors and evaluating the overall ventilation system. Mr. Gent also noted that the operator was not completely at fault because there were also some capital expenditures that CRRA might have to look into.

Mr. Gent stated that he had met with representatives from MDC and said they were also concerned about the matter. Mr. Gent noted that MDC was cooperative with CRRA regarding this issue.

Chairman Pace asked about other activities that could mitigate the odors. Mr. Kirk responded that the longer material was in the plant, the more likely it was to create odors. Mr. Gent noted that there was a limitation to the amount of time that material could stay in the MSW area. Mr. Gent stated that material was being processed by MDC in a prompt fashion.

Mr. Gent stated that excessive inventories of RDF and power block outages caused problems this summer. Mr. Gent noted that CRRA was working with Covanta on the power block issues and excessive RDF was sent elsewhere.

Mr. Francis asked if the contract value covered only this fiscal year. Mr. Egan responded in the affirmative and explained that the activity was a specific request for services for a twelve month period under a three-year engineering agreement. Mr. Egan noted that the three-year agreement had no monetary value.

Director Lauretti asked what the cost of the extra activity was. Mr. Egan responded that the additional inspections were \$22,315.

Director O'Brien pointed out that 21 events were costing \$22,000. Mr. Egan stated that each 8 hour day cost \$1,100. Director O'Brien asked if the \$20,000 cost for the hotline response was on an "as needed" basis. Mr. Egan stated that figure was an "as needed" estimate and explained that TRC would only respond when the hotline was called. Director O'Brien asked what TRC did when the hotline was called. Mr. Egan explained that TRC would first drive to the complainant's site and get information from the complainant. TRC would then drive around the complainant's area and follow a prescribed route to identify source of the odor and confirm that the odor was from CRRA activities. Director O'Brien asked if CRRA received a report from each incident. Mr. Egan responded in the affirmative.

Chairman Pace asked if there were occasions when the hotline was called and the odor was found to be from a source other than a CRRA facility. Mr. Egan responded affirmatively and stated that there had been several occasions when odors were identified to be from MDC's sewage treatment facility. Mr. Egan explained that odors could also be coming from other sources including dumpsters in the vicinity of the complainant.

Chairman Pace asked if the incidences where CRRA activities were not the source of the odors were reported to the Mayor or environmental groups. Mr. Egan responded that those complaints were reported to MDC. Mr. Kirk responded that CRRA management met with the Mayor of East Hartford and his interested constituents at the beginning of every summer and as needed throughout the summer. Mr. Kirk noted that prior to the installation of the MCAP system, CRRA received hundreds of complaints per year. CRRA received only 14 complaints this year of which Mr. Egan estimated 8-10 to be a result of CRRA activities. Mr. Kirk stated it was CRRA's responsibility to have zero tolerance for odor problems and recognized that by working with the contractor, this need should be eliminated next summer.

Director O'Brien questioned why it was necessary to pay \$137.50 per hour to see if something smelled. Mr. Kirk responded that the person who monitored the odors was a Certified Environmental Professional and acknowledged that it was an expensive service. Mr. Kirk explained that he would like to be able to tell Mayor Larson and the other neighbors that CRRA was doing everything it possibly could to eliminate the odor problem.

Chairman Pace asked management to look into other corrective actions in the future.

Director Karanian asked if MDC had a similar odor monitoring service. Mr. Kirk responded that he did not think so. Director Sullivan suggested that if the odor problems were also coming from the MDC facility, they should join CRRA in financing the efforts.

Mr. Kirk explained that it was CRRA's hope that between good operating practices and capital improvements, the issue would be resolved.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Laretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING ENVIRONMENTAL MONITORING AT THE ELLINGTON LANDFILL

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

RESOLVED: That the President is hereby authorized to enter into a Request for Services with Fuss & O'Neill, Inc. to conduct environmental investigation activities on property adjacent to the Ellington Landfill, substantially as discussed and presented at this meeting.

Director Cooper seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING DELIVERY OF COVER SOILS TO THE HARTFORD LANDFILL

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

RESOLVED: That the President is hereby authorized to enter into a contract with DeRita Construction Co., Inc. for delivery of contaminated soil to be used as daily cover at the Hartford Landfill, and as approved by the Connecticut Department of Environmental Protection, substantially as discussed and presented at this meeting.

Director Cooper seconded the motion.

Mr. Kirk explained that CRRA was getting an excellent price on the soil, which was saving CRRA about \$1 million per year compared to having to purchase cover soil.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING EMERGENCY REPAIRS TO THE MID-CONNECTICUT PROJECT RECYCLING SCALES

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

RESOLVED: That the Board of Directors hereby ratifies the entrance into a contract for emergency repairs to the Mid-Connecticut Recycling Center scales in accordance with Connecticut Resources Recovery Authority's Procurement Policy.

Director Martland seconded the motion.

Director O'Brien suggested that the language "entrance into a contract" be amended. Chairman Pace stated the language would be changed to read "entry into a contract."

Mr. Kirk explained that CRRA's Procurement policy required that emergency purchases be ratified by the Board. Mr. Kirk explained that the scale was hit by lightning which required immediate attention.

Director O'Brien asked if the damage was covered by insurance. Mr. Bolduc said the damage was covered but the damages did not exceed the deductible.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

RESOLUTION REGARDING SOLID WASTE INDUSTRY SPECIALIST LEGAL SERVICES

Chairman Pace requested a motion regarding the referenced item. Director Cohn made the following motion:

RESOLVED: That the President is hereby authorized to enter into Legal Services Agreements for three-year terms with the law firms listed below for the provision of "on call" Solid Waste Industry Specialist Legal Services, substantially as discussed and presented at this meeting, and pending acceptable rates:

- McCarter & English, LLP
- Byrne & Storm, P.C.
- Dechert LLP

Director O'Brien seconded the motion.

Director Cohn explained that a Request for Qualifications was issued, which resulted in the listed firms being chosen for a panel. Chairman Pace noted that there were some firms that were new to CRRA. Director Cohn stated that the Policies and Procurement Committee wanted management to have options in case other firms had conflicts.

Chairman Pace asked how many firms were approved for Solid Waste Industry Specialist Legal Services. Director Cohn responded that there were only the three firms listed in the resolution and CRRA's General Counsel.

Director O'Brien stated that the Committee discussed issuing another RFQ in a year to get in sync with the other three-year Legal Service Agreements.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

CHAIRMAN'S AND COMMITTEE REPORTS

Policies & Procurement Committee

Director Cohn stated that the Policies & Procurement Committee interviewed and selected the firms for the Solid Waste Industry Specialist RFQ at its September 9th meeting. Director Cohn noted that the Procurement Policy required CRRA staff to submit a list of procurements that were exceptions to the competitive process and cumulative expenses over \$50,000. Director Cohn said those reports could be found in the Supplemental Board Package.

Organizational Synergy & Human Resources Committee

**RESOLUTION REGARDING HUMAN RESOURCES COMMITTEE
RECOMMENDATIONS TO BOARD OF DIRECTORS REGARDING CONTINUATION
OF HEALTH/DENTAL/LIFE/LONG-TERM & SHORT-TERM DISABILITY
INSURANCE PROGRAMS**

Chairman Pace requested a motion regarding the referenced item. Vice-Chairman Cassano made the following motion:

RESOLVED: That the Board of Directors authorizes the continuation of the health and dental insurance through Anthem for the period of July 1, 2004 through December 31, 2004 for an estimated premium of \$145,600, and

FURTHER RESOLVED: That the Board of Directors authorizes the continuation of life, long-term disability and short-term disability insurance through The Standard Insurance for the period of July 1, 2004 though December 31, 2004 for a premium of \$30,000.00

The aggregate premium is \$175,600.

Director O'Brien seconded the motion.

Vice-Chairman Cassano explained that the resolution was a six-month continuation of the policies at the existing costs.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc, Bridgeport			

Vice-Chairman Cassano reported that the Committee was working on new policies including Workplace Violence, Progressive Discipline and an Employee Awards Policy for the Employee Handbook.

Chairman's Report

Chairman Pace stated that he had been working with management and CRRA's legal counsel regarding the sale of the bankruptcy claim.

Chairman Pace said that he asked the Organizational Synergy Committee to begin work on a new project which would be worked out in the next month or so.

Chairman Pace stated that there needed to be some follow-up on the business plan and the initiatives with DEP for policy review.

Vice-Chairman Cassano asked if a report had to be filed with the legislature this fall. Mr. Kirk responded that CRRA was required to file quarterly reports. Mr. Kirk stated that in addition to the required reports, CRRA was producing a video intended to educate stakeholders and legislators. Chairman Pace stated that since CRRA was not allowed to utilize lobbyists, information needed to be presented in a true, factual manner through print and other visual means.

Vice-Chairman Cassano observed that CRRA had set aside resources to identify a potential landfill while the State and MDC were also looking into other long-term disposal and energy options. Vice-Chairman Cassano suggested that CRRA lead the way in organizing discussions that would encourage each of these entities to work collectively with the DEP. Chairman Pace stated that CRRA had been taking the lead and asked DEP to develop policy as CRRA continued with its business plan.

Mr. Kirk stated that he met with Ms. Jane Stahl of the DEP and expressed CRRA's frustration that the DEP had not progressed in developing a solid-waste management plan. Mr. Kirk said that by creating that plan, the DEP would be validating steps that CRRA would want to take toward developing options for disposal. Mr. Kirk indicated that he was certain that any new solid waste management plan would include the need for additional ash disposal so it was CRRA's plan to move ahead with their plans. Mr. Kirk added that CRRA's legislative package would encourage the legislature to direct the DEP to complete that initiative this year.

Vice-Chairman Cassano stated that by joining forces with everyone responsible for the disposal of waste and the DEP, decisions could be made on what the State's needs were in terms of waste management. Chairman Pace stated that he would entertain support to make Vice-Chairman Cassano a sole-member Committee to work with Mr. Kirk to organize a meeting regarding this matter.

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 12:19 p.m.

Respectfully submitted,

Kristen B. Greig

Kristen B. Greig
Legal Temp

TAB 2

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED SEVENTY-EIGHTH MEETING

OCTOBER 15, 2004

A Special telephonic meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Friday, October 15, 2004 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: James Francis
Edna Karanian
Mark Lauretti
Theodore Martland
Raymond O'Brien
Andrew Sullivan
Timothy Griswold (Ad-Hoc for Mid-CT Project)

Present from the CRRA staff:

Thomas Kirk, President
Jim Bolduc, Chief Financial Officer
Laurie Hunt, Managing Director of Legal Affairs
Kristen Greig, Secretary to the Board/Paralegal

Also in attendance were: Peter Boucher, Esq. of Halloran & Sage, LLP, Alan Curto, Esq. of Halloran & Sage, LLP, Paul Rachmuth, Esq. of Anderson, Kill & Olick, P.C.

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

EXECUTIVE SESSION

Chairman Pace requested a motion to go into Executive Session. The motion made by Director Martland and seconded by Director O'Brien was approved unanimously. Chairman Pace requested that the following people remain for the Executive Session:

Michael Pace	Tom Kirk
James Francis	Jim Bolduc
Edna Karanian	Laurie Hunt, Esq.
Mark Lauretti	
Theodore Martland	Peter Boucher, Esq.
Raymond O'Brien	Alan Curto, Esq.
Andrew Sullivan	Paul Rachmuth, Esq.
Timothy Griswold	

The Executive Session began at 10:11 a.m. and concluded at 10:22 a.m. Chairman Pace noted that no votes were taken in Executive Session.

Chairman Pace reconvened the Board meeting at 10:22 a.m.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CONNECTICUT RESOURCES RECOVERY AUTHORITY TO AUTHORIZE A SETTLEMENT WITH THE CONNECTICUT LIGHT & POWER COMPANY

Chairman Pace requested a motion regarding the above captioned matter. Director O'Brien 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 a political subdivision of the State of Connecticut, to carry out the purposes of Chapter 446e of the Connecticut General Statutes, Sections 22a-260 et seq., as amended; and

WHEREAS, on July 22, 2004 the Board of Director of the Authority approved a settlement (the "Enron Settlement") with Enron Corporation ("Enron") concerning the Authority's proofs of claim in the bankruptcy cases (the "Enron Litigation") filed by Enron and certain Enron affiliates in the United States Bankruptcy Court, Southern District of New York (the "Bankruptcy Court"), on or about December 2, 2001; and

WHEREAS, in order that the Enron Settlement may be submitted to the Bankruptcy Court for its approval; it is necessary that the Authority and the Connecticut Light and Power Company ("CL&P") reach agreement on certain issues (the "CRRA-CL&P Issues"); more particularly: (1) the withdrawal and amendment by CL&P of certain claims submitted by it in the Enron litigation; (2) the withdrawal with prejudice of certain litigation commenced by CRRA against CL&P; (3) the reimbursement by CRRA to CL&P for certain judgments (if any) against CL&P resulting from the CRRA/CL&P/Enron transactions dated on or about December 22, 2000 (collectively, the "Enron Transaction"); and (4) mutual releases by CRRA, CL&P and the Attorney General of the State of Connecticut (the "AG") concerning the Enron Transaction; and

WHEREAS, the Authority, CL&P and the AG have negotiated a settlement agreement resolving the CRRA-CL&P Issues (the CL&P Settlement Agreement"); and

WHEREAS, the Board of Directors of the Authority have reviewed the CL&P Settlement Agreement and determined that it is in the best interests of the Authority to enter into the CL&P Settlement Agreement, so as to permit the submittal of the Enron Settlement to the Bankruptcy Court;

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

Section 1. That the Board of Directors of the Authority hereby approves the CL&P Settlement Agreement substantially in accordance with the terms of such CL&P Settlement Agreement as presented to the Board of Directors of the Authority.

Section 2. That the President and the Chief Financial Officer of the Authority are hereby authorized to take all actions and to execute any and all agreements in connection with the CL&P Settlement Agreement.

Section 3. This resolution shall take effect immediately.

Director Martland seconded the motion.

Director O'Brien noted that the above-referenced matter was thoroughly discussed in Executive Session. Director O'Brien expressed appreciation for the work done by Attorney Boucher and his staff, Mr. Kirk and his staff, Attorney Rachmuth and the Attorney General.

Director Sullivan pointed out that all parties involved in the settlement agreement, including the DPUC, had been brought on board and CRRA believed this resolution would bring an end to this matter. Attorney Boucher confirmed that outreach was done to the DPUC, but noted that CRRA could not be assured that the DPUC would find the settlement satisfactory to its issues until after it was reviewed and acted upon.

Chairman Pace stated that the CRRA Board of Directors, management and their attorneys were working through CRRA's obligation to recover the funds and saw this settlement as an opportunity for other state agencies to assist in the recovery.

Chairman Pace noted that the resolution incorporated the language in the settlement agreement.

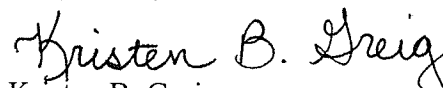
The motion previously made and seconded was approved unanimously.

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 10:25 a.m.

Respectfully submitted,


Kristen B. Greig
Secretary to the Board/Paralegal

TAB 3

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED SEVENTY-NINTH MEETING

October 21, 2004

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, October 21, 2004 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

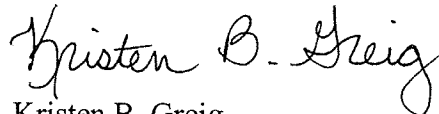
Chairman Michael Pace (by telephone)

Present from the CRRA staff:

Kristen Greig – Secretary to the Board/Paralegal

Chairman Pace called the meeting to order at 9:30 a.m. and noted that there was no quorum as required by the Bylaws under Section 504 in order to conduct a meeting. Therefore, no official business of the Authority could be conducted. Chairman Pace adjourned the meeting at 9:35 a.m. in accordance with the provisions of the Bylaws.

Respectfully submitted,



Kristen B. Greig
Secretary to the Board/Paralegal

TAB 4

RESOLUTION REGARDING CHANGES TO CERTAIN PROJECT RESERVE ACCOUNTS

RESOLVED: That the CRRA Board of Directors recognize that there are insufficient assets to continue the classification of the Mid-Connecticut Project Landfill Replacement Reserve portion of this fund as Board designated and due to this circumstance, the Mid-Connecticut Project portion of the unrestricted funds be dissolved.

Connecticut Resources Recovery Authority

Reserve Analysis

October 21, 2004

Each October CRRA performs an analysis of its reserve accounts. The purpose of this analysis is to ensure that the existing reserves still meet the objectives for which they were initially created and point out those reserves whose balances will be reviewed in the upcoming budget process. In addition to this analysis, CRRA is evaluating the designation of the reserves for the Bridgeport and Mid-Connecticut Projects in light of the auditor's finding pertaining to the unrestricted undesignated deficits as shown on the Combining Schedule of Net Assets as of June 30, 2004.

This analysis includes only those reserves held in the Short Term Investment Fund (STIF) and does not include the accounts held by the Trustee or any other bank accounts. These reserve funds are held in aggregate in the one CRRA STIF account. Although all transactions (deposits and withdrawals) flow through this one STIF account, accounting maintains records to track individual reserves for reporting purposes.

In the beginning of 2003 CRRA had thirty-two (32) reserves and over the past 18 months though Board action these have been reduced to twenty (21) reserves comprised of the following:

- Seven (7) Restricted reserves (Contracts, Arbitration Decision, Trustee, and DEP)
- Fourteen (14) Unrestricted Board Designated reserves (Resolution or Budget Process) (For Specific Purpose)

The Finance Committee voted to recommend the attached resolution be submitted to the CRRA Board of Directors for adoption at the October 2004 meeting. The following summarizes the changes in the resolution:

- That the Landfill Replacement Reserve for the Mid-Connecticut Project be dissolved and the original journal entry for \$1.8 million be reversed. Based upon prior staff notes it appears that the reserve was accrued for, but never funded.

Management plans to address the Bridgeport and Mid-Connecticut Project undesignated unrestricted deficit over the next several months prior to and during the annual budget process.



Connecticut Resources Recovery Authority

COMBINING SCHEDULE OF NET ASSETS AS OF JUNE 30, 2004 (In Thousands)

EXHIBIT D
Page 1 of 2

	General Fund	Mid-Connecticut Project	Bridgeport Project	Wallingford Project	Southeast Project	Total 2004
Net assets invested in capital assets, net of related debt	\$ -	\$ 13,030	\$ 13,066	\$ -	\$ -	\$ 26,096
Restricted net assets:						
Restricted cash and cash equivalents:						
Debt service reserve funds	-	26,786	1,508	1,313	1,274	30,881
Energy generating facility	-	20,000	-	-	-	20,000
Debt service funds	-	12,263	1,302	947	450	14,962
Tip fee stabilization	-	-	-	7,609	-	7,609
Revenue fund	-	3,527	-	1,394	1,201	6,122
MDC arbitration escrow	-	4,193	-	-	-	4,193
Montville landfill postclosure	-	-	-	-	2,032	2,032
Operating and maintenance	-	1,529	-	-	-	1,529
Equipment replacement	-	1,529	-	-	-	1,529
Select energy escrow	-	1,000	-	-	-	1,000
DEP trust - landfills	-	421	150	132	-	703
RRC container equipment	-	451	-	-	-	451
Customer guarantee of payment	-	216	18	42	-	276
Rebate funds	-	10	3	107	151	271
Recycling education fund	-	239	-	-	-	239
Town of Ellington trust - pooled funds	-	41	-	-	-	41
Mercury public awareness	20	-	-	-	-	20
Authority project cost account	-	-	-	-	18	18
Earning fund	-	-	-	-	5	5
Total restricted cash and cash equivalents	20	72,205	2,981	11,544	5,131	91,881



Connecticut Resources Recovery Authority

COMBINING SCHEDULE OF NET ASSETS

AS OF JUNE 30, 2004

(In Thousands)

EXHIBIT D
Page 2 of 2

	General Fund	Mid-Connecticut Project	Bridgeport Project	Wallingford Project	Southeast Project	Total 2004
Less liabilities to be paid with restricted assets:						
Bonds payable, net	\$ -	\$ 3,910	\$ 252	\$ 1,351	\$ 555	\$ 6,068
State loan payable	-	1,484	-	-	-	1,484
Closure and postclosure care of landfills	-	178	18	185	-	381
Accounts payable and accrued expenses	-	2,294	-	954	3,233	6,481
Accrued MDC escrow	-	4,024	-	-	-	4,024
Total liabilities to be paid with restricted assets:	-	11,890	270	2,490	3,788	18,438
Bonds payable to be retired from non-current restricted assets	-	6,763	247	1,212	1,196	9,418
Total restricted net assets	20	53,552	2,464	7,842	147	64,025
Unrestricted net assets:						
Designated for:						
Postclosure care of landfills	-	2,321	2,911	5,320	-	10,552
Closure care of landfills	-	6,674	202	-	-	6,876
Future loss contingencies	-	5,342	-	1,047	252	6,641
Waste processing facility modifications	-	3,890	-	-	-	3,890
Rolling stock	-	2,817	-	-	-	2,817
Recycling	-	1,860	-	-	-	1,860
Landfill replacement	-	1,800	-	-	-	1,800
Future use	-	-	569	-	-	569
Benefit fund	251	-	-	-	-	251
Undesignated	-	(18,143)	(6,115)	14,101	3,613	(6,544)
Total unrestricted net assets	251	6,561	(2,433)	20,468	3,865	28,712
Total Net Assets	\$ 271	\$ 73,143	\$ 13,097	\$ 28,310	\$ 4,012	\$ 118,833

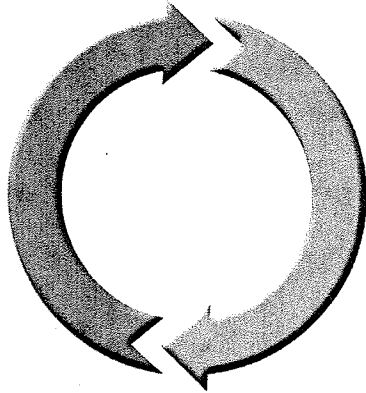
TAB 5

**RESOLUTION REGARDING THE ADOPTION OF AN ISSUANCE
AND RETIREMENT OF BONDS, NOTES AND OTHER
OBLIGATIONS OF THE AUTHORITY PROCEDURE**

RESOLVED: That the Issuance and Retirement of Bonds, Notes and Other Obligations of the Authority Procedure of the Connecticut Resources Recovery Authority be adopted substantially in the form as presented and discussed at this meeting.

22a-268a Section text
1 of 1 document(s) retrieved

Sec. 22a-268a. Written procedures. The board of directors of the Connecticut Resources Recovery Authority shall adopt written procedures, in accordance with the provisions of section 1-121, for: (1) Adopting an annual budget and plan of operations, including a requirement of board approval before the budget or plan may take effect; (2) hiring, dismissing, promoting and compensating employees of the authority, including an affirmative action policy and a requirement of board approval before a position may be created or a vacancy filled; (3) acquiring real and personal property and personal services, including a requirement of board approval for any such nonbudgeted expenditure in excess of five thousand dollars; (4) contracting for (A) the business, design, operating, management, construction, transportation, marketing, planning and research and development functions of the authority, (B) financial, legal, bond underwriting and other professional services, and (C) supplies, materials and equipment, including (i) notwithstanding any provision of this chapter, standards for determining when contracts described in this subdivision (4) shall be awarded on the basis of competitive bidding or competitive negotiation, an exemption for small purchases, and criteria for waiving competitive bidding or competitive negotiation, and (ii) a requirement that the authority solicit proposals at least once every three years for each such professional service which it uses; (5) issuing and retiring bonds, bond anticipation notes and other obligations of the authority; (6) awarding loans, grants and other financial assistance, including eligibility criteria, the application process and the role played by the authority's staff and board of directors; and (7) the use of surplus funds to the extent authorized under this chapter or other provisions of the general statutes.



CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY

**ISSUANCE AND RETIREMENT OF
BONDS, NOTES AND OTHER
OBLIGATIONS OF THE AUTHORITY**

EFFECTIVE SEPTEMBER __, 2004

CONNECTICUT RESOURCES RECOVERY AUTHORITY
ISSUANCE AND RETIREMENT OF BONDS, NOTES AND OTHER
OBLIGATIONS OF THE AUTHORITY

BOARD OF DIRECTORS POLICY No. 015

I. Policy

To define the procedure on how to issue and retire bonds, notes and other obligations of the Connecticut Resources Recovery Authority (the "Authority") for the purposes defined of the Authority in the Solid Waste Management Services Act Chapter 446e of the Connecticut General Statutes (the "Act"). Any bonds or notes issued by the Authority shall be special obligations of the Authority payable out of any revenues or other receipts, funds or moneys of the Authority that are pledged for the purpose of the bonds or notes so issued. Bonds or notes may be further secured by the State of Connecticut's Special Capital Reserve Fund (as further described herein) or by other credit enhancements as are available to be purchased in the municipal marketplace.

Each project that the Authority owns or operates shall cause a Bond Resolution or Trust Indenture to be created upon the issuance of any series of bond or note indebtedness for such project. Such Bond Resolution shall be adopted or such Trust Indenture shall be executed between the Authority and the Bond Trustee (currently U.S. Bank). Any additional bonds or notes may be issued under a Supplemental Bond Resolution or Trust Indenture for the respective project.

Pursuant to Section 22a-268d of the Connecticut General Statutes, the Authority may borrow temporarily from the State for the purposes of supporting the repayment of debt issued by the Authority on behalf of the Mid-Connecticut Project. (See Section IV(A) herein regarding available loan amounts.)

II. Procedures Regarding Bonds

A. Issuance of Bonds

1. The Authority may issue bonds from time to time subject to the affirmative vote of a majority of the Directors and Ad Hoc Members eligible to vote (the "Directors"). The Authority's Chairman or its Finance Committee must recommend such bonds to the Directors upon advice of the President or Chief Financial Officer of the Authority, bond counsel or such other advisors as the Chairman or Finance Committee deems appropriate.

2. The issuance of all bonds of the Authority shall be, to the extent required by law, subject to the approval of Treasurer of the State of Connecticut (the "State Treasurer").
3. Bonds of the Authority may be issued in any form as authorized under the Act and as provided in the Board resolution authorizing the issuance of the bonds.
4. Bonds may have maturities not exceeding 40 (forty) years.
5. Upon approval by the Board of Directors, the Authority may enter into an underwriting agreement(s) with a nationally-recognized bond dealer(s) (Red Book listed), upon satisfaction of a Request for Proposal process to select such underwriter(s) for the purpose of a negotiated bond underwriting. Alternatively, the Authority may recommend a competitive bond sale or private placement of bonds to the Board of Directors should circumstances so warrant.
6. Proceeds of bond sales must be invested according to the Authority's current Investment Policy.
7. All bonds issued by the Authority will be in book-entry only form.
8. A fully executed original set of bond closing documents shall be maintained by the Authority at its offices for each bond issuance.

B. Debt Service Reserve Fund and Special Capital Reserve Fund (SCRF)

1. Bonds issued by the Authority may have a Debt Service Reserve Fund established consistent with standards in the municipal marketplace to ensure the highest possible bond rating and subject to the approval of nationally-recognized bond counsel.
2. Pursuant to Section 22a-272b of the Connecticut General Statutes, no bonds secured by a Special Capital Reserve Fund shall be issued by the Authority to pay project costs unless the Authority is of the opinion and determines that the revenues to be derived from the project shall be sufficient (1) to pay the principal of and interest on the bonds issued to finance the project, (2) to establish, increase and maintain any reserves deemed by the Authority to be advisable to secure the payment of the principal and interest on such bonds, (3) to pay the costs of maintaining the project in good repair and keeping it properly insured and (4) to pay such other costs of the project as may be required. In making such determination, the Authority may seek the advice of bond counsel retained by the Authority or such other advisors, as is deems appropriate.
3. Upon determination of project sufficiency, the Authority (or bond counsel) may apply to the State Treasurer for Special Capital Reserve Fund designation.

C. Retirement of Bonds

1. The Directors, with the advice of the President or the Chief Financial Officer of the Authority, bond counsel and such other advisors, may approve an early retirement or defeasance of Authority bonds, as they deem appropriate.

III. Procedures Regarding Notes

A. Issuance of Notes

1. From time to time the Authority may, upon an affirmative vote of a majority of the Directors and Ad Hoc Members eligible to vote, issue, renew or refinance short-term notes. Such notes shall be bid competitively unless the Directors determine that it is not in the best interest of the Authority to do so.
2. The issuance of all notes of the Authority shall be, to the extent required by law, subject to the approval of State Treasurer.
3. Notes issued by the Authority will usually mature within one year of issuance, however this requirement will not preclude renewing any notes for subsequent periods, so long as the term or renewal thereof shall not exceed a period equal to five years from the date of issuance of such note.
4. A fully executed original set of closing documents shall be maintained by the Authority at its offices for each note issuance.

IV. Procedures Regarding the Mid-Connecticut Project State Loan

A. History

Pursuant to Section 22a-268d of the Connecticut General Statutes, the Authority received authorization to borrow up to \$115 million in State Loans for the purposes of debt repayment on the Mid-Connecticut project bonds. The Statute allowed the Authority to borrow up to \$22 million for fiscal years ended June 30, 2003 and June 30, 2004. For subsequent fiscal years, the Authority may borrow up to \$93 million in accordance with the provisions of the aforementioned Statute.

B. Drawdowns Under the State Loan

1. The Authority may request an annual State Loan amount for the ensuing fiscal year, subject to the approval of two-thirds of the Authority's voting Board of Directors present at a duly called meeting. Pursuant to Section 22a-268d of the Connecticut General Statutes, the annual State Loan amount requires subsequent approval by the State Treasurer and the Secretary of the Office of Policy and Management. The Authority's Chairman or its Finance Committee must recommend a borrowing amount to the Directors upon advice of the President or

Chief Financial Officer of the Authority, bond counsel or such other advisors as the Chairman or Finance Committee deems appropriate.

2. Upon approval by the Directors, and prior to any such drawdown under the State Loan, the Authority will submit its financial mitigation plan, as required by Section 22a-268d of the Connecticut General Statutes, to the State Treasurer and the Secretary of the Office of Policy and Management.
3. Pursuant to and as set forth in Section 22a-268d(b) of the Connecticut General Statutes, the Authority must provide annual and quarterly reports to the State Treasurer, the Secretary of the Office of Policy and Management and the Joint Standing Committee of the General Assembly on Finance, Revenue and Bonding.
4. Upon approval of the State Loan by the State Treasurer and the Secretary of the Office of Policy and Management, the Authority will enter into a Master Loan Agreement between the State and the Authority.
5. Drawdowns under the State Loan shall occur monthly, if necessary, and will be by written requisition, submitted five business days prior to the date the Authority desires deposit of the same with the Bond Trustee, to the State Treasurer's Office, accompanied by two signatures of any of the following: The Chairman, Finance Committee Chairman, President or Chief Financial Officer.
6. Following the requisition, the State Treasurer's Office will wire funds directly to the Bond Trustee not less than two business days prior to the end of that calendar month for further credit to the Mid-Connecticut Project debt service accounts.

C. Pre-Payments and Retirement of the State Loan

1. The Directors, with the advice of the President or the Chief Financial Officer of the Authority, bond counsel and such other advisors, may pre-pay State Loan advances in whole or in part, at any time.
2. The Authority shall consult with the State Treasurer and the Secretary of the Office of Policy and Management regarding the utilization of proceeds received in connection with any claims or recoveries arising from the Enron litigation, as more fully detailed in the respective Master Loan Agreements. Such proceeds or recoveries may be used to prepay State Loan advances, mitigate the need for anticipated future advances under the State Loan and/or to mitigate the Mid-Connecticut Project service payments.

V. Miscellaneous

A. Approval of Procedural Deviation

Any deviation from the above procedures must be approved by a majority of the Authority's voting Board of Directors present at any meeting at which a quorum is in attendance.

B. History

Statutory References: C.G.S. Sections 1-121; 22a-261, as amended; 22a-265(15); 22a-268a; 22a-268d; 22a-269; and 22a-272

Date of Adoption by Board of Directors: November 20, 1990
Reviewed and Revised by the Finance Committee: September 16, 2004
Revised Version Adopted by the Board of Directors: September __, 2004

TAB 6

Resolution Regarding Finance Committee Recommendation to Board of Directors Regarding the Purchase of the Epicor E-Procurement Module

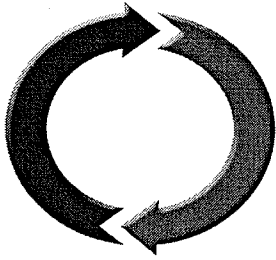
RESOLVED: That the Board of directors authorizes the purchase of the Epicor E-Procurement module at a cost not to exceed \$76,000.

Costs include:

- Procurement with 20 named users: \$35,000
- Annual maintenance (18% of software price): \$6,000
- Implementation and training costs: Implementation for our size company is estimated to be between \$25,000 and \$35,000 depending upon our specific requirements

Benefits include:

- Improve internal and external communications allowing for improved catalog management, workflow routing, and document exchanges.
- Routine purchases/contracts can be cataloged for easier requisitioning
- Better information and automation to improve out efficiencies
- Better integration of functions and planning; requisitioning through vouchering
- Standardize and monitor the procurement function
- Reporting capability will eliminate the need for individual department to create and maintain off line reports
- Automated approvals based on the characteristics of the request, using the current paper based system the order approval process is cumbersome and slow with few gauges for timely follow-through or accountability
- Integrated into financials; i.e. requisitioner will have current account budget information available at time of requisition
- Define departmental roles and assure cross checks are in place
- Greater efficiency in purchasing process, from requisition through approvals and payment
- Electronic history retained on all items
- Paperless, separate hard copies no longer needed by every department
- Document (contracts, spreadsheets, memo's) can be attached and viewed as needed through the entire process
- Process visible to CRRA employees; i.e. no need to call accounting for order details or copies



CONNECTICUT RESOURCES RECOVERY AUTHORITY

Implementation Program for E-Procurement

Executive Summary

- The need to electronically document the purchase history of a contract, service, or commodity.
- Centralize purchasing activities to assure standardization and adherence to procedures.
- Cost reductions on labor and expenses.
- Improve the efficiencies of the purchasing process.
- Epicor E-Procurement will seamlessly interface with the accounting software. Other programs will need additional software and/or hardware to become compatible or an entirely new accounting software package would be needed as well.

Discussion

E-Procurement will improve the internal and external communications allowing for improved catalog management, workflow routing, and document exchanges. Any supporting documents can electronically be attached to the requisition/purchase order allowing for instant retrieval by any authorized individual.

Better information and automation to improve out efficiencies. Routine purchases/contracts can be cataloged for easier requisitioning. There will no longer be a need to re-write requisitions on routine and repeat buys. Better integration of functions and planning; requisitioning through vouchering will allow for standardization and monitoring of the procurement function. Departmental roles will be better defined to assure cross checks are in place.

Integrated into financials; i.e. requisitioner will have current account budget information available at time of requisition.

Reporting capability will eliminate the need for individual department to create and maintain off line reports; e.g. Exceptions from the competitive process, Small Business Minority Report, Cumulative Expenditures over \$50,000. An electronic history is retained on all items. E Procurement is paperless, separate hard copies are

