

**CRRA
BOARD MEETING
MARCH 18, 2004**



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

March 12, 2004

TO: CRRA Board of Directors
FROM: Angelica Mattschei, 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, March 18, 2004 at 9:30 a.m. at the CRRA Headquarters, 100 Constitution Plaza, Hartford.

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



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March 12, 2004

TO: CRRA Board of Directors

FROM: Angelica Mattschei, Corporate Secretary *Am*

RE: Filing Statements of Financial Interests

Pursuant to Section 1-83 of the Code of Ethics, certain State and Quasi-Public Agency officials and employees are required to file annual Statements of Financial Interests (SFIs) with the Ethics Commission. All members of the CRRA Board of Directors who served within calendar year 2003 must file under this provision.

Please visit the Website of the State Ethics Commission at www.ethics.state.ct.us to file your statement electronically. If you have questions or concerns regarding this procedure, or to request a form to be mailed to you for filing manually, you may contact Cindy Cannata at (860) 566-4472 ext. 303 (Cindy.Cannata@po.state.ct.us) or Brenda Lou Mathieu at (860) 566-4472 ext. 307 (Brenda.Mathieu@po.state.ct.us). If you do not have a use id/password, they will be glad to walk you through the process.

A copy of your statement must be forwarded to CRRA c/o my attention at the address below by April 26, 2004. If you are filing under a different state agency, a copy of your statement should still be mailed to CRRA for record keeping purposes.

CRRA
Attn: Angelica Mattschei
100 Constitution Plaza, 17th Floor
Hartford, Connecticut 06103

Please feel free to contact me with questions or concerns at (860) 757-7792.



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Connecticut Resources Recovery Authority
Board of Directors' Meeting

Agenda

March 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 February 19, 2004 Regular Board Meeting Minutes (Attachment 1).

IV. Finance

1. Board Action will be sought regarding Property Insurance Renewal (Attachment 2).
2. Board Action will be sought regarding Public Officials' Employee Liability Insurance Renewal (Attachment 3).

V. Project Reports

A. Mid-Connecticut

1. Board Action will be sought regarding Improvements to the Ash Loadout Building at the Mid-Connecticut Power Block Facility (Attachment 4).
2. Board Action will be sought regarding the Installation of an Extension to the Existing Phase 1 Ash Area Base Liner System (Attachment 5).
3. Board Action will be sought regarding Construction Quality Assurance Services Associated with Installation of An Extension to the Existing Phase 1 Ash Area Base Liner System (Attachment 6).

4. Board Action will be sought regarding Activities Associated with an Initiative to Determine the Feasibility of Vertically Expanding the Hartford Landfill (Attachment 7).

VI. Chairman's and Committee Reports

1. The Policy & Procurement Committee will report on its March 4, 2004 meeting.
 - a. Board Action will be sought regarding Delegation of the CRRA's President's Authority Pursuant to Conn. Gen. Stat. § 22a-277(c) (Attachment 8).

VII. Executive Session

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

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED SIXTY-EIGHT MEETING

FEBRUARY 19, 2004

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, February 19, 2004 at 100 Constitution Plaza, Hartford. Those present were:

Chairman Michael Pace (left at 11:30 a.m.)

Directors: Stephen Cassano
 Benson Cohn
 Andrew Sullivan
 Mark Lauretti (arrived at 9:50 a.m.)(left at 11:35 a.m.)
 Theodore Martland
 James Francis
 Mark Cooper
 Ray O'Brien
 Alex Knopp (present by phone)(hung up at 11:35 a.m.)
 Sherwood Lovejoy (ad hoc for Bridgeport)
 Timothy Griswold (ad hoc for Mid-Connecticut)
 Jeffrey Hedberg (ad hoc for Mid-Connecticut)

Ad hoc members Griswold and Hedberg did not attend.

Present from the CRRA staff:

James Bolduc, Chief Financial Officer
Robert Constable, Comptroller
Floyd Gent, Director of Operations
Thomas Kirk, President
Angelica Mattschei, Corporate Secretary
Paul Nonnenmacher, Public Affairs/Gov't Relations
Ann Stravalle-Schmidt, Director of Legal Services

Others in attendance were: Sharon Lewis and Valentine Doyle of HEJN; John Maulucci of BRRFOC; Frank Marci of USA Hauling; David Arruda and Dominick DiGangi of MDC; Richard Parmlee and Carmen Cordiero of the City of Hartford; and Lee Erdmann of the City of Hartford.

Chairman Pace called the meeting to order at 9:35 a.m. Chairman Pace requested that everyone stand up for the Pledge of Allegiance, whereupon, the Pledge of Allegiance was recited.

PUBLIC PORTION

Chairman Pace said that the next item on the agenda allowed for a public portion between 9:30 a.m. and 10:00 a.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.

Sharon Lewis, a resident of the City of Hartford and a member of the Hartford Environmental Justice Network (HEJN) requested that the Board consider alternatives to extending the height of the North Hartford Landfill. Ms. Lewis expressed quality of life issues regarding the seagulls that have invaded her neighborhood. Ms. Lewis said that she felt threatened by the seagulls whenever she was outdoors as well as inconvenienced with having to service the removal of bird droppings from her property on a regular basis. Ms. Lewis expressed her concerns with exposure to the West Nile Virus that has been known to be transmitted by the seagulls. She also added that it was strange to have these seagulls in a neighborhood away from water. Ms. Lewis suggested that there were companies such as Murphy Road, LLC that were willing to take waste from CRRA and other waste transport proposals for the North End which she would like examined in order to address the health concerns of the residents of the City of Hartford.

Chairman Pace responded that the Board would examine the alternatives and keep the City of Hartford informed of its decisions.

Ms. Carmen Cordiero, a resident of the City of Hartford, said that she read an article in the February 7, 2004 issue of the Hartford Courant in which the President of CRRA, Mr. Tom Kirk, stated that CRRA brought valuable resources to the City of Hartford. Ms. Cordiero said that she would like the Board to explain to her why expanding the landfill would be valuable to her, a retired, low-income person who suffered from chronic asthma and other ailments, and valuable to her children who also suffered from asthma. How would it benefit the children of Hartford and its residents, she asked.

Chairman Pace replied that CRRA brought financial benefits to the City of Hartford because of the monies that CRRA paid through taxation. Chairman Pace stated that CRRA's administration was going to work with the Department of Environmental Protection and other agencies to evaluate all of the possible options regarding the North End Landfill.

Mr. Richard Parmlee, also a resident of the City of Hartford and member of HEJN, said that he too was concerned about the expansion of the North End Landfill and other business governed by CRRA. Mr. Parmlee requested additional information on the history and future plans of the Hartford Landfill expansion and how it would benefit the City of Hartford and its residents. He expressed his concern that the landfill had no existing benefit to the city and would

continue to raise the health risks to the Hartford population. He said that he wanted to make sure that his officials and committees were going to be well satisfied with the decisions made by CRRA regarding the issues that plague Hartford citizens.

Chairman Pace responded that the City of Hartford received tax benefits from CRRA. Information on all tax benefits to the City of Hartford would be made available to Mr. Parmlee, Chairman Pace said.

Ms. Valentine Doyle, also of the City and Hartford and HEJN member, said that she was concerned that CRRA had missed the message of the dioxin tax imposed by the DEP in that the tax was suppose to encourage lower levels of pollution. The dioxin tax was there for that reason, she said, and that the people were already becoming ill from the known carcinogens. She said that CRRA has talked about eliminating or decreasing the dioxin tax to DEP but did not address lowering the levels of pollution. Ms. Doyle also stated that CRRA had carbon injector technology in its other plants and asked why that technology was not used in Hartford.

Chairman Pace responded that the dioxin tax, which was approximately \$1.50 per ton of municipal solid waste, was originally put in place to pay for the emission testing program. CRRA, he said, has improved its operations and emissions and were well within the range required by the DEP to protect human health and the environment. Chairman Pace explained that the monies transferred to the DEP were once used to offset the cost of the dioxin testing and has now provided a financial benefit to the DEP and the to the State of Connecticut. Chairman Pace said that although the testing had been completed and the emissions were found to be safe, the dioxin tax was increased in order to help fund the DEP's budget. It had nothing to do with CRRA's emissions which were always kept in control, Chairman Pace stated.

Mr. Gent added that the stack test has shown that the Mid-Connecticut Project was well within its emission limits and its operations based on death risk studies had no adverse impact on sensitive receptors who lived in critical areas of the stack for 70 years. Mr. Gent said that the Mid-Connecticut project would not benefit from carbon injection technology because the plant used RDF technology, which allowed the capturing of mercury in the fly ash generated when burning waste in suspension instead of it being burned on the grate.

Ms. Doyle requested copies of the stack testing studies, which Mr. Gent agreed to supply.

Mr. Parmlee asked whether the Board would consider the appointment of minorities as CRRA Directors. Chairman Pace responded that legislative and executive leaders appointed the Directors and that the public was welcome to attend the Board meetings and speak during the public session section of the agenda. Vice Chairman Cassano added that it was very important for CRRA to address the concerns of the City of Hartford and to develop working partnerships with its leaders and residents.

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

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

Chairman Pace requested a motion to approve the minutes of the January 22, 2004 regular Board meeting. The motion was made by Director O'Brien and seconded by Director Sullivan.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Andrew Sullivan	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Theodore Martland	X		
James Francis	X		
Alex Knopp	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

APPROVAL OF THE MINUTES OF THE JANUARY 26, 2004 SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the January 26, 2004 special Board meeting. The motion made by Director O'Brien and seconded by Vice Chairman Cassano was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Andrew Sullivan	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Theodore Martland	X		
James Francis	X		
Alex Knopp	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

APPROVAL OF THE MINUTES OF THE FEBRUARY 2, 2004 SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the February 2, 2004 special Board meeting. Director O'Brien made the motion which was seconded by Vice Chairman Cassano.

Director O'Brien said that he would like the minutes on page 3 to reflect not only his discomfort with the resolution, but that the only reason he voted in the affirmative was to assure the eight votes necessary in order for the Directors to have representation.

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

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Andrew Sullivan	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Theodore Martland	X		
James Francis	X		
Alex Knopp	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

FINANCE

AUTHORIZATION REGARDING THE ADOPTION OF THE FISCAL YEAR 2005 MID-CONNECTICUT PROJECT OPERATING AND CAPITAL BUDGETS AND TIP FEES

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

RESOLVED: That the fiscal year 2005 Mid-Connecticut Project Operating budget in the amount of \$104,992,000 and the Capital Budget in the amount of \$5,302,000 be adopted as substantially in the form as discussed at this meeting.

FURTHER RESOLVED: That the tip fees listed in the table below be adopted for fiscal year 2005.

<u>Waste Stream</u>	<u>Per Ton Fees</u>
Municipal Solid Waste (MSW)	\$70.00
Metals	\$75.00
Bulky Waste – Municipal	\$85.00
Bulky Waste –Commercial	\$96.00
White Goods (Metals)	\$74.00
DEP Certified Soils	\$95.00
Nonprocessible Waste Fee	\$85.00
Non-Municipal Mattress Surcharge (Per Unit)	\$75.00
Container Recycling Fee	\$30.00

Director Sullivan seconded the motion.

Director Sullivan led a long discussion on the referenced item and noted that it was discussed at the Finance Committee on February 12, 2004. As stated at the Finance Committee meeting, Director O'Brien said that he was not convinced that the \$70 per ton tip fee was justified. Director O'Brien said that he asked management for justification, specifically on the impact it had on future tip fees. A document describing future tip fees give establishment of a \$68.50 tip fee in FY 2005 was distributed to the Directors. Director O'Brien said the document did not provide the impact on future tip fees as requested. Mr. Bolduc and Director Sullivan responded that the document showed the impact of reducing the tip fee from the recommended \$70.00 to \$68.50 would have in later years. Director O'Brien requested information on the tip fee impact if part of the anticipated increase were spread over 3 years. Director Sullivan responded it would add additional borrowing requirements and interest payments. Director O'Brien said that he believed a tip fee of \$68.50 was reasonable and also that he did not agree with the recycling fee because recycling should always be encouraged.

Director Sullivan responded that reducing the tip fee by \$1.50 would increase borrowing from the State and that option was not in the best interest of the organization due to the terms of the loan. Director Sullivan said that CRRA could not budget in a fashion that would place it in a mandated incremental borrowing situation.

Director Martland asked about the status of a potential source of cost reduction associated with the Mid-Connecticut operator. Director Sullivan noted that the issue was still in discussion in a mediation process but that the budget assumed a realization of savings with the operator. Director Martland suggested that the towns be informed of how the budget was reached and that the operator issue was still in discussion. Director Martland said that the towns should know that it is conceivable that the fees could be larger if negotiations fell through. Director Sullivan replied that if that were the case, CRRA would have to increase the tip fee by a few more dollars and increase borrowing from the state. Mr. Kirk added that staff has communicated budgetary information to the towns in an annual meeting held by CRRA on February 5, 2004. Mr. Kirk stated that a few of the assumptions made on page 4 were aggressive and most were neutral. He said that this was appropriate considering CRRA's financial situation. He felt comfortable that staff made reasonable appropriate efforts to communicate with the towns concerning the budget and risks within that budget.

Mr. Bolduc discussed the previously distributed document titled, "Impact Analysis of Deferring \$1.50 Tip Fee Increase in FY 2005" to the Board. Mr. Bolduc explained that Option 1 created a smoothing technique by incrementally increasing the tip fee over time. Mr. Bolduc said that under the Option 2 analysis, the tip fee would increase slightly over the years and radically in 2008 with a \$16.40 jump. Mr. Bolduc explained that one of the reasons for that jump was that the monies from the state loan would be used up by 2008 and the only way it could be made up was by radically increasing the tip fee. Monies from settlements and other resolutions would be hoped for to flatten that curve, he said, but the bonds had to be paid to avoid a default situation. Mr. Bolduc added that CRRA has used up its reserves and tip fees were the only source of revenue. CRRA would be in default of its bond indenture if it could not cover costs. He restated that the bonds had to be paid. The \$70.00 tip fee for FY 2005 provided more security while a \$68.50 tip fee would require CRRA to borrow another \$1.5 to \$2 million from the State. The State loan had very stringent rules, Mr. Bolduc said, with principal and interest payment requirements one month after the borrowing date and a pay-off requirement by 2012. Borrowing from the State would cost more in the long run, he stated.

Vice Chairman Cassano said that Option 1 was a good business model, but the reality was that the Board represented the towns and they had already been hit hard with tax, schools and health care costs increases, as well as lowered social security benefits. CRRA should be working with the towns and not making it worse for them. He added that settlements in the following years might have impact on the tip fees. Chairman Cassano stated the Option 2 increase for FY 2005 would have less impact on the towns and that the long-term issues could be mitigated at a later time.

Director O'Brien said that he was disappointed that the tip fee increase amounts in Option 2 of FY 2006 and FY 2007 were fixed and that a worst-case scenario was deliberately illustrated in FY 2008. Director O'Brien said that he explicitly expressed at the Finance Committee meeting that he would rather see a 7.5% increase in FY 2005 and a 5-6% increase in FY 2006 instead of the 2.5% depicted in the Option 2 analysis. The analysis supported Mr. Bolduc's argument, he said, but was not a fair representation of options. Director O'Brien stated that the budget should improve with some settlements and the impact leveled throughout the years.

Director Sullivan responded that more than prudent settlement monies could not be included in the budget. Director Cohn added that CRRA had a legal obligation under the bond indenture to cover costs through tipping fees. A tip fee of \$68.50 assumed too many unknowns, he said, which the rating agencies would take notice of and believe had political rather than financial motivation. Director Cohn stated that the state loan would put the agency in an even deeper hole.

Director Francis said that the \$70.00 per ton tip fee equaled a 15 1/2 % increase in fees to CRRA and was not acceptable to the Town of West Hartford. However, Director Francis stated that he was willing to support a \$70 tip fee without the mattress and container recycling fees. The two fees alone, Director Francis stated, added a 5.5% increase in the tip fee. The container recycling fee did not belong as a tip fee consideration, he said. Director Francis continued that

he was concerned with several of the assumptions included, specifically with the MDC, rating agencies, the loan extensions and renegotiating with towns in 2012.

Director Martland suggested that CRRA assist towns in building stronger programs to reduce overall municipal costs while the tip fees were increased. Director Sullivan suggested that this was beyond CRRA's scope.

Vice Chairman Cassano said that there would be no incentive to recycle with the \$30.00 increase for container recycling fees. More of the recyclables would be placed in the waste stream, he said. Recycling offered more benefits if it remained at no cost, Vice Chairman Cassano added. Director O'Brien stated that he felt strongly about deleting the container recycling fees.

Chairman Pace said that CRRA had a mandate to reduce the impact to the municipalities and that he had complete confidence in the CRRA staff to be able to achieve that. He added that he has spoken to Ms. Jane Stahl of the DEP regarding updating policies in which recycling was an included topic. Escheats should be allocated back to CRRA instead of the bottling companies. Chairman Pace said that everyone in the State of Connecticut who bought carbonated beverages or beer bottles paid five cents per container, which equaled to \$25 million being returned to the bottling companies for unrecycled containers. CRRA had direct costs associated with unrecycled containers and should retain the escheats. Chairman Pace said that soda cans were worth five cents, but that plastic water containers were at zero dollars. Chairman Pace said that he would like to see all containers valued at 3 cents, including soda cans and plastic water bottles, and he would like to see the monies from unclaimed containers, paid by the consumer, distributed to CRRA instead of going back to the bottling companies. The escheats disbursed to CRRA would be redistributed to the towns to help mitigate tip fees. An entitlement grant would also be received by towns directly affected by CRRA, he continued, allowing the monies to fund for state parks, remediation of properties and address quality of life issues in those neighborhoods. Chairman Pace stated that recycling should be encouraged, not taxed, and that CRRA would work with legislation concerning the bottle bill but would not include it in the budget.

Mr. Kirk said that the present increase followed by the 2.50% anticipated increase in FY 2006 and beyond were the drivers to get to and stay at market. He said that the \$30 container recycling fee was a difficult decision. The fee applied only to containers which were a significant cost to CRRA, Mr. Kirk explained, and having a tip fee that mirrored the competition would be an advantage in controlling the less than honest operators who brought glass and brought it to CRRA for removal and sold their more valuable fiber. He continued that CRRA was pursuing more environmentally sound options concerning the mattresses. Mr. Gent said that there was a company in Massachusetts who was interested in recycling mattresses at \$15.00 per piece. Mr. Gent added that mattresses occupied a tremendous amount of space and CRRA would pursue other options.

Chairman Pace asked whether a \$69.50 tip fee for FY 05 and a slightly higher tip fee at \$73.50 instead of \$71.50 in FY 2006 would meet indenture standards. Chairman Pace said that the gradual increase would be easier for the towns to ingest. Director Cohn responded that that proposal was not acceptable because it may not cover costs if assumptions did not materialize. Setting a tip fee that did not cover costs in 2005 and the subsequent years would put CRRA in a default situation with its bond indenture, he said. Director Sullivan added that CRRA might have to borrow the remaining \$2.5 million left from the state loan even with the \$70.00 tip fee for FY 2005. Director Sullivan said that no one wanted to go back to the Secretary of OPM to ask for more monies from the State. Mr. Kirk stated that he had concerns with meeting bond indentures if assumptions did not occur. He continued that flow control issues were also a concern if market rates were at \$65.00 in FY 2007 and CRRA was at \$75.00. Mr. Bolduc added that refinancing had to occur before FY 2008.

Director Francis said that he would support a \$70.00 tip fee without the mattress and container recycling fees. Director Sullivan made a motion to amend the resolution to change the Non-Municipal Mattress Surcharge from \$75.00 per unit to \$15.00 per unit. Director O'Brien seconded the amendment which was approved unanimously.

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

Director O'Brien made an amendment to the resolution to eliminate the \$30.00 Container Recycling Fee. Director Sullivan seconded the motion which was approved. Director Cohn voted "nay" and Director Knopp abstained.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Andrew Sullivan	X		
Benson Cohn		X	
Mark Cooper	X		

Ray O'Brien	X		
Theodore Martland	X		
James Francis	X		
Alex Knopp			X
Mark Lauretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

Director Sullivan made a motion to amend the resolution to raise the tip fee from \$70.00 to \$70.50 in order to compensate for the removal of the \$30.00 Container Recycling Fee. Director O'Brien seconded the motion which was not approved by the Board.

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

Director Cooper said that he supported recycling and asked whether increased participation from towns due to the elimination of the recycling fee would offset maintenance costs by removing recyclable items from the waste stream. Mr. Kirk responded that it would offset maintenance costs to some extent but that it was not anticipated to provide any significant savings and therefore was not reflected in the budget.

Director Martland said that he was extremely concerned with the projected tip fee numbers in the impact analysis for FY 2008. Director Sullivan replied that the numbers shouldn't be taken as fact because they illustrated only what the numbers could be if all present conditions continued to exist in later years.

Director Sullivan made a motion to adopt a \$70.00 tip fee for fiscal year 2005 with a Non-Municipal Mattress Surcharge of \$15.00 per unit and the elimination of the \$30 Container Recycling Fee. Director O'Brien seconded the motion which was approved unanimously.

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

ADDITION TO THE AGENDA

AUTHORIZATION REGARDING NEGOTIATIONS WITH THE TOWN OF WINDSOR FOR A WASTE SERVICES AGREEMENT

Chairman Pace requested a motion to add the referenced item to the agenda. The motion to add made by Vice Chairman Cassano and seconded by Director O'Brien was approved unanimously.

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

RESOLVED: The Chairman is authorized to send a letter to the Town Council of Windsor expressing CRRA's interest to negotiate in good faith with the Town of Windsor regarding the use of the Windsor/Bloomfield Landfill as a potential disposal option, substantially in the form as discussed at this meeting.

Director O'Brien seconded the motion.

Mr. Kirk apologized for the late inclusion and stated that the Council of the Town of Windsor requested the matter after the Board package had been assembled and sent to the Directors. Mr. Kirk said that the relationship between CRRA and Windsor was strained in the past and the town wanted the new CRRA Board to go on record regarding the issue.

Director O'Brien suggested an amendment to authorize the President to conduct the negotiations and report back to the Board. Chairman Pace said that his recommendation was inherent in the motion.

The motion previously made and seconded was approved unanimously.

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

HUMAN RESOURCES

AUTHORIZATION REGARDING THE ADOPTION OF AN AFFIRMATIVE ACTION PLAN

Vice Chairman Cassano requested a motion on the referenced topic. Director Cooper made the following motion:

RESOLVED: That the affirmative action plan of the Connecticut Resources Recovery Authority be adopted substantially in the form as approved by the Organizational Synergy and Human Resources Committee.

Director O'Brien seconded the motion.

Director Martland said that he did not see anything in the policy that defined "qualifications." Director Martland said that he was concerned that employees were not required to have certain types of education. Mr. Kirk responded that technical and educational qualifications would be outlined in the job description. Mr. Kirk said that the plan outlined how CRRA would go about recruiting and filling in positions but did not have quotas on new hires. Mr. Kirk said that it addressed issues of meeting expectations in the future.

Director Sullivan noted that the use of interns was a good idea. Vice Chairman Cassano added that the plan offered flexibility.

The motion previously made and seconded was approved. Director Martland voted "nay."

Eligible Voters	Aye	Nay	Abstain
Stephen Cassano, Vice Chairman	X		
Andrew Sullivan	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Theodore Martland		X	
James Francis	X		
Alex Knopp	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING THE ADOPTION OF AN EMPLOYEE HANDBOOK

Vice Chairman Cassano requested a motion on the referenced topic. Director Cooper made the following motion:

RESOLVED: That an employee handbook of the Connecticut Resources Recovery Authority be adopted substantially in the form as approved by the Organizational Synergy and Human Resources Committee.

Director O'Brien seconded the motion.

Vice Chairman Cassano said that the Employee Handbook had been a 2-year project and reflected policies independently adopted by the Board and consolidated it into one document. Mr. Kirk added that it was a communication device to employees of policies adopted by the Board. The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Stephen Cassano, Vice Chairman	X		
Andrew Sullivan	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
Theodore Martland	X		
James Francis	X		
Alex Knopp	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

EXECUTIVE SESSION

Vice Chairman Cassano requested a motion to convene an executive session to discuss litigation, pending litigation, contractual negotiations and personnel matters with appropriate staff. Director O'Brien made the motion which was seconded by Director Cooper. Vice Chairman Cassano requested that Mr. Kirk and Ms. Schmidt remain during the executive session. The motion previously made and seconded was approved unanimously.

The Executive Session began at 11:47 a.m.

The Executive Session concluded at 12:20 p.m.

Vice Chairman Cassano reconvened the Board meeting at 12:21 p.m.

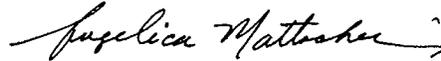
Vice Chairman Cassano noted that no votes were taken in Executive Session.

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 12:22 p.m.

Respectfully submitted,



Angelica Mattschei
Corporate Secretary to the Board

CONNECTICUT RESOURCES RECOVERY AUTHORITY

EXECUTIVE SESSION

FEBRUARY 19, 2004

An Executive Session called for the purposes of discussing litigation, pending litigation, contractual negotiations and personnel matters was convened at 11:47 a.m.

DIRECTORS

Vice Chairman Cassano
Director Sullivan
Director O'Brien
Director Martland
Director Cohn
Director Francis
Director Cooper

STAFF

Tom Kirk
Ann Stravalle-Schmidt

No votes were taken in Executive Session.

The Executive Session was adjourned at 12:10 p.m.

TAB 2

RESOLUTION REGARDING ALL RISK PROPERTY INSURANCE RENEWAL

RESOLVED: The Finance Committee has reviewed and discussed the options for renewing CRRA's Property Insurance and recommends the purchase of the \$305 million policy from the following five insurers with their quota shares as indicated: Zurich 35%; XL 28%; ACE 16%; Arch 16% and Commonwealth 5% for the period 4/1/04 – 4/1/05 for a premium of \$751,866, and

FURTHER RESOVLED: The Finance Committee further recommends that CRRA purchase terrorism coverage as reviewed and discussed at this meeting for a premium not to exceed \$34,958, and

FURTHER RESOVLED: The Finance Committee recommends that CRRA obtain engineering services from Zurich for a premium of \$16,500 as reviewed and discussed at this meeting

Connecticut Resources Recovery Authority
All Risk Property Insurance Renewal
3/18/04

I. Current Policies

- Expire 4/1/04 – \$450 million Blanket All Risk including Boiler & Machinery, insuring real and personal property, Business Interruption and Extra Expense
- Property damage & boiler & machinery deductible \$100,000, except Mid-CT, Wallingford Facilities and Jets, which have a \$250,000 deductible
- Business Interruption/Extra Expense, deductible is the amount of loss during first 45 days of after the occurrence
- Five Insurers – HSB/AIG 54.44%; Zurich 15.56%; XL America 15% Liberty 10%; and Commonwealth 5%
- 4/1/03 – 4/1/04 premium was \$1,012,164 plus \$25,000 for Engineering Services for a total cost of \$1,037,164
- Terrorism offered at additional premium of almost \$170,000, which was not obtained

II. Renewal Policy

- Marsh marketed lower limit of \$305 million, which represents 100% replacement cost values for the Mid-CT PBF and EGF, plus business interruption and extra expense values for Mid-CT Project
- This is CRRA’s highest valued single facility
- \$305 million applies on a blanket basis for property damage to all locations
- Quotes received from the following insurers for the indicated percentage participation

<u>Insurer</u>	<u>% Participation of \$300 mm</u>
Zurich	35%
XL	28%
ACE	16%
Arch	16%
Commonwealth	5%

- Property asset values were flat, extra expense, e.g. diversion costs, calculations increased
- Overall Premium reduced to \$751,866 from \$1,012,164 in prior year, a decrease of \$260,298 (26%); approximately \$85,000 of the reduction related to lowering the limit to \$305 million
- Deductibles remain the same as current policy

- Engineering services will be provided by Zurich for an additional premium of \$16,500
- TRIA-certified and non-certified Terrorism insurance, which covers both foreign and domestic incidents, providing coverage for 100% of the first \$10M of a covered loss and 83.5% of the next \$290 million of a covered loss has been offered for a premium of \$34,958.

III. Management Summary & Recommendation

- Policy expiration on 4/1/04 requires approval at the March 18, 2004 Board meeting for continuance of coverage
- Property insurance, business interruption and extra expense, e.g. diversion costs, insurance on CRRA property is required due to ownership and/or contractual requirements
- Management recommends securing the \$305 million all risk property insurance coverage for the period 4/1/04 – 4/1/05 as follows:

<u>Insurer</u>	<u>% Participation of \$305 mm</u>
Zurich	35%
XL	28%
ACE	16%
Arch	16%
Commonwealth	5%

For a premium not to exceed \$ 751,866.

- Management recommends that engineering services be obtained from Zurich for an additional premium of \$16,500.
- Marsh advises that the percent of government and power generation clients purchasing Terrorism Insurance is higher than the overall percentage of others purchasing it. Because of the currently very low cost of Terrorism Insurance (20% of last year's proposed cost), management recommends that CRRA also acquire Terrorism Coverage for an additional premium of \$34,958.

The overall premium for \$305 million of property insurance, including business interruption and extra expense insurance, engineering and terrorism coverage is \$803,324, or \$233,840 (22.6%) less than last year (without terrorism insurance). CRRA budgeted \$1,076,508 for FY '04 and \$1,130,333 for FY '05.

	April 1, 2003 – 2004	April 1, 2004 – 2005	Comments
Limit of Liability	\$450 million	\$305 million	New limit equals 100% reported values for PBF & EGF plus BI & Extra Expense for Mid-Conn project
Deductibles Property Damage:	\$100,000 except \$250,000 at Mid-Conn and Wallingford facilities and jets 45 days	No change	
Time Element:		No change	
Annual Premium	\$1,012,164	\$751,866	\$260,298 savings (25.7%)
Engineering Service	\$25,000	\$16,500	\$ 8,500 savings (34%)
Terrorism	\$169,701 (not purchased)	\$34,958	\$34,958 added cost, as coverage not acquired in prior year
TOTAL	\$1,037,164	\$803,324	\$ 233,840

IV. Recommendation to CRRA Board

The Finance Committee has reviewed and discussed the options for renewing CRRA's Property Insurance and recommends the purchase of the \$305 million policy from the following five insurers with their quota shares as indicated: Zurich 35%; XL 28%; ACE 16%; Arch 16% and Commonwealth 5% for a premium of \$751,866, and

The Finance Committee further recommends that CRRA purchase terrorism coverage as reviewed and discussed at this meeting for a premium not to exceed \$34,958, and

The Finance Committee recommends that CRRA obtain engineering services from Zurich for a premium of \$16,500 as reviewed and discussed at this meeting.

TAB 3

**RESOLUTION REGARDING PUBLIC OFFICIALS AND EMPLOYEES
LIABILITY INSURANCE RENEWAL**

RESOLVED: The Finance Committee has reviewed and discussed the options for renewing CRRA's Public Officials and Employees Liability insurance and recommends the purchase of the policy from American International Specialty Lines Company (AISLIC) with a \$5,000,000 limit, \$250,000 deductible for the period 3/31/04-3/31/05 for a premium of \$263,202.

Connecticut Resources Recovery Authority
Public Officials And Employees Liability Insurance Renewal
3/18/04

I. Current Policy

- Expires 3/31/04 – Public Officials and Employees Liability Insurance
- \$3 million limit, \$100,000 deductible – 3/22/03-3/31/04 premium was \$233,433
- Insurer – American International Specialty Lines Company (AISLIC – an AIG Company)

II. Renewal Policy

- Quotes sought from AEGIS, Apex, US Risk, Darwin, Genesis, Discover Re, Gulf, PIA and CNA – All declined to quote
- Renewal premium choices from AISLIC and Illinois Union Insurance Company (ACE USA):

<u>Limit</u>	<u>Deductible</u>	<u>Premium</u>	<u>Endorsement</u>	<u>Terrorism Total</u>	<u>Insurance Company</u>
\$ 3,000,000	\$100,000	\$227,704	\$ 41,850	\$321,812	AISLIC (AIG)
\$ 3,000,000	\$100,000	\$198,250	\$ 19,825	\$218,075	ACE USA
\$ 5,000,000	\$250,000	\$238,180	\$ 23,818	\$261,998	ACE USA
\$ 5,000,000	\$250,000	\$263,202	\$ 39,480	\$302,682	AISLIC (AIG)

- Same basic terms/conditions as existing

III. Management Summary & Recommendation

- Balance the need for adequate protection of Board members and employees with the need to control expenses
- Provide coverage limit with reasonable deductible – CRRA can absorb higher retention
- Management recommends securing \$5,000,000 coverage limit with \$250,000 deductible for a premium of \$263,202. Raising the deductible allows the purchase of an additional \$2 million of coverage over last year with an increase in premium of less than \$30,000. We are not recommending purchase of the Terrorism Coverage. The cost for coverage under this policy appears excessive when compared to the \$34,958 quoted for the \$305 million property program. (FY '04 budget was \$364,737 and budget for FY'05 was \$638,290).

IV. Recommendation to CRRA Board

The Finance Committee has reviewed and discussed the options for renewing CRRA's Public Officials and Employees Liability insurance and recommends the purchase of the policy from American International Specialty Lines Company (AISLIC) with a \$5,000,000 limit, \$250,000 deductible for the period 3/31/04 – 3/31/05 for a premium of \$263,202.

TAB 4

**RESOLUTION REGARDING IMPROVEMENTS TO THE ASH
LOADOUT BUILDING AT THE MID-CONNECTICUT
POWER BLOCK FACILITY**

RESOLVED: That the President is hereby authorized to execute a change order with the Sentry Select Insurance Company to install improvements to the Ash Loadout Building at the Mid-Connecticut Power Block Facility, substantially as presented and discussed at this meeting.

**Connecticut Resources Recovery Authority
Contract Summary for Contract
Entitled**

Takeover Agreement

Presented to the CRRA Board on:	March 18, 2004
Vendor/ Contractor(s):	Sentry Select Insurance Company
Effective date:	Upon Execution
Contract Type/Subject matter:	Change Order/Construction
Facility Affected:	Mid-CT Power Bock Facility
Original Contract:	Construction Agreement with Michael James Contracting, Inc. for the construction of an Ash Loadout Building.
Term:	Completion as of June 1, 2004
Change Order Dollar Value:	\$45,753.75
Amendment(s):	NA
Term Extensions:	N/A
Scope of Services:	Furnish and install approximately 600 square feet of protective steel plates and associated structural components.
Other Pertinent Provisions:	None

Connecticut Resources Recovery Authority Mid-Connecticut Project – Power Block Facility Improvements to the Ash Loadout Building

March 18, 2004

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into a contract change order with the Sentry Select Insurance Company to install improvements to the Ash Loadout Building at the Mid-Connecticut Power Block Facility.

Discussion

As the result of a public solicitation, CRRA entered into an agreement (Agreement) with Michael James Contracting, Inc. (MJC), on June 29, 1999 to enlarge and enclose the ash loadout building at the Mid-Connecticut Power Block Facility. The project was required to ensure compliance with federal and state environmental regulations regarding fugitive ash emissions. Upon issuance of a Permit to Construct by the CT DEP in December, 1999 construction of the project commenced in the spring of 2000.

During the execution of the work, the Contractor was plagued with delivery problems and failed to demonstrate the ability to procure the pre-engineered building for the project in accordance with the contract times as specified in the Agreement. The project was ultimately completed and CRRA formally accepted the work as of December 12, 2001. This acceptance of the work, in accordance with the Agreement, commenced the one-year warranty period. During the warranty period the metal panels for the ash loadout building failed due to a material defect and the contractor was subsequently notified of CRRA's claim under the warranty provision of the Agreement.

As of the time of CRRA's claim, the Contractor had filed for bankruptcy and was no longer able to fulfill its obligations under the Agreement. As the project was secured with a performance bond, CRRA terminated the Agreement with MJC and made demand on the surety to fulfill its obligations under the terms of the bond. On March 1, 2004, CRRA executed a takeover agreement with the Sentry Select Insurance Company to correct the defective work of MJC and to honor the warranty obligations of MJC under the Agreement. This work is anticipated to be complete as of May 1, 2004.

CRRA has previously identified the necessity to modify the building by installing approximately 600 square feet of steel plates above the existing concrete push walls along the east and west sides of the building. The installation of the steel plates will protect the metal wall panels from impact damage and lateral loading resulting from the

ash loading operations. The implementation of this project was previously impractical due to the pending resolution of warranty work by the surety. As the warranty work includes fabrication and installation by a steel erection subcontractor, it is in CRRA's best interest to take advantage of this mobilization by contracting with the surety to install the protective steel plates. Additional facility downtime and disruption to the ash loading operations can be avoided by implementing this work concurrent with the warranty work.

Financial Summary

The implementation of this project is necessary to protect the Authority's investment in the ash loadout building. The cost for this work, \$45,753.75, was negotiated with the surety and was in accordance with the estimate prepared by CRRA's consulting engineer. The funds for this project were included in the FY04 Mid-Connecticut Operating Budget.

TAB 5

**RESOLUTION REGARDING THE INSTALLATION OF AN
EXTENSION TO THE EXISTING PHASE 1 ASH AREA BASE
LINER SYSTEM**

RESOLVED: That the President is hereby authorized to execute an agreement with Nutmeg Gravel & Excavating, Inc. to install an extension to the existing base liner system in the Phase 1 Ash Area at the Hartford Landfill, substantially as presented and discussed at this meeting.

**Connecticut Resources Recovery Authority
Contract Summary for Contract
Entitled**

Phase 1 Ash Area Base Liner Extension

Presented to the CRRA Board on: March 18, 2004

Vendor/ Contractor(s): Nutmeg Gravel & Excavating, Inc.

Effective date: Upon Execution

Contract Type/Subject matter: Public Bid/Construction

Facility (ies) Affected: Hartford Landfill

Original Contract: None (this is initial contract)

Term: 90 days from Notice to Proceed

Contract Dollar Value: \$631,771.00

Amendment(s): NA

Term Extensions: N/A

Scope of Services: Installation of an extension to the existing base liner system in the Phase 1 Ash Area of the Hartford Landfill.

Other Pertinent Provisions: None

**Connecticut Resources Recovery Authority
Mid-Connecticut Project - Hartford Landfill
Extension of Base Liner System In Phase 1 Ash Area**

March 18, 2004

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into an agreement with Nutmeg Gravel & Excavating, Inc. to install an extension to the existing Phase 1 Ash Area base liner/leachate collection system at the Hartford Landfill.

Extension of the base liner/leachate collection system is required in order for CRRA to utilize the capacity approved by the Connecticut Department of Environmental Protection ("CTDEP") in May 2002 pursuant to the vertical expansion permit application submitted by CRRA. The vertical expansion increases the capacity of the Phase 1 Ash Area by approximately 575,000 cubic yards, and is projected to extend the life of the Phase 1 Ash Area to 2008.

Discussion

The Phase 1 Ash Area at the Hartford Landfill receives ash residue from the combustion of refuse-derived fuel at the Mid-Connecticut Resource Recovery Facility. Ash residue consists of bottom ash and fly ash, which are combined and loaded onto trucks that deliver the ash residue to the Phase 1 Ash Area. Historically, ash residue has been generated at the rate of about 170,000 tons per year.

The Phase 1 Ash Area is designed so that ash residue is contained within a monocell, which is lined with a primary and secondary polyethylene (plastic) geomembrane, and equipped with a leachate collection and conveyance system. Leachate is any liquid that drains out of the ash or contacts the ash (such as rain) within the monocell. As leachate is collected on the base liner system, it is directed through a series of pipes, pumps, and force mains to a pre-treatment system prior to being discharged to the sanitary sewer. CRRA is required by permit to operate and maintain this system.

The approved plan for the vertical expansion of the Phase 1 Ash Area calls for ash residue to be placed above the existing lined area and against the northerly slope of the MSW/Bulky Waste Area. Prior to placing ash residue in this area (which is scheduled to occur during the summer of 2004), CRRA must first extend the existing primary and secondary base liners and leachate collection system over approximately 2.5 acres of the northerly slope of the MSW/Bulky Waste Area. This will allow CRRA to meet the requirement of collecting all ash leachate within the monocell.

During calendar year 2003, CRRA employed SCS Engineers, PC to provide design plans and specifications, and a Quality Assurance/Quality Control Plan for the Phase 1 Ash Area Base Liner Extension Project. SCS Engineers, PC was selected after reviewing proposals from several engineering firms. Design plans and specifications, and the Quality Assurance/Quality Control plan were submitted to, and approved by, CTDEP. On January 11, 2004, CRRA advertised the project for public bid. This project complies with the State of Connecticut Prevailing Wage Law administered by the Wage and Workplace Standards Division of the Department of Labor.

Financial Summary

Sealed public bids were received until 10:00 am on February 19, 2004, at which time they were publicly opened and read aloud. Bids were received from 6 qualified bidders, and are tabulated below in alphabetical order.

Bidder	Bid Price
Atlantic Lining, Inc.	\$784,386.00
Boticello, Inc.	\$771,741.95
Clean Earth Remediation and Construction Services, Inc.	\$997,500.00
Colassale Concrete, Inc.	\$996,000.00
LEA-Cianci, Inc.	\$672,300.00
Nutmeg Gravel & Excavating, Inc.	\$631,771.00

Pursuant to its engineering design agreement with CRRA, SCS Engineers PC reviewed each bid. After carefully reviewing the bid submitted by the low bidder, Nutmeg Gravel & Excavating, Inc. (“Nutmeg”), SCS Engineers, PC recommends Nutmeg be awarded the contract. CRRA staff concurs with this recommendation. A copy of the bid review by SCS is attached hereto.

The funds for this project are available from fiscal years 2004 and 2005 Mid-Connecticut capital improvement budget. The total amount budgeted for this project is \$775,000.

SCS ENGINEERS, PC

February 25, 2004
File No. 13202011.00

David M. Bodendorf, PE
Senior Environmental Engineer
Connecticut Resources Recovery Authority
100 Constitution Plaza
17th Floor
Hartford, Connecticut 06103

04 MAR - 1 PM 7:04
RECEIVED
CONN. RESOURCES
RECOVERY AUTHORITY

Subject: Contract Bid Review
Phase 1 Ash Area Base Liner Extension
Hartford Landfill, Hartford, CT

Dear Dave:

As requested, we have reviewed the bid packages received from the following contractors for the subject project:

- Clean Earth Remediation and Construction Services, Inc.
- Colossale Concrete, Inc.
- Atlantic Lining Co., Inc.
- LEA-Cianci, Inc.
- Nutmeg Gravel and Excavating, Inc.
- Botticello, Inc.

Our general review is as follows:

- Clean Earth Remediation and Construction Services, Inc. and Colossale Concrete, Inc. bids were significantly higher than the other four bidders and were not reviewed in detail.
- The remaining four bidders constitute a "good" response due to the general consistency of the bid amounts.
- The LEA-Cianci and Nutmeg Gravel submittals were further reviewed for completeness. Both bids appear to contain the information required for a complete submittal. Both bids were similarly priced for most items.

Nutmeg Gravel and Excavating, Inc. (Nutmeg) has the lowest bid and was looked at with closer scrutiny. Our review of the Nutmeg bid is as follows:



- The following references were contacted by phone for Nutmeg Gravel with comments as noted:
 - Steve Maaslin, Town of Ledyard: positive experience working with Nutmeg.
 - Fred Pike, Fuss & O'Neill: responsible and responsive, good quality work, sufficient equipment and manpower, would use again on similar project.
- The Nutmeg bid amounts for mobilization and demobilization and the primary collection system were generally higher than the other four bidders. The higher bid for the mobilization may simply represent a common method of accounting for contingencies, and getting paid for them earlier. The higher bid for the primary collection system may represent their true understanding of the complexity and care required to place the leachate stone on the steep sideslope.
- The Nutmeg bid amounts for the remaining items are generally lower or comparable with the other four bidders. This suggests a basic understanding by all bidders of the scope of work, and no significant price imbalance.
- The Nutmeg bid differs from the Engineer's Estimate for the earthwork related items, but is relatively comparable for the liner materials and gas vent trench installation.
- Nutmeg indicated that it use the geosynthetic materials specified in the Contract documents (i.e., GSE Lining Technologies for the geomembrane, Tenax for the geocomposite and the geotextile, and Tensar for the geogrid). They are still negotiating with the liner installer and hope to select one by the end of this week.

Nutmeg submitted the lowest bid and based on the references above appears to have successfully completed previous projects with relevant scopes. Therefore, with respect to the items noted above, Nutmeg is considered to be the lowest responsive and responsible bidder. Accordingly, we recommend that CRRA accept the bid from Nutmeg.

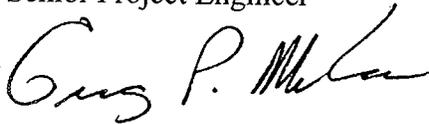
Mr. David M. Bodendorf, PE
February 25, 2004
Page 3 of 3

Please note that SCS has not completed any legal or insurance review of the bids submitted.
Please call to discuss any questions regarding this matter.

Sincerely,



Lisa K. Wilkinson, PE
Senior Project Engineer



Gregory P. McCarron, PE
Project Director
SCS ENGINEERS, PC

LKW/GPM:mts

ITEMIZED BID FORM
CONNECTICUT RESOURCES RECOVERY AUTHORITY
HARTFORD LANDFILL, HARTFORD CONNECTICUT
PHASE I ASH AREA BASE LINER EXTENSION
BID REVIEW OF BASE BID ITEMS

Item No.	Item and Unit Price	Approximate Quantity		Atlantic Lining Dollars	Botticello, Inc.	LEA-Cianci Dollars	Nutmeg Gravel&Exc Dollars	Engineers Estimate Dollars
		Quan.	Unit					
1	Mobilization and Demobilization	1	L.S.	75,600	96,750	90,300	112,778	79,922
2	Field Engineering and Survey	1	L.S.	16,720	55,000	13,600	12,198	11,200
3	Soil Erosion and Sediment Control	1	L.S.	9,108	10,000	12,800	7,704	3,000
4	Clear, Grub and Subgrade Cut	1	L.S.	57,792	18,000	23,300	27,991	6,451
5	Subgrade Regrading and Compaction	1	L.S.	29,778	24,678	18,500	7,276	1,985
6	Temporary Access Road Construction and Maintenance.	1	L.S.	17,256	21,000	14,400	10,752	68,700
7	Drainage Channels	1	L.S.	49,858	10,933	44,200	35,078	9,820
8	Gas Vent Trench w/ Leachate Collection	1	L.S.	19,086	12,869	21,700	14,038	15,516
9	Containment Berms	1	L.S.	10,450	10,000	13,500	6,568	7,800
10	Secondary Containment System 60 mil HDPE	1	L.S.	72,733	75,000	74,500	69,600	75,804
11	Secondary Collection System Geocomposite Drainage Layer	1	L.S.	73,628	78,412	83,100	64,500	63,603
12	Primary Containment System - 60 mil HDPE	1	L.S.	84,747	75,000	87,000	84,500	75,804
13	Primary Collection System - Leachate Collection Layer, Protective Cover Geotextile	1	L.S.	218,684	93,500	90,300	137,484	102,193
13A	Primary Collection System Stabilization - Geogrid	1	L.S.	25,149	182,600	33,700	23,800	16,000
14	Topsoil/Seed/Erosion Control	1	L.S.	23,797	8,000	51,400	17,504	
15	Construction Dewatering, Liquids Handling and Disposal	--	T & M	--		--	--	--
TOTAL BID PRICE					771,742	672,300	631,771	537,798

TAB 6

**RESOLUTION REGARDING CONSTRUCTION QUALITY
ASSURANCE SERVICES ASSOCIATED WITH
INSTALLATION OF AN EXTENSION TO THE EXISTING
PHASE 1 ASH AREA BASE LINER SYSTEM**

RESOLVED: That the President is hereby authorized to execute an agreement with SCS Engineers, PC to provide construction quality assurance services for the extension of the base liner system in the Phase 1 Ash Area at the Hartford Landfill, substantially as presented and discussed at this meeting.

**Connecticut Resources Recovery Authority
Contract Summary for Contract
Entitled**

**Construction Quality Assurance Services
Phase 1 Ash Area Base Liner Extension**

Presented to the CRRA Board on: March 18, 2004

Vendor/ Contractor(s): SCS Engineers, PC

Effective date: Upon Execution

Contract Type/Subject matter: RFS

Facility (ies) Affected: Hartford Landfill

Original Contract: Three –Year Engineering Services Agreement

Term: 90 days from Notice to Proceed

Contract Dollar Value: \$63,300

Amendment(s): NA

Term Extensions: N/A

Scope of Services: Provide Construction Quality Assurance Services for the Installation of an extension to the existing base liner system in the Phase 1 Ash Area of the Hartford Landfill.

Other Pertinent Provisions: None

**Connecticut Resources Recovery Authority
Mid-Connecticut Project - Hartford Landfill
Construction Quality Assurance Services During
Construction of the Phase 1 Ash Area Base Liner
Extension**

March 18, 2004

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into an agreement with SCS Engineers, PC to provide construction quality assurance services during the construction of the extension to the Phase 1 Ash Area base liner/leachate collection system at the Hartford Landfill.

Discussion

The permit approving the vertical expansion of the Phase 1 Ash Area by the Connecticut Department of Environmental Protection includes a provision requiring CRRA to develop and implement an approved Construction Quality Assurance Plan ("CQAP") for the construction of the base liner extension. A CQAP is a written document that prescribes monitoring activities to ensure conformance by the construction contractor with the construction plans and specifications. In 2003, as part of its engineering services agreement for the design of the extension to the base liner/leachate collection system, SCS Engineers, PC developed a written CQAP, which was subsequently approved by CTDEP.

As required by its permit, CRRA must now employ a qualified contractor to provide construction quality assurance services prescribed in the CQAP. Based on the CTDEP definition, SCS Engineers, PC meets the requirements of a qualified Quality Assurance Contractor. Therefore, due to its knowledge, and ownership of the design plans, specifications, and the CQAP, CRRA staff believes SCS Engineers, PC to be the best-qualified contractor for providing these services.

Financial Summary

CRRA solicited and received a proposal from SCS Engineers, PC to provide construction quality assurance services for the Phase 1 Ash Area Base Liner Extension Project. The proposed services include full implementation of the CQAP, which includes but is not limited to: meetings, submittal review, and reports; inspection and sampling; records and reporting; and construction certification. The proposed price of the construction quality

assurance services is \$63,300 and includes an allowance for a 90-day construction window and 20 additional days to complete the final certification report. The proposal is based on fees set forth in the three-year engineering services agreement between CRRA and SCS Engineers, PC.

The funds for this project are available from fiscal years 2004 and 2005 Mid-Connecticut capital improvement budget. The total amount budgeted for this project is \$775,000.

TAB 7

**RESOLUTION REGARDING
ACTIVITIES ASSOCIATED WITH AN INITIATIVE TO
DETERMINE THE FEASIBILITY OF FULLY UTILIZING
THE DESIGN CAPACITY OF THE HARTFORD LANDFILL**

RESOLVED: That the President, to provide CRRA with the information necessary to determine the feasibility of fully utilizing the design capacity of the Hartford Landfill, is hereby authorized to enter into a contract with TRC Environmental Corporation to initiate a detailed technical investigation and prepare permit modification applications associated with utilization of the full design capacity of the Hartford Landfill, substantially as discussed and presented at this meeting; and,

FURTHER RESOLVED: That concurrent with the detailed technical investigation, the Board of Directors directs the President to:

- Seek additional input from leaders of the Hartford community; and,
- To accelerate dialogue with the CTDEP.

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Engineering and Permitting Associated with Utilization of the Full Design Capacity of the Hartford Landfill

Presented to the CRRA Board on: March 18, 2004

Vendor/ Contractor(s): TRC Environmental Corporation

Effective date: March 22, 2004

Contract Type/Subject matter: Request for Services ("RFS")

Facility (ies) Affected: Hartford Landfill

Original Contract: Three Year Engineering Services Agreement, Number 020129

Term: July 1, 2001 through June 30, 2004
(RFS term: 3/22/04 through 6/30/2004)

Contract Dollar Value: \$137,196.00

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services: To conduct the necessary technical evaluation, and to prepare and assemble the necessary CTDEP applications associated with utilizing the full capacity of the Hartford Landfill. Expansion of the landfill would increase capacity to accommodate process rejects and process residue from the Mid-CT Waste Processing Facility, bulky wastes, and special wastes. The work will include the engineering, design, environmental evaluations, permitting, meetings and regulatory interface.

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority Hartford Landfill

Community Outreach and Engineering and Permitting Activities Associated With An Initiative to Determine the Feasibility of Fully Utilizing the Design Capacity of the Hartford Landfill

March 18, 2003

Executive Summary

On December 18, 2003 the CRRA Board of Directors passed a resolution directing the President to initiate certain activities necessary to provide CRRA with information to determine the feasibility of increasing capacity for Process Residue and Bulky Waste, including capacity increase at the Hartford Landfill. Fully utilizing the design capacity of the Hartford Landfill would serve to hold down disposal costs for solid wastes generated within the CRRA Mid-CT Project, in turn helping to control Mid-CT project tipping fees.

Since the December 2003 Board of Directors meeting, CRRA has gathered information regarding potential additional capacity and potential cost savings associated with vertically expanding the Hartford Landfill. CRRA also initiated dialogue with the City of Hartford regarding the Landfill.

This is to advise the Board of Directors that CRRA intends to continue its dialogue with City of Hartford Community Leaders, and to accelerate its dialogue with the CTDEP regarding utilization of the landfill's full design capacity.

This is to also advise the Board of Directors that it is appropriate at this time to initiate a detailed technical investigation of the feasibility of utilizing the full capacity of the Hartford Landfill, and to seek approval by the Board of Directors to enter into a contract with TRC Environmental Corporation ("TRC") to accomplish this. This contract would direct TRC Environmental to assemble a permit modification application to increase the available capacity of the Hartford Landfill by vertically expanding its current permitted height. This initiative would require that the solid waste permit, groundwater discharge permit, wastewater discharge permit, and air permit all be modified.

Discussion

Existing Capacity

The Hartford Landfill consists of two discreet waste management areas:

- An 80 acre area that accepts oversized and non-processible municipal solid waste and front-end process residue from the CRRA Mid-CT waste processing facility in South Meadows, as well as bulky waste directly from Mid-CT project member towns.
- A 16 acre ash residue disposal area located to the north of the 80 acre main landfill.

This initiative is associated with expansion of the 80 acre MSW area of the landfill; it does not involve the ash residue area or management of ash residue.

Currently, there is approximately two years of remaining capacity in the 80 acre area. The solid waste permit currently in effect requires that this area be permanently closed once the remaining capacity is exhausted. The two year estimated timeframe is based on current rates of generation of process residue and non-processible waste from the South Meadows waste processing facility, and current receipt rates of oversized municipal solid waste and bulky waste from the Mid-CT project member communities, which are shipped directly to the landfill.

CRRA's engineering analysis indicates that, if the landfill were to be extended vertically by 50 feet, the following additional capacity would become available:

- 1,695,000 cubic yards of additional capacity for non-processible MSW, process residue, and bulky waste.
- 732,000 cubic yards of additional volume for contaminated soil and, possibly, construction and demolition debris.

This equates to a total additional capacity of approximately 2.4 million cubic yards, which if available for use, would provide significant disposal cost savings to the CRRA Mid-Ct Project, compared to managing these waste streams elsewhere.

Employment of TRC Environmental

The technical analysis and permit modification preparation will be conducted by TRC under a Request for Services ("RFS") pursuant to a three year engineering services agreement between CRRA and TRC. CRRA executed a three year engineering services agreement with TRC pursuant to a Request for Qualifications solicitation conducted by CRRA in 2001; the three year term extends through June 30, 2004. TRC will prepare the necessary applications to the State of Connecticut Department of Environmental Protection (CTDEP) for a vertical expansion of the Hartford Landfill, which would increase capacity to accommodate process rejects and process residue from the Mid-CT Waste Processing Facility, bulky wastes, and special wastes.

These services will rely to the maximum extent possible upon prior application materials, engineering drawings, and related information that TRC assembled on behalf of CRRA during calendar years 1999 and 2000 as part of an effort to vertically expand the landfill at that time. The updated information will be incorporated into new applications for modifications to the existing solid waste, groundwater, wastewater discharge and air permits for the landfill.

During calendar years 1999 and 2000, CRRA employed TRC to assemble a comprehensive permit modification application package for the Hartford Landfill. In 1999, CRRA sought to expand both the 80 acre MSW area and the 16 acre ash area. Midway through calendar year 2000 the initiative was significantly downsized, and the permitting effort was "bifurcated." CRRA sought simply to relocate previously permitted ash disposal capacity on top of the existing Phase 1 ash area; the effort to expand the main 80 acre landform was halted. In addition to the engineering and permitting effort, CRRA employed TRC to participate in approximately twelve days of public hearings associated with vertical expansion of the Phase I ash area. Because of this previous effort, which occurred over an approximately 24 month period and which involved thousands of hours of work, TRC has the necessary historical knowledge and experience regarding this solid waste management facility, and is uniquely qualified to provide CRRA with the engineering and permitting work associated with this initiative.

Scope of Work

The work will include engineering, design, environmental evaluations, permitting, meetings and regulatory interface. This will include evaluation of issues that will be relied upon in undertaking design, permitting, and public communications efforts. The approach to the permitting effort may be summarized as follows:

Summary of Approach

- Obtain & Review Updated Materials: TRC will obtain from CRRA and others updated information that reflects new data and current conditions since the prior

applications were prepared as applicable to solid waste, ground water, water discharge and air permitting.

- Updated Permit Analysis: TRC will review the applicable regulations and make a preliminary determination of anticipated CTDEP permit applicability and submittal requirements. Additionally, based upon CRRA's input, together with additional engineering analysis, the proposed landfill configuration will be defined;
- CRRA Review: TRC will present CRRA with a summary of the analysis conducted and incorporate CRRA comments and input;
- Pre-Application Discussions With CTDEP: TRC and CRRA's initial conclusions regarding permit applicability and application requirements will be reviewed with the relevant CTDEP technical staff and units. This will help CRRA reach agreement with CTDEP upon not only the specific permits that will be sought, but also the contents of the applications, including reaching an understanding of particular issues that CTDEP believes deserve special emphasis or analysis. Particularly relevant to these discussions will be consideration of the effect of recent changes to CTDEP's New Source Review and Title V permitting regulations.
- Prepare Permit Applications: Following final determination of the permits to be sought and application contents, TRC will prepare the permit application materials.

Key Issues Analysis

TRC will complete an evaluation of issues that will be relied upon in undertaking design, permitting and public communications efforts. The key issues analysis will include engineering issues, environmental assessment and agency/public interface at the state and local levels.

Certain key engineering issues have already been considered in TRC's previous work and will be incorporated into the update effort. These include:

- Grading restrictions imposed by maximum slopes allowed by permit and/or regulation and the minimum physical space limitations for landfill operation;
- Consideration of geotechnical slope stability limitations related to the ACOE flood control dike, ground water cut-off wall and overall landfill stability;
- Consideration of foundation settlement and settlement of underlying wastes in the Interim Ash Area.
- Consideration of consolidation of the soil underlying the landfill and the potential impacts upon the pumping of ground water/leachate within the groundwater flow control system.

As part of previous permit application activities, TRC also conducted field studies that yielded field and laboratory geotechnical data to address the above engineering issues. Further, TRC conducted evaluations of stability and settlement in accordance with accepted agency and engineering practice to determine safe slopes and heights of fill for the affected components. The results of these past efforts, and in particular the

geotechnical issues, will be updated as appropriate and included in the new application to incorporate CRRA's operational plans and goals for the landform.

Additionally, certain comments and requests for additional information were made by CTDEP in the course of its review and consideration of the previous permit applications; however, they were not resolved as of the date when CRRA elected to "bifurcate" its permitting effort in calendar year 2000 and focus only on the Phase I ash area. CTDEP had also passed along to CRRA questions and issues raised by others, including questions from Hartford community organizations. Examples of these issues include:

- Potential environmental equity issues;
- Potential fugitive air emissions;
- Potential traffic impacts;
- Consideration of health impacts, if the requested application were granted;
- Consideration of visibility and landscape issues; and,
- Final use of the landfill.

Finally, additional key issues arise from regulatory changes and other recent developments that have occurred since calendar year 2000.

- Development of updated special waste acceptance criteria, in response to CTDEP comments on previously proposed criteria, and CRRA's approach to the review and approval of specific deliveries of contaminated soils.
- Technical evaluations of the impact of the New Source Review and Title V air permit regulatory changes that occurred in March 2002, including updated emission calculations, will be performed.

Financial Summary

This initiative was contemplated when the fiscal year 2004 budget for the Hartford landfill was developed. The funds necessary for this activity are available in the Hartford Landfill budget.

CRRA management has analyzed the costs versus benefits of increasing the available capacity at the Hartford Landfill and determined that this increased available capacity would provide significant cost savings to the Mid-Connecticut Project.

TAB 8

**RESOLUTION FOR DELEGATION OF THE CRRA PRESIDENT'S
AUTHORITY PURSUANT TO CONN. GEN. STAT. § 22a-277(c)**

RESOLVED: Pursuant to Conn. Gen. Stat. § 22a-277(c), the CRRA Board of Directors (the "Board") hereby authorizes the President of CRRA to delegate to designated officers and employees of CRRA the authority to execute disbursement vouchers and requisition purchase orders subject to the constraints of Conn. Gen. Stat. § 22a-268.

Connecticut Resources Recovery Authority

Signatory Authority for Disbursement Vouchers and Requisition Purchase Orders

March 18, 2004

Discussion

CRRA management believes, but has been unable to confirm, that the President of CRRA was given authority by the former Board of Directors to in-turn delegate to other CRRA employees the authority to sign purchase orders and disbursement vouchers.

This is to request that the CRRA Board of Directors affirm that the President of CRRA is authorized to delegate to other CRRA employees the authority to sign purchase orders and disbursement vouchers.

Further, since CRRA recently revised its written "Purchase Order Form", as defined in the Procurement Policies and Procedures effective January 22, 2004, it is appropriate that the Board of Directors affirm that the President has authority to delegate to other CRRA staff the authority to sign this document. This signatory authority will be extended by the President, in writing, and will identify those positions that the President deems should have this authority in order to effectively carry out the day-to-day business of CRRA.