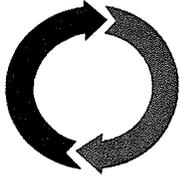


**CRRA
BOARD MEETING
FEBRUARY 24, 2005**



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

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

TO: CRRRA Board of Directors
FROM: Kristen Greig, Secretary to the Board/Paralegal
DATE: February 18, 2005
RE: Notice of Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors held on Thursday, February 24, 2005 at 9:30 a.m. The meeting will be held in the Board Room of 100 Constitution Plaza, 6th Floor, 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

February 24, 2005

9:30 AM

I. Pledge of Allegiance

II. Finance

1. Board Action will be sought for the approval of the Mid-Connecticut Project Operating & Capital Budget for FY'06 (Attachment 1).
2. Board Action will be sought regarding Establishment of a Debt Service Stabilization Reserve (Attachment 2).
3. Board Action will be sought regarding Adoption of the Investment Approach for the \$111 Million Enron Settlement (Attachment 3).
4. Board Action will be sought regarding Establishment of a Board Designated Restricted Fund for State Loan Payments (Attachment 4).
5. Board Action will be sought authorizing the Full Defeasance and Partial Defeasance of the Authority's Outstanding Mid-Connecticut Project Bonds (Attachment 5).
6. Board Action will be sought regarding Rescinding the Resolution Adopted on 12/16/04 Authorizing the Issuance of Subordinated Indebtedness under the General Bond Resolution in the form of the State Loan (Attachment 6).
7. Board Action will be sought for an Increase in Legal Expenditures (Attachment 7).

III. Project Issues

A. Mid-Connecticut

1. Board Action will be sought regarding Loose Residential Mixed Paper Purchase and Sale Agreement with Recycle America Alliance, L.L.C. (Attachment 8).
2. Board Action will be sought regarding an Extension of the Mid-Connecticut Project Project Loose Paper Transloading Agreement with Murphy Road Recycling and Murphy Road Realty (Attachment 9).

3. Board Action will be sought regarding an Agreement with FCR Redemption, Inc., the Mid-Connecticut Project's Container Processing Facility Operator (Attachment 10).
4. Board Action will be sought regarding Delivery of Cover Soils to the Hartford Landfill (Attachment 11).

B. Bridgeport

1. Board Action will be sought regarding Settlement Agreement for the Bridgeport Project (Attachment 12).
2. Board Action will be sought regarding an Agreement with Enviro Express, Inc. to Deliver City of Stamford Acceptable Solid Waste to CRRA's Bridgeport Project Resources Recovery Facility (Attachment 13).
3. Board Action will be sought regarding an Agreement with the City of Stamford to Deliver its Acceptable Solid Waste to CRRA's Bridgeport Project Resources Recovery Facility (Attachment 14).
4. Board Action will be sought regarding a Settlement Agreement by and among Stamford, SWEROC, CRRA and FCR, Inc. (Attachment 15).
5. Board Action will be sought regarding an Amendment to the Supplement to Amended and Restated Agreement by and among SWEROC and CRRA (Attachment 16).

C. General

1. Board Action will be sought regarding Waste Export and Diversion Hauling and Disposal Services for Mid-Connecticut and Wallingford Projects (Attachment 17).
2. Board Action will be sought regarding Spot Waste Delivery Services for the Mid-Connecticut and Wallingford Projects (Attachment 18).

IV. Minutes

1. Board Action will be sought for the approval of the January 18, 2005 Special Board Meeting Minutes (Attachment 19).
2. Board Action will be sought for the approval of the January 27, 2005

Regular Board Meeting Minutes (Attachment 20).

3. Board Action will be sought for the approval of the February 1, 2005 Annual Meeting Minutes (Attachment 21).

V. Chairman's Report

VI. Public Portion

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

VII. Executive Session

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

TAB 1

**RESOLUTION REGARDING THE ADOPTION OF THE
FISCAL YEAR 2006 MID-CONNECTICUT PROJECT
OPERATING AND CAPITAL BUDGETS AND TIP FEES**

RESOLVED: That the fiscal year 2006 Mid-Connecticut Project Operating Budget in the amount of \$94,250,000 and the fiscal year 2006 Mid-Connecticut Project Capital Budget in the amount of \$7,322,000 be adopted as substantially presented and discussed at this meeting.

FURTHER RESOLVED: That the tip fees listed in the table below be adopted for fiscal year 2006.

WASTE STREAM	PER TON TIP FEES
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
Non-Processible Waste Fee	\$85.00
Non-Municipal Mattress Surcharge (<i>Per Unit Fee</i>)	\$15.00
Recycling Tip Fee	\$00.00

Fiscal Year 2006 Mid-Connecticut Project Proposed Operating & Capital Budgets

February 24, 2005

Attached is the proposed fiscal year 2006 Mid-Connecticut Project operating and capital budgets and five-year capital plan, including the Jets/EGF budget. The Finance Committee voted to recommend the attached resolution be brought to the Board of Directors for approval.

SUMMARY OF MAJOR ASSUMPTIONS

This proposed operating budget reflects a 10.2% decrease from the adopted FY05 budget.

A. TIP FEES

The following table shows the proposed fiscal year 2006 tip fees as compared to the adopted fiscal year 2005 tip fees.

<u>Waste Stream</u>	<u>Per Ton Fees (1)</u>		
	<u>FY05 Budget</u>	<u>FY06 Budget</u>	<u>Change</u>
Municipal Solid Waste (MSW)	\$70.00	\$70.00	\$0.00
Metals	\$75.00	\$75.00	\$0.00
Bulky Waste – Municipal	\$85.00	\$85.00	\$0.00
Bulky Waste – Commercial	\$96.00	\$96.00	\$0.00
White Goods (Metals)	\$74.00	\$74.00	\$0.00
DEP Certified Soils	\$95.00	\$95.00	\$0.00
Nonprocessible Waste (NPW)	\$85.00	\$85.00	\$0.00
Non-Municipal Mattress ⁽²⁾	\$15.00	\$15.00	\$0.00
Recyclables	\$00.00	\$00.00	\$0.00

(1) CRRA management recommends the tip fees remain unchanged from fiscal year 2005.

(2) Fee is per unit.

B. REVENUES

The following highlights the major assumptions used in developing the revenue portion of the proposed fiscal year 2006 budget as compared to the adopted fiscal year 2005 budget.

1. WASTE STREAM REVENUES

- Service Charges Solid Waste – Member / Contract (0.6% Decrease)
 - Waste Streams - MSW and NPW
 - Tip fees remain unchanged from fiscal year 2005
 - Assumes 10,000 tons less MSW
 - Assumes 3,500 tons more NPW
 - The FY06 proposed budget is 1.5% higher than projected FY05 actual results.
- Service Charges Solid Waste – Spot (11.1% Decrease)
 - Waste Streams - MSW, wood chips, refuse derived fuel (RDF), recycling residue and ferrous (WPF residue)
 - Tip fees remain unchanged from fiscal year 2005
 - Assumes 1,000 tons less ferrous, based upon contractor maximizing efforts to salvage all saleable ferrous
 - Both budgets assume no delivery of MSW, wood chips, RDF or recycling residue due to unavailable capacity
- Bulky Waste (Municipal & Commercial) (12.7% Increase)
 - Tip fees remain unchanged from fiscal year 2005
 - Assumes 800 tons more municipal bulky waste and 250 tons more commercial bulky waste, based upon stabilization of tip fee
- DEP Certified Materials (25.0% Decrease)
 - Assumes 15,000 tons less revenue generating soil deliveries (market and availability sensitive)
 - Tip fees are market driven
- Recycling Sales (158.8% Increase)
 - Waste Streams – commingled containers and fiber
 - Tip fees remain unchanged from fiscal year 2005
 - No change in tonnage assumption

- Assumes higher recycling sales revenue based upon current market conditions
- Metal Sales and Metals Service Charge (6080.0% Increase)
 - Waste Streams - metals, white metals and ferrous
 - Tip fees remain unchanged from fiscal year 2005
 - Assumes continued favorable recycling market and continued receipt of revenue from Waste Processing Facility ferrous sales
 - Assume an additional 50 tons of metals due to stabilization of tip fee

2. NON-WASTE STREAM REVENUES

- Electricity (25.2% Increase)
 - Assumes lower generation of kwh, based upon historical trends
 - Includes higher kwh pricing (\$.05315 first 250 gigawatts) based upon current Electricity Purchase Agreement contract rates
- Miscellaneous Income (28.1% Increase)
 - Includes revenues from recycling surcharge, gift shop sales, SWEROC education fee, permit fees, ERC sales, DEP Section 38 testing reimbursement, and other miscellaneous fees
 - Assumes higher ERC sales
 - Assumes inflation increase for SWEROC education fee
- Interest Income (0.0% Increase)
 - Assumes interest earning rate of 2.25% as compared to 1.5%
 - Account balances for investing are lower as a result of debt service defeasement
- Supplemental Sources (100% Decrease)
 - Assumes no infusion of other revenues, due to receipt of Enron settlement
- Jets / Energy Generating Facility (EGF) (2.3% Increase)
 - Assumes interest earning rate of 2.25% as compared to 1.5%
 - Slightly higher black start credit

C. EXPENDITURES

The following highlights the major assumptions used in developing the expense portion of the proposed fiscal year 2006 budget as compared to the adopted fiscal year 2005 budget.

1. NON-OPERATING ACTIVITIES

- General Administration (5.3% Increase)
 - Expenses include a host of general administration related expenses along with legal, other consulting and salaries and overhead allocations
 - Assumes lower legal expenses due to settlement of disputes
 - Increased salaries and overhead allocation are associated with the Authority's focus on the Mid-Connecticut Project during FY04
- Debt Service/Administration (36.0% Decrease)
 - Expenses relate to bond interest payments
 - Reflects the application of the Enron settlement to fully defease the 97 Series and 01 Series Bonds and partially defease the 96 Series Bonds
 - Includes a contribution to the Board designated Debt Service Stabilization Reserve to be applied towards future debt service

2. OPERATING ACTIVITIES

- Waste Transport (2.6% Decrease)
 - Represents the costs for moving waste such MSW, NPW, ash and recyclables from one facility to another
 - Contribution to Rolling Stock Reserve reduced as a result of the favorable Arbitration ruling on transportation
 - Assumes savings for hauling NPW and Process Residue
 - Contract rates escalated using 2.5% inflation factor
 - Reduction in Disposal Fees – Solid Waste (Bypass) based upon plant returning to historical performance levels
 - Assumes some process residue being disposed of at the Windsor/Bloomfield landfill
- Regional Recycling (4.0% Decrease)
 - Represents the costs for processing container and fiber recyclables and operating the Hartford and Stratford museums

- Increase in Contract Operating Charges is due to a newly negotiated paper transloading rate
- Elimination of the contribution to the Recycling Reserve
- The fiscal year 2006 Regional Recycling budget now has three sections (Recyclable processing, Hartford education and Stratford education)
- Waste Processing Facility (“WPF”) (3.1% Decrease)
 - Includes the cost to convert MSW to RDF and to operate and maintain the Mid-Connecticut Air Processing System (“MCAPS”)
 - Includes significant reduction in insurance premiums
 - Increased contribution to the WPF Modification Reserve
 - Slight reduction in the Contract Operating Charges (meeting to be scheduled with the MDC to review budget)
 - Assumes no ferrous removal costs due to expected continuation of favorable recycling market
 - Increased costs associated with the operation and maintenance of the MCAPS due to higher natural gas prices
- Power Block Facility (“PBF”) / Energy Generating Facility (“EGF”) (1.3% and 2.5% Increase respectively)
 - Costs associated with converting RDF to steam / electricity
 - Assumed increase use of lime due to installation of dolomitic lime system
 - Contract rates escalated based upon 2.5% inflation rate
- Landfills (Hartford and Ellington)(5.1% Increase per site)
 - Represents the cost for operating the landfills
 - Increase in Grounds Maintenance is related to the estimated cost for temporary landscaping of the west slope prior to capping
- Transfer Station (Ellington, Essex, Torrington and Watertown) (11.6% Decrease)
 - Costs associated with the operating and maintenance of the transfer stations
 - Contract Operating Charges have been reduced as a result of the Authority performing the scale functions
- Collins Building (171 Murphy Road) (6.4% Increase)
 - Building maintenance costs
 - Assumptions in line with prior year

- Jets / EGF (2.3% Increase)
 - Expenses related to the operation and maintenance of the peaking jets, site buildings and property
 - Includes insurance premiums savings

F. RISKS & OPPORTUNITIES

1. Anticipates slight reduction in MSW deliveries
2. Processing levels returning to historical trends
3. The Jets/EGF continue to run effectively to generate reserves to cover future costs (work to extend existing contracts to lock in revenues)
4. Budget reflects additional contributions to reserves of \$1M for Hartford Landfill closure.
5. Commencement of process residue diversions, ownership of disposal site to dictate magnitude of future expenditures
6. Legislative changes on Solid Waste tax (Dioxin) and re-distribution of escheats on bottles and cans
7. Continuation of the better than expected recyclables sales market

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**PROPOSED
MID-CONNECTICUT PROJECT
OPERATING BUDGET
FISCAL YEAR 2006**

February 17, 2005

MID-CONNECTICUT PROJECT

ASSUMPTIONS		ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
TIP FEES				
MSW	Member (1)	\$63.75	\$70.00	\$70.00
	Contract (1)	\$63.75	\$70.00	\$70.00
	Spot (2)	\$63.75	\$70.00	n/a
Landfill	Metals (1)	\$75.00	\$75.00	\$75.00
	Bulky Waste (C&D) - Municipal (1)	\$74.00	\$85.00	\$85.00
	Bulky Waste (C&D) - Commercial (1)	\$85.00	\$96.00	\$96.00
	White Goods (Metals) (1)	\$74.00	\$74.00	\$74.00
	DEP Certified Soils (1)	\$95.00	\$95.00	\$95.00
	Nonprocessible Fee - Direct (1)	\$74.00	\$85.00	\$85.00
	Non-Municipal Mattress Surcharge (Per Unit) (1)	n/a	\$15.00	\$15.00
	Cover Material - Charged (Negotiated) (3)	\$16.02	\$0 - \$25	Market Price
Other	Ferrous Residue (Spot) (4)	\$12.00	\$12.00	\$12.00
	Woodchips (Spot) (2)	\$0.29	\$0.00	n/a
	RDF (Spot) (2)	\$15.00	\$15.00	n/a
	Recycling Residue (Spot) (2)	\$68.20	\$70.00	n/a
Recyclables	Member - Container (1)	\$0.00	\$0.00	\$0.00
	Member - Paper (1)	\$0.00	\$0.00	\$0.00
POWER				
	kwh/ton of MSW Processed	529	539	524
	Total kwh Sold	428,164,638	440,000,000	430,000,000
	Average Rate Per kwh (4)	\$0.04068	\$0.03475	\$0.04451
DELIVERIES (Tons)				
MSW	Member	614,233	640,000	633,000
	Contract	229,558	240,000	237,000
	Spot	12,352	0	0
	<i>Subtotal</i>	<u>856,143</u>	<u>880,000</u>	<u>870,000</u>
Landfill	Metals	66	50	100
	Bulky Waste (C&D) - Municipal	7,783	8,000	8,800
	Bulky Waste (C&D) - Commercial	706	450	700
	White Goods (Metals)	42	20	20
	DEP Certified Soils	3	5	0
	Nonprocessible Waste - Direct	8,544	5,000	8,500
	Cover Material - Charged	31,142	30,000	15,000
	<i>Subtotal</i>	<u>48,286</u>	<u>43,525</u>	<u>33,120</u>
Other (Spot)	Ferrous Residue	9,395	9,000	8,000
	Wood chips	491	0	0
	RDF (Imported)	2,304	0	0
	Recycling Residue	1,843	0	0
	<i>Subtotal</i>	<u>14,033</u>	<u>9,000</u>	<u>8,000</u>
Recyclables	Containers	22,083	22,000	22,000
	Paper (total)	56,512	56,000	56,000
	<i>Subtotal</i>	<u>78,595</u>	<u>78,000</u>	<u>78,000</u>

- (1) Rates set during the annual budget process
- (2) Rates received through an annual bid process
- (3) Included in DEP Certified Materials revenue account
- (4) Rates specified by contract

MID-CONNECTICUT PROJECT

ASSUMPTIONS, CONTINUED		ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
RECYCLING OPERATIONS				
Revenues	Containers	\$75.64	\$41.00	\$55.00
	Paper Contract	\$18.00	\$18.00	\$56.11
Expenditures	Container Processing Fee	\$21.66	\$22.18	\$23.16
	Paper Processing Fee	\$4.00	\$4.00	\$8.00
Operations	Residue Rate- Containers	7.91%	7.00%	7.00%
	Residue Rate- Paper	0.03%	2.00%	2.00%
FACILITY OPERATIONS				
Tons Processed	Total MSW Processed	809,215	817,000	820,000
	RDF Produced	703,850	712,000	697,000
Residue Rates	Ash Rate (Per Ton of RDF)	24.7%	24.0%	24.0%
	Process Residue Rate (Per Ton of MSW)	10.3%	10.0%	12.0%
	Ferrous Metals Rate (Outbound) (Per Ton of MSW)	3.0%	3.0%	3.0%
	Ferrous Residue Rate (Inbound) (Per Ton of MSW)	1.2%	1.3%	1.2%
	Nonprocessable Waste - From WPF (Per Ton of MSW)	1.2%	1.2%	1.2%
Fees	Coal Price (per ton)	\$61.90	\$61.90	\$61.90
	Ash Loading (per ton)	n/a	\$0.75	\$0.90
	Lime (per ton)	\$95.31	\$101.50	\$104.04
	Urea (per gallon)	\$1.01	\$0.90	\$0.92
	Ferrous Residue Removal		\$7.50	\$0.00
Other	Lime (Lbs/Ton of RDF Burned)	22.0	18.0	18.0
	Lime (Lbs/Ton of RDF Burned) - Dolomitic System	n/a	5.0	14.0
	Coal Purchase (Tons)	2,504	0	0
	Coal Use (Tons)	2,531	2,500	2,500
	Urea (gallons per year)	217,187	260,000	260,000
MUNICIPAL PAYMENTS				
Fees	Canton (\$/ Ton)	\$4.42	\$4.42	\$4.42
	East Granby (\$ / Ton)	\$8.38	\$8.38	\$8.38
	Ellington Surcharge (E. Windsor to Ellington TS) (\$/Ton)	\$2.25	\$2.25	\$2.25
	Essex Surcharge (Recycling) (\$ / MSW Ton)	\$0.90	\$1.50	\$1.55
	Granby (\$/Ton)	\$7.90	\$7.90	\$7.90
	Hartford PILOT - Bulky Waste (per ton)	\$7.02	\$7.23	\$7.41
	Hartford PILOT - Processible Waste Fee	\$8.26	\$8.68	\$8.90
	Simsbury (\$/Ton)	\$8.13	\$8.13	\$8.13
	Watertown (City of Waterbury to Watertown TS) (\$/Ton)	\$0.50	\$0.50	\$0.50
	Watertown (Settlement - Residential Drop Off) (Fixed)	\$9,000	\$9,000	\$9,000
Deliveries (Tons)	Canton	5,761	5,500	6,000
	East Granby	3,215	3,500	3,500
	Ellington Surcharge (E. Windsor to Ellington TS)	2,836	3,000	3,000
	Essex Surcharge (MSW)	65,813	38,665	37,420
	Granby (TS Subsidy)	5,995	5,700	6,000
	Simsbury (TS Subsidy)	16,304	14,800	16,000
	Watertown (City of Waterbury to Watertown TS)	51,353	40,000	50,000

MID-CONNECTICUT PROJECT

ASSUMPTIONS, CONTINUED		ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
WASTE TRANSPORT				
Fees				
	Ellington	n/a	\$8.57	\$8.82
	Essex	\$10.47	\$11.16	\$11.49
	Torrington	\$12.55	\$12.93	\$13.31
	Watertown	\$11.95	\$12.30	\$12.67
	Guildford / Madison (\$/Ton)	\$2.75	\$2.75	\$2.75
	RRDD#1 Recyclables (\$/Load)	n/a	n/a	n/a
	RRDD#1 MSW (\$/Load)	\$75.00	\$75.00	\$75.00
	Sharon/Salisbury (\$/Ton)	\$10.50	\$10.50	\$10.50
	Southbury (\$/Ton)	n/a	n/a	\$9.25
	Waterbury LF Residential Drop Off (\$/Ton)	\$24.00	\$25.00	\$26.00
	Windsor LF Process Residue Haul Fee (per ton)	n/a	n/a	\$7.50
	Bridgeport Project Diversion Fee (per ton)	\$61.00	\$63.00	\$66.00
	Bristol Project Diversion Fee (per ton)	\$50.00	n/a	n/a
	Southeast Project Diversion Fee (per ton)	\$60.00	\$61.00	\$64.50
	Wallingford Project Diversion Fee (per ton)	\$56.00	\$55.00	\$57.00
	Windsor LF MSW Diversion Fee (per ton)	n/a	n/a	\$63.86
	Exports Out-of-State Fee (average per ton)	n/a	\$72.00	\$73.00
	Windsor LF Process Residue Diversion Fee (per ton)	n/a	n/a	\$51.50
	Process Residue Hauling (per ton)	n/a	\$5.21	\$5.37
	Non-Processible/Bulky (per load)	n/a	\$240.40	\$247.61
	Ash Hauling (per ton)	\$2.62	\$2.68	\$2.81
Hauled Tons				
	Ellington (MSW Only)	42,521	67,000	60,000
	Essex (MSW & Recyclables)	82,318	82,000	85,000
	Torrington (MSW & Recyclables)	85,950	69,300	88,000
	Watertown (MSW & Recyclables)	134,708	125,000	146,000
	Guildford / Madison (\$/Ton)	4,683	5,300	5,000
	RRDD#1 Recyclables	n/a	n/a	n/a
	RRDD#1 MSW	2,428	4,000	4,000
	Sharon/Salisbury	3,502	4,700	5,000
	Southbury	33	n/a	12,500
	Waterbury LF Residential Drop Off	3,335	4,000	4,000
	Ferrous Metals Outbound	24,245	24,000	24,600
Hartford Landfill				
	Ash	173,928	174,300	175,000
	Process Residue - to Hartford LF	83,579	81,700	88,400
	Nonprocessible Waste - from WPF	9,730	9,800	9,800
	Process Residue to Windsor LF	0	0	10,000
MSW Bypass				
	Bridgeport Diversions	10,189	38,000	10,000
	Bristol Diversions	1,059	0	0
	Southeast Diversions	8,138	0	0
	Wallingford Diversions	287	0	0
	Windsor LF Diversions	0	0	25,000
	Exports Out-of-State	26,736	25,000	15,000
	<i>Subtotal</i>	46,409	63,000	50,000
MISCELLANEOUS				
	Inflation Estimate		2.50%	2.50%

MID-CONNECTICUT PROJECT

REVENUE AND EXPENDITURE SUMMARY

REVENUES

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
41-001-000-40101	Service Charges Solid Waste-Members	\$39,466,138	\$45,109,000	\$44,836,000
41-001-000-40102	Service Charges Solid Waste-Contracts	\$14,936,078	\$16,923,000	\$16,794,000
41-001-000-40103	Service Charges Solid Waste-Spot	\$853,380	\$108,000	\$96,000
41-001-000-41101	Bulky Waste - Municipal	\$576,197	\$680,000	\$748,000
41-001-000-41102	Bulky Waste - Commercial	\$58,846	\$43,000	\$67,000
41-001-000-41103	DEP Certified Materials	\$498,383	\$300,000	\$225,000
41-001-000-41104	Metal Sales	\$462,465	\$0	\$300,000
41-001-000-42101	Recycling Sales	\$1,843,579	\$1,407,000	\$3,642,000
41-001-000-42103	Metals Service Charge	\$8,254	\$5,000	\$9,000
41-001-000-43101	Electricity	\$17,419,635	\$15,290,000	\$19,139,000
41-001-000-45150	Miscellaneous Income	\$897,107	\$445,000	\$570,000
41-001-000-46101	Interest Income	\$670,101	\$1,000,000	\$1,000,000
41-001-000-xxxxx	Supplemental Sources	\$10,841,646	\$17,009,000	\$0
41-001-000-xxxxx	Jets / EGF	\$6,992,100	\$6,673,000	\$6,824,000
Total Revenues		\$95,523,909	\$104,992,000	\$94,250,000

EXPENDITURES

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
41-001-501-xxxxx	General Administration	\$5,253,450	\$6,449,000	\$6,793,000
41-001-502-xxxxx	Debt Service/Administration	\$27,010,495	\$29,163,000	\$18,664,000
41-001-505-xxxxx	Waste Transport	\$10,658,491	\$11,064,000	\$10,779,000
41-001-506-xxxxx	Regional Recycling	\$1,869,195	\$3,038,000	\$2,916,000
41-001-601-xxxxx	Waste Processing Facility	\$19,496,024	\$21,312,000	\$20,654,000
41-001-602-xxxxx	Power Block Facility	\$17,005,922	\$17,899,000	\$18,130,000
41-001-603-xxxxx	Energy Generating Facility	\$1,461,780	\$1,500,000	\$1,537,000
41-001-604-xxxxx	Landfill - Hartford	\$3,705,359	\$5,351,000	\$5,623,000
41-001-605-xxxxx	Landfill - Ellington	\$369,676	\$410,000	\$431,000
41-001-61x-xxxxx	Transfer Stations	\$2,151,882	\$2,086,000	\$1,849,000
41-001-620-xxxxx	171 Murphy Road	\$34,846	\$47,000	\$50,000
41-001-xxx-xxxxx	Jets / EGF	\$5,775,949	\$6,673,000	\$6,824,000
Total Expenditures		\$94,793,069	\$104,992,000	\$94,250,000
Balance		\$730,840	\$0	\$0

MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
GENERAL ADMINISTRATION				
41-001-501-52101	Postage & Delivery Fees	\$9,549	\$12,000	\$12,000
41-001-501-52104	Telephone & Pagers	\$15,199	\$25,000	\$20,000
41-001-501-52106	Copier	\$9,750	\$0	\$0
41-001-501-52108	Duplication And Printing	\$1,538	\$0	\$0
41-001-501-52111	Outside Copying	\$3,554	\$10,000	\$5,000
41-001-501-52115	Advertising	\$5,950	\$25,000	\$25,000
41-001-501-52118	Marketing & Public Relations	\$578	\$0	\$1,000
41-001-501-52119	Public Education	\$9,400	\$0	\$10,000
41-001-501-52201	Office Equipment	\$248	\$500	\$1,000
41-001-501-52202	Office Supplies	\$2,391	\$5,000	\$5,000
41-001-501-52211	Protect Clothing/Safety Equip.	\$0	\$8,000	\$0
41-001-501-52302	Miscellaneous Services	\$1,300	\$6,000	\$5,000
41-001-501-52303	Subscriptions and Publications	\$2,495	\$0	\$0
41-001-501-52305	Business Meetings and Travel	\$1,701	\$1,500	\$2,000
41-001-501-52355	Mileage Reimbursement	\$7,007	\$5,000	\$10,000
41-001-501-52401	Vehicle Repair / Maintenance	\$278	\$6,000	\$1,000
41-001-501-52403	Office Equipment Service	\$7,617	\$15,500	\$10,000
41-001-501-52404	Building Operations	\$58,726	\$75,000	\$80,000
41-001-501-52415	Grounds Maintenance	\$36,804	\$31,000	\$38,000
41-001-501-52502	Fees/Licenses/Permits	\$1,502	\$1,000	\$2,000
41-001-501-52505	Claims/Losses	\$238,933	\$10,000	\$100,000
41-001-501-52602	Bad Debt Expense	(\$55,000)	\$10,000	\$10,000
41-001-501-52612	Fuel	\$24	\$4,000	\$0
41-001-501-52853	Information Technology	\$965	\$65,500	\$0
41-001-501-52856	Legal	\$1,159,299	\$2,000,000	\$1,500,000
41-001-501-52858	Engineering	\$750	\$0	\$0
41-001-501-52859	Financial	\$33,074	\$67,000	\$34,000
41-001-501-52862	Arbitrator	\$44,956	\$0	\$50,000
41-001-501-52863	Auditor	\$22,172	\$40,000	\$23,000
41-001-501-52875	Insurance, Consulting, Brokerage Serv	\$87,617	\$69,000	\$70,000
41-001-501-52899	Other Consulting Services	\$114,861	\$155,000	\$250,000
41-001-501-53301	Gas	\$14,213	\$8,000	\$15,000
41-001-501-53304	Electricity	\$28,639	\$58,000	\$29,000
41-001-501-54482	Computer Hardware	\$3,223	\$14,000	\$3,000
41-001-501-54483	Computer Software	\$10,791	\$5,000	\$2,000
41-001-501-57840	Allocation - Salaries	\$1,873,523	\$2,077,500	\$2,445,000
41-001-501-57850	Allocation - Overhead	\$1,499,823	\$1,639,500	\$2,035,000
	Subtotal	\$5,253,450	\$6,449,000	\$6,793,000
				5.3%

MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
DEBT SERVICE/ADMINISTRATION (1)				
41-001-502-55525	Interest - 96 Series	\$9,704,512	\$8,837,000	\$3,971,000
41-001-502-55526	Interest - 97 Series	\$157,406	\$114,000	\$0
41-001-502-55536	Interest - 01 Series	\$686,623	\$687,000	\$0
41-001-502-55560	Principal Repayment	\$16,345,952	\$16,334,000	\$0
41-001-502-55585	Trustee Fees	\$8,214	\$17,000	\$30,000
41-001-502-xxxxx	Loan Repayment - Principle	\$107,788	\$3,174,000	\$0
41-001-502-xxxxx	Contribution to Debt Service Stabilization Reserve	\$0	\$0	\$14,663,000
	Subtotal	\$27,010,495	\$29,163,000	\$18,664,000
				-36.0%
WASTE TRANSPORT				
41-001-505-52409	Other Repairs & Maintenance	\$0	\$2,000	\$2,000
41-001-505-52509	Transfer / Transport Subsidy	\$214,312	\$219,000	\$233,000
41-001-505-52658	Rolling Stock Reserve	\$750,000	\$750,000	\$350,000
41-001-505-52701	Contract Operating Charges	\$6,068,995	\$5,292,000	\$6,048,000
41-001-505-xxxxx	Ash Loading	Incl. Above	Incl. Above	\$158,000
41-001-505-52706	Ash Hauling	\$454,127	\$467,000	\$492,000
41-001-505-52707	Contract Hauling - Other	\$79,777	\$100,000	\$104,000
41-001-505-52899	Other Consulting Services	\$77,500	\$40,000	\$40,000
41-001-505-52710	Disposal Fees - Solid Waste (Bypass)	\$3,013,780	\$4,194,000	\$3,352,000
	Subtotal - Waste Transport	\$10,658,491	\$11,064,000	\$10,779,000
				-2.6%
REGIONAL RECYCLING				
41-001-506-52115	Advertising	\$4,424	\$0	\$7,500
41-001-506-52118	Marketing & Public Relations	\$0	\$10,000	\$5,000
41-001-506-52202	Office Supplies	\$2,654	\$5,000	\$0
41-001-506-52302	Miscellaneous Services	\$471	\$2,000	\$2,000
41-001-506-52303	Subscriptions/Publications/Ref. Material	\$25	\$200	\$0
41-001-506-52305	Bus. Meetings & Travel	\$50	\$0	\$500
41-001-506-52404	Building Operations	\$14,712	\$15,000	\$20,000
41-001-506-52407	Project Equipment Maintenance	\$24,351	\$40,000	\$40,000
41-001-506-52418	Education Exhibits Maintenance	\$0	\$35,000	\$0
41-001-506-52502	Fees/Licenses/Permits	\$7,250	\$10,000	\$26,000
41-001-506-52617	Electronics Recycling	\$24,333	\$0	\$50,000
41-001-506-52652	Equipment Replacement Reserve	\$33,535	\$51,000	\$51,000
41-001-506-xxxxx	Recycling Education Reserve (PILOT)	\$100,000	\$100,000	\$100,000
41-001-506-52701	Contract Operating Charges	\$665,410	\$656,000	\$846,000
41-001-506-52709	Other Operating Charges	\$0	\$50,000	\$35,000
41-001-506-52810	Contract Services	(\$1,380)	\$40,000	\$40,000
41-001-506-52858	Engineering	\$27,813	\$70,000	\$40,000
41-001-506-52901	Environmental Testing	\$3,846	\$6,800	\$7,000
41-001-506-53309	Other Utilities	\$939	\$0	\$0
41-001-506-54482	Computer Hardware	\$0	\$2,000	\$1,000
41-001-506-56605	Construction	\$28,650	\$0	\$0
41-001-506-xxxxx	Recycling Reserve	\$0	\$100,000	\$0
41-001-506-57840	Allocation - Salaries	\$425,239	\$925,000	\$679,000
41-001-506-57850	Allocation - Overhead	\$323,396	\$747,000	\$540,000
41-001-xxx-xxxxx	Hartford Education	n/a	n/a	\$249,000
41-001-508-xxxxx	Stratford Education	\$183,477	\$173,000	\$177,000
	Subtotal	\$1,869,195	\$3,038,000	\$2,916,000
				-4.0%

MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
WASTE PROCESSING FACILITY				
41-001-601-52104	Telephone & Pagers	\$1,159	\$0	\$3,000
41-001-601-52404	Building Operations	\$4,229	\$25,000	\$4,000
41-001-601-52407	Project Equipment Maintenance	\$0	\$10,000	\$0
41-001-601-52502	Fees/Licenses/Permits	\$3,375	\$0	\$0
41-001-601-52507	Payments in Lieu of Taxes	\$2,779,124	\$2,833,000	\$2,946,000
41-001-601-52604	Rental / Lease	\$0	\$0	\$0
41-001-601-52640	Insurance Premium	\$1,487,177	\$2,315,000	\$1,344,000
41-001-601-52668	WPF Modification Reserve	\$500,000	\$1,000,000	\$1,500,000
41-001-601-52701	Contract Operating Charges	\$13,183,432	\$13,986,000	\$13,587,000
41-001-601-52709	Other Operating Charges	\$251,379	\$391,000	\$212,000
41-001-601-52858	Engineering	\$122,820	\$190,000	\$150,000
41-001-601-52899	Other Consulting Services	\$0	\$0	\$0
41-001-601-52901	Environmental Testing	\$13,223	\$25,000	\$25,000
41-001-601-53304	Electricity	\$303	\$1,000	\$1,000
41-001-601-54482	Computer Hardware	\$0	\$4,000	\$1,000
41-001-601-56605	Construction	\$447,243	\$0	\$0
41-001-601-52616	MCAPS Fuel	\$588,923	\$375,000	\$600,000
41-001-601-52713	MCAPS Operating Costs	\$113,637	\$0	\$120,000
41-001-601-52713	MCAPS Maintenance Costs	\$0	\$76,000	\$78,000
41-001-601-52713	MCAPS Filter Maintenance	\$0	\$81,000	\$83,000
	Subtotal	\$19,496,024	\$21,312,000	\$20,654,000
				-3.1%
POWER BLOCK FACILITY				
41-001-602-52104	Telephone & Pagers	\$40	\$0	\$0
41-001-602-52115	Advertising	\$310	\$0	\$0
41-001-602-52404	Building Operations	\$60	\$0	\$0
41-001-602-52502	Fees/Licenses/Permits	\$143,770	\$324,000	\$274,000
41-001-602-52506	Solid Waste Tax (Dioxin Tax)	\$959,908	\$1,068,000	\$1,046,000
41-001-602-52611	Revenue Sharing Expense (5.05)	\$3,609,234	\$3,826,000	\$3,624,000
41-001-602-52613	Coal	\$154,969	\$0	\$0
41-001-602-52614	Lime	\$889,766	\$831,000	\$1,160,000
41-001-602-52616	SNCR (Urea)	\$236,064	\$234,000	\$239,000
41-001-602-52702	Contract Ops Charge - Equipment (5.02)	\$3,581,011	\$3,892,000	\$3,988,000
41-001-602-52703	Contract Ops Charge - Management Fee (5.03)	\$1,468,587	\$1,543,000	\$1,582,000
41-001-602-52709	Contract Ops Charge - Personnel (5.01)	\$5,390,111	\$5,261,000	\$5,392,000
41-001-602-52858	Engineering	\$48,751	\$175,000	\$150,000
41-001-602-52899	Other Consulting Services	\$0	\$5,000	\$5,000
41-001-602-52901	Environmental Testing	\$54,159	\$170,000	\$170,000
41-001-602-52910	Continuous Emission Monitoring	\$149,488	\$200,000	\$200,000
41-001-602-53304	Electricity	\$237,145	\$275,000	\$300,000
41-001-602-56605	Construction	\$82,549	\$95,000	\$0
	Subtotal	\$17,005,922	\$17,899,000	\$18,130,000
				1.3%
ENERGY GENERATING FACILITY				
41-001-603-52504	Assessment / Taxes	\$0	\$0	\$0
41-001-603-52507	Payments In Lieu of Taxes	\$1,455,203	\$1,492,000	\$1,529,000
41-001-603-53304	Electricity	\$6,577	\$8,000	\$8,000
	Subtotal	\$1,461,780	\$1,500,000	\$1,537,000
				2.5%

MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
<u>HARTFORD LANDFILL</u>				
41-001-604-52104	Telephone & Pagers	\$3,822	\$4,000	\$4,000
41-001-604-52115	Advertising	\$617	\$0	\$1,000
41-001-604-52302	Miscellaneous Services	\$0	\$0	\$0
41-001-604-52404	Building Operations	\$2,885	\$15,000	\$15,000
41-001-604-52407	Project Equipment Maintenance	\$48,812	\$214,500	\$197,000
41-001-604-52415	Grounds Maintenance	\$110,704	\$334,000	\$966,000
41-001-604-52502	Fees/Licenses/Permits	\$22,463	\$22,000	\$0
41-001-604-52507	Payments in Lieu of Taxes	\$59,617	\$61,000	\$70,000
41-001-604-52604	Rental / Lease	\$525,000	\$525,000	\$525,000
41-001-604-52650	Post Closure Reserve	\$475,000	\$475,000	\$475,000
41-001-604-52701	Contract Operating Charges	\$1,355,216	\$1,448,500	\$1,455,000
41-001-604-52708	Contract Cover Charge	\$7,064	\$0	\$0
41-001-604-52709	Other Operating Charges	\$347,208	\$426,000	\$301,000
41-001-604-52858	Engineering	\$156,211	\$246,000	\$297,000
41-001-604-52901	Environmental Testing	\$79,772	\$139,000	\$109,000
41-001-604-53304	Electricity	\$11,113	\$17,000	\$17,000
41-001-604-54482	Computer Hardware	\$0	\$4,000	\$1,000
41-001-604-56605	Construction	\$499,855	\$400,000	\$170,000
41-001-601-xxxxx	Landfill Closure Reserve	\$0	\$1,000,000	\$1,000,000
41-001-604-58001	Contingency	\$0	\$20,000	\$20,000
	Subtotal	\$3,705,359	\$5,351,000	\$5,623,000 5.1%
<u>ELLINGTON LANDFILL</u>				
41-001-605-52407	Project Equipment Maintenance	\$0	\$10,000	\$24,000
41-001-605-52415	Grounds Maintenance	\$19,850	\$60,000	\$56,000
41-001-605-52502	Fees/Licenses/Permits	\$1,250	\$1,000	\$1,000
41-001-605-52504	Assessment/Taxes	\$13,905	\$0	\$15,000
41-001-605-52650	Post Closure Reserve	\$175,000	\$175,000	\$175,000
41-001-605-52709	Other Operating Charges	\$120,942	\$80,000	\$79,000
41-001-605-52858	Engineering	\$0	\$20,000	\$24,000
41-001-605-52901	Environmental Testing	\$22,764	\$40,000	\$33,000
41-001-605-53304	Electricity	\$15,965	\$24,000	\$24,000
	Subtotal	\$369,676	\$410,000	\$431,000 5.1%

MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
<u>TRANSFER STATION - ELLINGTON</u>				
41-001-610-52104	Telephone & Pagers	\$1,502	\$1,500	\$2,000
41-001-610-52302	Miscellaneous Services	\$0	\$0	\$0
41-001-610-52404	Building Operations	\$7,717	\$16,000	\$16,000
41-001-610-52502	Fees/Licenses/Permits	\$2,750	\$3,000	\$3,000
41-001-610-52508	Municipal Subsidy	\$4,270	\$7,000	\$7,000
41-001-610-52701	Contract Operating Charges	\$445,299	\$394,000	\$331,000
41-001-610-52858	Engineering	(\$102)	\$0	\$0
41-001-610-52901	Environmental Testing	\$0	\$1,500	\$2,000
41-001-610-53304	Electricity	\$2,336	\$2,000	\$3,000
41-001-610-54482	Computer Hardware	\$0	\$2,000	\$1,000
41-001-610-56605	Construction	\$11,420	\$15,000	\$0
	Subtotal	\$475,192	\$442,000	\$365,000 -17.4%
<u>TRANSFER STATION - ESSEX</u>				
41-001-611-52404	Building Operations	\$15,191	\$30,500	\$32,000
41-001-611-52502	Fees/Licenses/Permits	\$2,750	\$3,000	\$3,000
41-001-611-52604	Rental / Lease	\$0	\$0	\$0
41-001-611-52701	Contract Operating Charges	\$587,138	\$572,000	\$403,000
41-001-611-52709	Other Operating Charges	\$3,501	\$0	\$0
41-001-611-52858	Engineering	(\$102)	\$0	\$0
41-001-611-52901	Environmental Testing	\$1,472	\$3,500	\$4,000
41-001-611-54482	Computer Hardware	\$0	\$2,000	\$1,000
41-001-611-56605	Construction	\$1,680	\$10,000	\$0
41-001-611-57820	Local Administration	\$58,000	\$58,000	\$58,000
	Subtotal	\$669,630	\$679,000	\$501,000 -26.2%
<u>TRANSFER STATION - TORRINGTON</u>				
41-001-612-52404	Building Operations	\$16,801	\$30,500	\$31,000
41-001-612-52502	Fees/Licenses/Permits	\$2,900	\$3,000	\$3,000
41-001-612-52505	Claims/Losses	\$2,426	\$0	\$0
41-001-612-52604	Rental / Lease	\$100	\$0	\$0
41-001-612-52701	Contract Operating Charges	\$446,770	\$424,500	\$439,000
41-001-612-52858	Engineering	(\$102)	\$0	\$0
41-001-612-52901	Environmental Testing	\$1,004	\$2,000	\$3,000
41-001-612-54482	Computer Hardware	\$0	\$2,000	\$1,000
41-001-612-56605	Construction	\$19,520	\$9,000	\$0
	Subtotal	\$489,419	\$471,000	\$477,000 1.3%

MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
<u>TRANSFER STATION - WATERTOWN</u>				
41-001-613-52404	Building Operations	\$8,621	\$20,500	\$24,000
41-001-613-52502	Fees/Licenses/Permits	\$3,855	\$3,000	\$5,000
41-001-613-52508	Municipal Subsidy	\$26,821	\$29,000	\$34,000
41-001-613-52701	Contract Operating Charges	\$446,262	\$424,500	\$439,000
41-001-613-52858	Engineering	\$4,200	\$0	\$0
41-001-613-52901	Environmental Testing	\$502	\$2,000	\$3,000
41-001-613-54482	Computer Hardware	\$0	\$2,000	\$1,000
41-001-613-56605	Construction	\$27,380	\$13,000	\$0
	Subtotal	\$517,641	\$494,000	\$506,000 2.4%
<u>171 MURPHY ROAD</u>				
41-001-620-52104	Telephone & Pagers	\$81	\$0	\$0
41-001-620-52404	Building Operations	\$1,182	\$15,000	\$15,000
41-001-620-52507	Payments in Lieu of Taxes	\$32,065	\$32,000	\$33,000
41-001-620-53304	Electricity	\$1,233	\$0	\$1,500
41-001-620-53309	Other Utilities	\$285	\$0	\$500
	Subtotal	\$34,846	\$47,000	\$50,000 6.4%
<u>Jets / EGF</u>				
02-001-501-xxxxx	General Administration	\$136,703	\$1,021,000	\$189,000
02-001-951-xxxxx	Jets	\$1,753,461	\$1,960,000	\$1,778,000
02-001-952-xxxxx	Energy Generating Facility	\$3,885,785	\$3,692,000	\$4,857,000
		\$5,775,949	\$6,673,000	\$6,824,000 2.3%

RECYCLING OPERATIONS / EDUCATION

ASSUMPTIONS		ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
Tip Fees	Member Recyclables - Containers	\$0.00	\$0.00	\$0.00
	Member Recyclables - Paper	\$0.00	\$0.00	\$0.00
Delivery/Processing	Container Member Recyclables	22,083	22,000	22,000
	Paper Tons Delivered Direct to Other	16,375	14,000	14,000
	Paper Tons Delivered Direct to RRC	<u>40,137</u>	<u>42,000</u>	<u>42,000</u>
	Paper Member Recyclables	<u>56,512</u>	<u>56,000</u>	<u>56,000</u>
	Total	78,595	78,000	78,000
Recycling Sales	Container Per Ton Sales Revenue	\$75.64	\$41.00	\$55.00
	Paper Per Ton Sales Revenue	\$18.00	\$18.00	\$56.11
Residue	Container Recycling Residue Rate	7.91%	7.00%	7.00%
	Paper Recycling Residue Rate	0.03%	2.00%	2.00%
Other Operating	Container Operating Payment	\$21.66	\$22.18	\$23.16
	Paper Operating Payment	\$4.00	\$4.00	\$8.00
Miscellaneous	Inflation Estimate	2.66%	2.50%	2.50%
	75% of Inflation Escalator	2.00%	1.88%	1.88%

REVENUE & EXPENDITURE SUMMARY

ACCOUNT	DESCRIPTION	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
REVENUES				
41-001-000-42101	Recycling Sales	\$1,843,579	\$1,407,000	\$3,642,000
41-001-000-45150	Miscellaneous Income (Sweroc)	<u>\$167,664</u>	<u>\$173,000</u>	<u>\$177,000</u>
	Total Revenues	\$2,011,243	\$1,580,000	\$3,819,000
EXPENDITURES - OPERATIONS				
41-001-506-52115	Advertising	\$4,424	\$0	\$7,500
41-001-506-52118	Marketing & Public Relations	\$0	\$10,000	\$5,000
41-001-506-52202	Office Supplies	\$2,654	\$5,000	\$0
41-001-506-52203	Educational Supplies	\$0	\$0	\$0
41-001-506-52302	Miscellaneous Services	\$471	\$2,000	\$2,000
41-001-506-52303	Subscriptions/Publications/Ref. Material	\$25	\$200	\$0
41-001-506-52305	Business Meetings and Travel	\$50	\$0	\$500
41-001-506-52404	Building Operations	\$14,712	\$15,000	\$20,000
41-001-506-52407	Project Equipment Maintenance	\$24,351	\$40,000	\$40,000
41-001-506-52418	Education Exhibits Maintenance	\$0	\$35,000	\$0
41-001-506-52502	Fees/Licenses/Permits	\$7,250	\$10,000	\$26,000
41-001-506-52617	Electronics Collection	\$24,333	\$0	\$50,000
41-001-506-52652	Equipment Replacement Reserve	\$33,535	\$51,000	\$51,000
41-001-506-52659	Recycling Education Reserve	\$100,000	\$100,000	\$100,000
41-001-506-52660	Recycling Reserve	\$0	\$100,000	\$0
41-001-506-52701	Contract Operating Charges	\$665,410	\$656,000	\$846,000
41-001-506-52709	Other Operating Charges	\$0	\$50,000	\$35,000
41-001-506-52810	Contract Services	(\$1,380)	\$40,000	\$40,000
41-001-506-52858	Engineering	\$27,813	\$70,000	\$40,000
41-001-506-52901	Environmental Testing	\$3,846	\$6,800	\$7,000
41-001-506-53309	Other Utilities	\$939	\$0	\$0
41-001-506-54482	Computer Hardware	\$0	\$2,000	\$1,000
41-001-506-56605	Construction	\$28,650	\$0	\$0
41-001-506-57840	Allocation - Salaries	\$425,239	\$925,000	\$567,000
41-001-506-57850	Allocation - Overhead	<u>\$323,396</u>	<u>\$747,000</u>	<u>\$450,000</u>
	Subtotal	\$1,685,718	\$2,865,000	\$2,288,000

RECYCLING OPERATIONS / EDUCATION

EXPENDITURE SUMMARY

ACCOUNT	DESCRIPTION	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
EXPENDITURES - HARTFORD EDUCATION				
41-001-xxx-52104	Telephone & Pagers	n/a	n/a	\$0
41-001-xxx-52118	Marketing & Public Relations	n/a	n/a	\$5,000
41-001-xxx-52202	Office Supplies	n/a	n/a	\$3,000
41-001-xxx-52203	Educational Supplies	n/a	n/a	\$3,000
41-001-xxx-52302	Miscellaneous Services	n/a	n/a	\$0
41-001-xxx-52303	Subscriptions/Publications/Ref. Material	n/a	n/a	\$500
41-001-xxx-52305	Business Meetings and Travel	n/a	n/a	\$500
41-001-xxx-52403	Office Equipment Service	n/a	n/a	\$0
41-001-506-52418	Education Exhibits Maintenance	n/a	n/a	\$35,000
41-001-xxx-52615	Office Temporaries	n/a	n/a	\$0
41-001-xxx-57840	Allocation - Salaries	n/a	n/a	\$112,000
41-001-xxx-57850	Allocation - Overhead	n/a	n/a	\$90,000
	Subtotal	\$0	\$0	\$249,000
EXPENDITURES - STRATFORD EDUCATION				
41-001-508-52104	Telephone & Pagers	\$32	n/a	\$300
41-001-508-52118	Marketing & Public Relations	\$2,406	n/a	\$4,400
41-001-508-52202	Office Supplies	\$26	n/a	\$2,500
41-001-508-52203	Educational Supplies	\$0	n/a	\$3,000
41-001-508-52302	Miscellaneous Services	\$36	n/a	\$200
41-001-508-52303	Subscriptions/Publications/Ref. Material	\$951	n/a	\$1,000
41-001-508-52305	Business Meetings and Travel	\$204	n/a	\$300
41-001-508-52403	Office Equipment Service	\$250	n/a	\$300
41-001-508-52615	Office Temporaries	\$10,215	n/a	\$0
41-001-508-57840	Allocation - Salaries	\$94,982	n/a	\$95,000
41-001-508-57850	Allocation - Overhead	\$74,375	n/a	\$70,000
	Subtotal	\$183,477	\$173,000	\$177,000
	Total Expenditures	\$1,869,195	\$2,865,000	\$2,714,000
	SURPLUS/(DEFICIT)	\$142,048	(\$1,285,000)	\$1,105,000

(1) Additional revenues and expenditures are shown in other operating accounts. Additional research is required to determine these amounts.
n/a = Not Applicable

JETS / ENERGY GENERATING FACILITY OPERATIONS

REVENUE AND EXPENDITURE SUMMARY

REVENUES

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
ENERGY				
41-001-000-43104	Capacity	\$6,632,030	\$5,190,000	\$5,190,000
41-001-000-xxxxx	Variable	(a)	\$269,000	\$277,000
41-001-000-xxxxx	Backstop	(a)	\$41,000	\$41,000
41-001-000-xxxxx	Black Start Credit	\$0	\$738,000	\$767,000
	Subtotal Energy	\$6,632,030	\$6,238,000	\$6,275,000
OTHER				
41-001-000-46107	Interest Income	\$254,052	\$400,000	\$515,000
41-001-000-45151	Misc - Billboard Lease	(b)	\$23,000	\$22,000
41-001-000-45151	Misc - Office Space Rental	(b)	\$10,000	\$10,000
41-001-000-45151	Misc - TCI Cable Maintenance Fees	(b)	\$2,000	\$2,000
41-001-000-45151	Miscellaneous Income	\$106,019	\$35,000	\$34,000
	Subtotal Other	\$360,071	\$435,000	\$549,000
	Total Revenues	\$6,992,101	\$6,673,000	\$6,824,000

EXPENDITURES

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
41-001-901-xxxxx	General Administration	\$136,702	\$212,000	\$204,000
41-001-951-xxxxx	Jets	\$1,753,461	\$1,960,000	\$1,778,000
41-001-952-xxxxx	Energy Generating Facility	\$3,885,785	\$4,501,000	\$4,842,000
	Total Expenditures	\$5,775,948	\$6,673,000	\$6,824,000
	Balance	\$1,216,153	\$0	\$0

(a) Included in Jets Capacity revenue.

(b) Any revenues are included in Miscellaneous Income

JETS / ENERGY GENERATING FACILITY OPERATIONS

EXPENDITURE DETAIL

Account	Description	ACTUAL FY04	ADOPTED FY05	PROPOSED FY06
GENERAL ADMINISTRATION				
41-001-901-52404	Building Operations	\$33	\$5,000	\$5,000
41-001-901-52856	Legal	\$46,932	\$25,000	\$25,000
41-001-901-52875	Insurance, Consulting, Brokerage Service	\$0	\$12,000	\$10,000
41-001-901-52899	Other Consulting Services	\$0	\$35,000	\$40,000
41-001-901-53304	Electricity	\$0	\$4,000	\$5,000
41-001-901-57840	Allocation - Salaries	\$50,123	\$71,000	\$65,000
41-001-901-57850	Allocation - Overhead	\$39,614	\$60,000	\$54,000
	Subtotal	\$136,702	\$212,000	\$204,000 -3.8%
JETS				
41-001-951-52502	Fees/Licenses/Permits	\$0	\$19,000	\$19,000
41-001-951-52507	Payments In Lieu Of Taxes	\$119,767	\$277,000	\$284,000
41-001-951-52640	Insurance Premiums	\$231,440	\$397,000	\$97,000
41-001-951-52701	COC - Fixed Fee	(a)	\$766,000	\$785,000
41-001-951-52701	COC - Variable Fee	(a)	\$201,000	\$206,000
41-001-951-52701	COC - Pass-through expenses	(a)	\$150,000	\$154,000
41-001-951-52701	COC - Capital Upgrades	(a)	\$50,000	\$100,000
41-001-951-52701	Contract Operating Charges (COC)	\$1,290,236	\$1,167,000	\$1,245,000
41-001-951-52858	Engineering	\$21,709	\$25,000	\$25,000
41-001-951-53304	Electricity	\$90,309	\$75,000	\$108,000
	Subtotal	\$1,753,461	\$1,960,000	\$1,778,000 -9.3%
ENERGY GENERATING FACILITY				
41-001-952-52304	Dues - Professional Organization	\$20,793	\$0	\$21,000
41-001-952-52404	Building Operations	\$40	\$5,000	\$5,000
41-001-952-52640	Insurance Premiums	\$241,748	\$0	\$102,000
41-001-952-52671	Contribution to Jets/EGF Reserve	\$0	\$809,000	\$965,000
41-001-952-52701	Contract Operating Charges (C-1 Budget)	\$2,940,009	\$2,969,000	\$3,043,000
41-001-952-54491	Contract Capital Expenditures (C-2 Budget)	\$519,981	\$493,000	\$506,000
41-001-952-52858	Engineering	\$0	\$25,000	\$25,000
41-001-952-53309	Other Utilities	\$163,214	\$200,000	\$175,000
	Subtotal	\$3,885,785	\$4,501,000	\$4,842,000 7.6%

(a) Detail expenses are aggregated into Contract Operating Charges.

HARTFORD LANDFILL CLOSURE/POSTCLOSURE RESERVE

2/17/2004

Reserve Earnings Rate Assumption: 4.00% 2.00%
 Annual Inflation Rate Assumption: 2.50%

Fiscal Year	Post Year	Reserve Opening Balance	Reserve Contributions	Estimated Reserve Interest	Estimated Current Costs (1)	Inflation Adjusted Costs	Reserve Closing Balance
01	x						\$5,813,731
02	x	\$5,813,731	\$475,000	\$157,516	\$0	\$0	\$6,446,247
03	x	\$6,446,247	\$475,000	\$109,492	\$0	\$0	\$7,030,739
04	x	\$7,030,739	\$475,000	\$70,307	\$0	\$0	\$7,576,046
05	x	\$7,576,046	\$475,000	\$75,760	\$0	\$0	\$8,126,807
06	x	\$8,126,807	\$475,000	\$81,268	\$900,000	\$969,202	\$7,713,873
07	x	\$7,713,873	\$475,000	\$308,555	\$3,300,000	\$3,642,583	\$4,854,846
08	x	\$4,854,846	\$0	\$194,194	\$0	\$0	\$5,049,040
09	1	\$5,049,040	\$0	\$201,962	\$1,130,000	\$1,310,454	\$3,940,548
10	2	\$3,940,548	\$0	\$157,622	\$1,130,000	\$1,343,215	\$2,754,955
11	3	\$2,754,955	\$0	\$110,198	\$0	\$0	\$2,865,153
12	4	\$2,865,153	\$0	\$114,606	\$325,000	\$405,880	\$2,573,878
13	5	\$2,573,878	\$0	\$102,955	\$325,000	\$416,027	\$2,260,806
14	6	\$2,260,806	\$0	\$90,432	\$345,000	\$452,670	\$1,898,568
15	7	\$1,898,568	\$0	\$75,943	\$345,000	\$463,987	\$1,510,525
16	8	\$1,510,525	\$0	\$60,421	\$343,500	\$473,519	\$1,097,427
17	9	\$1,097,427	\$0	\$43,897	\$343,500	\$485,357	\$655,968
18	10	\$655,968	\$0	\$26,239	\$333,500	\$483,007	\$199,199
19	11	\$199,199	\$0	\$7,968	\$328,500	\$487,660	(\$280,493)
20	12	(\$280,493)	\$0	\$0	\$328,500	\$499,852	(\$780,345)
21	13	(\$780,345)	\$0	\$0	\$318,500	\$496,751	(\$1,277,096)
22	14	(\$1,277,096)	\$0	\$0	\$318,500	\$509,170	(\$1,786,266)
23	15	(\$1,786,266)	\$0	\$0	\$318,500	\$521,899	(\$2,308,166)
24	16	(\$2,308,166)	\$0	\$0	\$318,500	\$534,947	(\$2,843,112)
25	17	(\$2,843,112)	\$0	\$0	\$318,500	\$548,320	(\$3,391,433)
26	18	(\$3,391,433)	\$0	\$0	\$318,500	\$562,029	(\$3,953,461)
27	19	(\$3,953,461)	\$0	\$0	\$318,500	\$576,079	(\$4,529,541)
28	20	(\$4,529,541)	\$0	\$0	\$318,500	\$590,481	(\$5,120,022)
29	21	(\$5,120,022)	\$0	\$0	\$318,500	\$605,243	(\$5,725,265)
30	22	(\$5,725,265)	\$0	\$0	\$318,500	\$620,374	(\$6,345,639)
31	23	(\$6,345,639)	\$0	\$0	\$318,500	\$635,884	(\$6,981,523)
32	24	(\$6,981,523)	\$0	\$0	\$318,500	\$651,781	(\$7,633,304)
33	25	(\$7,633,304)	\$0	\$0	\$318,500	\$668,075	(\$8,301,379)
34	26	(\$8,301,379)	\$0	\$0	\$318,500	\$684,777	(\$8,986,156)
35	27	(\$8,986,156)	\$0	\$0	\$135,000	\$297,507	(\$9,283,663)
36	28	(\$9,283,663)	\$0	\$0	\$135,000	\$304,945	(\$9,588,608)
37	29	(\$9,588,608)	\$0	\$0	\$135,000	\$312,568	(\$9,901,177)
38	30	(\$9,901,177)	\$0	\$0	\$135,000	\$320,383	(\$10,221,559)
			\$2,850,000			\$20,874,626	

(1) Costs in nominal dollars

Per the DEP Permit, CRRA must maintain a postclosure reserve adequate to cover five year's postclosure cost.
 Upon return of the Hartford Landfill to the City of Hartford, the funds in this reserve would become unrestricted/undesignated.

ELLINGTON LANDFILL POSTCLOSURE RESERVE

2/17/2004

Reserve Earnings Rate Assumption: 4.00% 2.00%
 Annual Inflation Rate Assumption: 2.50%

Fiscal Year	Post Year	Reserve Opening Balance	Reserve Contributions	Estimated Reserve Interest	Estimated Current Costs (1)	Inflation Adjusted Costs	Reserve Closing Balance
01	x						\$1,103,252
02	x	\$1,103,252	\$50,000	\$29,419		\$0	\$1,182,671
03	x	\$1,182,671	\$50,000	\$19,600	\$0	\$21,700	\$1,230,571
04	x	\$1,230,571	\$175,000	\$12,871	\$0	\$0	\$1,418,442
05	x	\$1,418,442	\$175,000	\$14,184	\$0	\$0	\$1,607,626
06	x	\$1,607,626	\$175,000	\$16,076	\$0	\$0	\$1,798,702
07	x	\$1,798,702	\$175,000	\$35,974	\$0	\$0	\$2,009,676
08	x	\$2,009,676	\$175,000	\$80,387	\$0	\$0	\$2,265,063
09	x	\$2,265,063	\$175,000	\$90,603	\$0	\$0	\$2,530,666
10	x	\$2,530,666	\$0	\$101,227	\$0	\$0	\$2,631,893
11	x	\$2,631,893	\$0	\$105,276	\$0	\$0	\$2,737,168
12	x	\$2,737,168	\$0	\$109,487	\$0	\$0	\$2,846,655
13	x	\$2,846,655	\$0	\$113,866	\$132,250	\$169,291	\$2,791,230
14	x	\$2,791,230	\$0	\$111,649	\$132,250	\$173,523	\$2,729,356
15	x	\$2,729,356	\$0	\$109,174	\$132,250	\$177,862	\$2,660,669
16	x	\$2,660,669	\$0	\$106,427	\$132,250	\$182,308	\$2,584,787
17	x	\$2,584,787	\$0	\$103,391	\$132,250	\$186,866	\$2,501,313
18	x	\$2,501,313	\$0	\$100,053	\$132,250	\$191,537	\$2,409,828
19	x	\$2,409,828	\$0	\$96,393	\$132,250	\$196,326	\$2,309,895
20	x	\$2,309,895	\$0	\$92,396	\$132,250	\$201,234	\$2,201,057
21	x	\$2,201,057	\$0	\$88,042	\$132,250	\$206,265	\$2,082,834
22	x	\$2,082,834	\$0	\$83,313	\$132,250	\$211,421	\$1,954,726
23	x	\$1,954,726	\$0	\$78,189	\$132,250	\$216,707	\$1,816,208
24	x	\$1,816,208	\$0	\$72,648	\$132,250	\$222,125	\$1,666,732
25	x	\$1,666,732	\$0	\$66,669	\$132,250	\$227,678	\$1,505,724
26	x	\$1,505,724	\$0	\$60,229	\$132,250	\$233,370	\$1,332,583
27	x	\$1,332,583	\$0	\$53,303	\$132,250	\$239,204	\$1,146,682
			\$1,150,000			\$2,818,213	

(1) Costs in nominal dollars

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**PROPOSED
MID-CONNECTICUT PROJECT
CAPITAL BUDGET & FIVE-YEAR CAPITAL PLAN
FISCAL YEAR 2006**

February 17, 2005

Mid-Connecticut Project Five Year Capital Improvement Plan (\$000's)

Expenditure Area	Adopted FY05	Projected FY05	Proposed FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10
Waste Processing Facility (WPF)	\$1,065	\$1,440	\$900	\$70	\$60	\$60	\$120
Power Block Facility (PBF)	\$95	\$235	\$275	\$20	\$20	\$20	\$20
Energy Generating Facility (EGF)	\$159	\$159	\$2,817	\$929	\$804	\$0	\$100
Jets	\$0	\$0	\$1,190	\$300	\$500	\$600	\$500
Hartford Landfill	\$400	\$400	\$0	\$2,080	\$3,300	\$1,130	\$1,130
Landfill Contingency	\$1,500	\$0	\$1,500	\$1,500	\$1,500	\$0	\$0
Recycling Facility	\$475	\$0	\$241	\$175	\$10	\$10	\$10
Rolling Stock	\$766	\$60	\$243	\$0	\$0	\$0	\$0
Transfer Stations	\$66	\$148	\$156	\$102	\$23	\$23	\$36
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facility Expenditures	\$4,526	\$2,442	\$7,322	\$5,176	\$6,217	\$1,843	\$1,916

Funding Sources	Beginning Fund Balance ⁽¹⁾	Adopted FY05	Projected FY05	Proposed FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10
Operating Budget		\$400	\$400	\$0	\$0	\$0	\$0	\$0
Reserve - Operations ⁽²⁾	\$5,750	\$1,701	\$1,823	\$1,572	\$367	\$113	\$113	\$186
Reserve - Rolling Stock ⁽³⁾	\$1,986	\$766	\$60	\$243	\$0	\$0	\$0	\$0
Reserve - Landfill Closure ⁽⁴⁾	\$6,674	\$0	\$0	\$0	\$2,080	\$3,300	\$1,130	\$1,130
Reserve - Risk Fund	\$4,854	\$1,500	\$0	\$1,500	\$1,500	\$1,500	\$0	\$0
Reserve - Jets/EGF	\$20,000	\$159	\$159	\$4,007	\$1,229	\$1,304	\$600	\$600
Total	\$39,264	\$4,526	\$2,442	\$7,322	\$5,176	\$6,217	\$1,843	\$1,916

(1) Reserve balances in thousands as of June 30, 2003.

(2) WPF Mod Reserve and Recycling reserve to be used to fund all facility/equipment capital projects. \$1.5M annual contribution.

(3) Reserve used to replace or rebuild loaders, roll-off tractors and/or containers and other rolling stock at all of the facilities. Annual contribution of \$350.

(4) Assumes \$1M contribution from FY05 through FY07. Costs based upon existing permit requirements.

Mid-Connecticut Project Five Year Major Capital Improvement Projects (\$000's)

Facility / Major Projects ⁽¹⁾	Adopted FY05	Projected FY05	Adopted FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY10
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Waste Processing Facility

Resurface Portion of MSW Floor	\$0	\$0	\$220	\$0	\$0	\$0	\$0
Resurface Portion of RDF Floor	\$155	\$410	\$0	\$0	\$0	\$0	\$0
Conveyor Rebuilds	\$200	\$200	\$200	\$0	\$0	\$0	\$0
131/231 1250 HP Motor	\$0	\$0	\$100	\$0	\$0	\$0	\$0
Spillage Improvements	\$50	\$50	\$100	\$0	\$0	\$0	\$0

Landfills (Hartford & Ellington)

Liner Extension	\$275	\$275	\$0	\$0	\$0	\$0	\$0
Truck Wash Down Area	\$100	\$100	\$0	\$0	\$0	\$0	\$0
Closure	\$0	\$0	\$0	\$2,080	\$3,300	\$1,130	\$1,130
Plume Control	\$1,500	\$0	\$1,500	\$1,500	\$1,500	\$0	\$0

Recycling

Container Facility Modifications	\$318	\$0	\$56	\$0	\$0	\$0	\$0
Roof Repairs	\$100	\$40	\$120	\$75	\$0	\$0	\$0

Transfer Stations (Ellington, Essex, Torrington & Watertown)

Paving	\$5	\$30	\$29	\$20	\$5	\$5	\$5
Push Wall Repairs	\$0	\$0	\$70	\$20	\$5	\$5	\$5
Upgrade Lighting	\$0	\$0	\$12	\$0	\$0	\$0	\$0

Jets / Energy Generating Facility

Equipment Replacement	\$50	\$0	\$50	\$50	\$50	\$0	\$0
Major Overhaul & Repair	\$75	\$0	\$2,313	\$0	\$0	\$1,675	\$0
Turbine Work #5 & #6	\$0	\$0	\$220	\$175	\$0	\$220	\$0
Jet Engine Rebuild	\$0	\$0	\$500	\$200	\$500	\$500	\$0

Rolling Stock

Loader Rebuilds	\$370	\$370	\$0	\$0	\$0	\$0	\$0
Excavator Purchase	\$275	\$275	\$0	\$0	\$0	\$0	\$0
Sweeper Purchase	\$100	\$100	\$0	\$0	\$0	\$0	\$0

(1) This list represents the major capital projects to be performed over the next five years. This list is not all inclusive.

TAB 2

**RESOLUTION REGARDING THE ESTABLISHMENT OF THE
DEBT SERVICE STABILIZATION RESERVE FOR THE
MID-CONNECTICUT PROJECT**

RESOLVED: That a Debt Service Stabilization Reserve be created for the Mid-Connecticut Project for the purpose of paying future debt service during a period when the project will experience a revenue shortfall due to the loss Enron energy revenues;

FURTHER RESOLVED: That the interest earnings for this reserve be retained within this reserve;

FURTHER RESOLVED: That the initial funding for this reserve be through the fiscal year 2006 operating budget.

Connecticut Resources Recovery Authority

February 24, 2005

Account: DEBT SERVICE STABILIZATION RESERVE

Project: Mid-Connecticut Project

Purpose: This reserve is being established to provide a source of funds which will be used to ameliorate future debt service. Although the Authority has recovered some settlement monies, it will not completely cover the full amount of the Enron loss; therefore, and unless future recoveries are received a shortfall will exist in the future which could require tip fees to be raised above market in the final years of the project.

Fund Basis: The basis will be reviewed annually by evaluating various projection scenarios through the term of the existing project.

Fund Source: This reserve is to be funded through the annual operating budget. Initial funding to begin in fiscal year 2006.

Fund Amount as of February 17, 2005: \$0

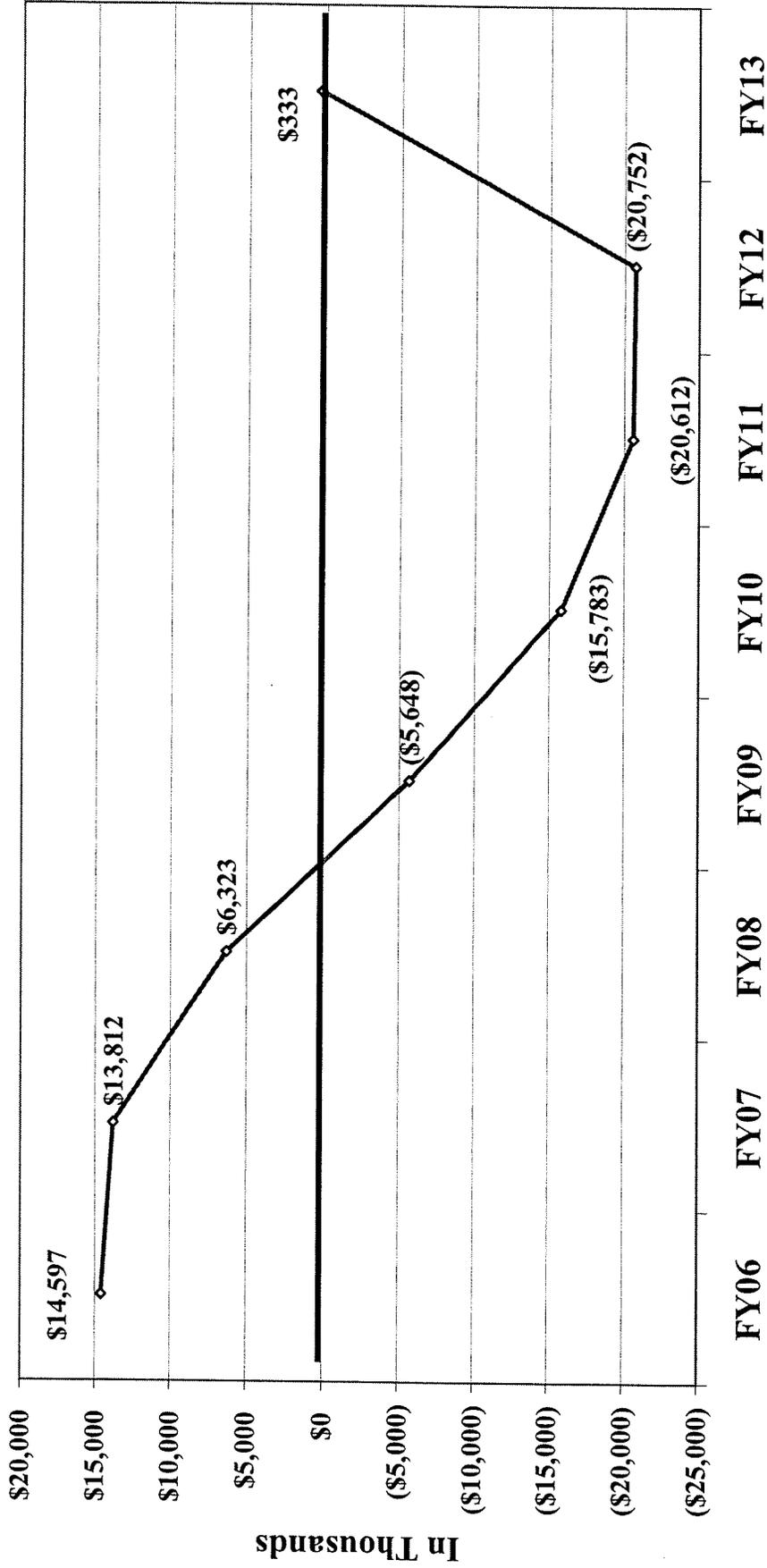
Term: It anticipated based upon current projections that the reserve will be funded for the next several years and then be drawn down during the final years of the project. In the event other solutions are implemented to mitigate tip fee increases, the Authority's Board of Directors may re-designate any remaining fund balance and dissolve this reserve.

Supporting Documentation:

Upon adoption, minutes of the vote will be attached for supporting documentation.

Recommendation: Establish the reserve and adjust the fund balance as information becomes available to support changes to the fund basis.

Connecticut Resources Recovery Authority Mid-Connecticut Project Projections



—◆— Suplus / (Deficit)

Assumes FY06 Tip Fee of \$70 per ton escalating 2.5% thereafter.

TAB 3

**A BOARD RESOLUTION ADOPTING THE INVESTMENT APPROACH FOR
THE \$111 MILLION ENRON SETTLEMENT**

WHEREAS, the Authority received \$111,686,881 (representing \$111,261,955 from the sale of the Enron claim to Deutsche Bank on August 20, 2004, plus \$424,926 accrued interest) on February 1, 2005 (collectively the “Enron Settlement Funds”); and

WHEREAS, under Section 4 of the U.S. Bank Pledge Acknowledgement and Confirmation and Agreement as to Proofs of Claims executed between the Authority and U.S. Bank as Trustee (“Trustee”) on July 28, 2004, the Authority will apply the Enron Settlement Funds toward payment on the Mid-Connecticut Bonds; and

WHEREAS, the Amended and Restated Master Lease Agreement between the Authority and the State of Connecticut on October 29, 2003 included the State Loans as Bonds of the Authority; and

WHEREAS, the Office of the State Treasurer and the Office of Policy and Management have determined that full repayment of the State Loan is not necessary at this time and leaves the decision to retire the State Loan with the Authority; and

WHEREAS, application of the Enron Funds to pay and or otherwise defease outstanding Mid-Connecticut debt will satisfy the calculation of Section 7.16(A) of the Resolution Authorizing the Issuance of the Mid-Connecticut System Bonds adopted March 13, 1985, as amended, concerning the revenue covenant, whereby defeased debt service will be eliminated from the calculation referred to herein; and

WHEREAS, the Board has received and reviewed the Investment Manual for Enron Settlement Claim Proceeds prepared by Management, dated February 2005 and has determined that the following Management recommendations are prudent:

1. The balance of the State Loan should continue to be paid through to its stated maturity in 2012 rather than upon receipt of the Enron Settlement in order to take advantage of currently lower interest rates, while defeasing higher costing debt service.
2. The Authority’s 2001 Bonds be fully defeased with a portion of the Enron Settlement Funds, which will eliminate this liability.
3. The Authority’s 1997 Bonds be fully defeased with a portion of the Enron Settlement Funds, which will eliminate this liability.
4. To apply the remaining Enron Settlement Funds for a partial defeasance of as many of the Authority’s outstanding 1996 Bonds as the funds will enable; and

WHEREAS, under Section 11.1(B) of the Resolution Authorizing the Issuance of the Mid-Connecticut System Bonds adopted March 13, 1985, as amended, for purposes of defeasance, the Investment Securities available for the Authority are defined for purposes of defeasance; and

WHEREAS, the Board has been provided with the Authority's Investment Policy revised and adopted by the Board on January 22, 2004; now therefore, be it:

RESOLVED: That the Board hereby approves the Management Plan as presented in the Investment Manual for Enron Settlement Claim Proceeds at this meeting and approves the application of the Enron Settlement Funds as outlined; and

FUTHER RESOLVED: That the Board hereby approves the investment in State and Local Government Securities ("SLGS") of the funds to be held in escrow for defeasance of Mid-Connecticut bonds.

TAB 4

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CONNECTICUT RESOURCES RECOVERY AUTHORITY DESIGNATING NOT
MORE THAN \$20,000,000 OF PROCEEDS RECEIVED FROM THE SALE OF THE
SETTLEMENT OF ITS BANKRUPTCY CLAIMS AGAINST ENRON CORP. AND
CERTAIN ENRON SUBSIDIARIES TO THE REPAYMENT OF ITS
OUTSTANDING LOANS WITH THE STATE OF CONNECTICUT
FOR THE BENEFIT OF THE MID-CONNECTICUT PROJECT**

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") has been duly established and constituted as a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, to carry out the purposes of Chapter 446e of the Connecticut General Statutes, Sections 22a-260 et. seq., as amended (the "Act"); and

WHEREAS, the Authority has, from time to time, issued bonds, pursuant to certain powers and duties expressly provided for in the Act, and pursuant to the terms of its Resolution Authorizing the Issuance of Mid-Connecticut System Bonds, adopted on March 13, 1985, as amended (the "General Bond Resolution"), for the purpose of financing its Mid-Connecticut Project, a Waste Processing Facility and Power Block Facility of the Authority, pursuant to the powers vested in the Authority under the Act (the "Mid-Connecticut Project"); and

WHEREAS, Section 2(a) of Public Act No. 03-5, as the same is codified under Section 22a-268d of the Act provides that the Authority may, upon the approval of two-thirds of the appointed directors of the Authority and subsequent approval of the State Treasurer and the Secretary of the Office of Policy and Management ("OPM"), borrow from the State of Connecticut (the "State"), for the fiscal years ending June 30, 2003 and June 30, 2004, an amount not to exceed twenty-two million dollars (\$22,000,000) and, for the fiscal years ending subsequent to June 30, 2004, an amount in the aggregate not to exceed ninety-three million dollars (\$93,000,000), which borrowing shall be for the purposes of supporting the repayment of debt issued by the Authority on behalf of the Mid-Connecticut Project, and shall be collateralized, as determined by the State Treasurer and the Secretary of OPM, to the extent possible under the Act; and

WHEREAS, on June 27, 2003, the Authority and the State entered into an interim financing arrangement in the form of a credit facility from the State to the Authority in the aggregate amount of \$2,000,000 (the "\$2,000,000 Loan"), which \$2,000,000 Loan was issued pursuant to the terms of a Master Loan Agreement, dated as of June 27, 2003, by and between the Authority and the State, and evidenced by a Promissory Note, in the aggregate amount of \$2,000,000, dated June 27, 2003; and

WHEREAS, on July 24, 2003, the Authority and the State entered into a second interim financing arrangement in the form of a credit facility from the State to the Authority in the aggregate amount of \$2,171,149 (the "\$2,171,149 Loan"), which \$2,171,149 Loan was issued pursuant to the terms of a Master Loan Agreement, dated as of July 24, 2003, by and between the Authority and the State, and evidenced by a Promissory Note, in the aggregate amount of \$2,171,149, dated July 24, 2003; and

WHEREAS, on October 29, 2003, the Authority and the State entered into an aggregate \$22,000,000 financing arrangement, consisting of (i) the reclassification of both the \$2,000,000 Loan and the \$2,171,149 Loan as Subordinated Indebtedness under the General Bond Resolution, and (ii) the issuance of an additional \$17,828,851 of indebtedness, classified as Subordinated Indebtedness under the General Bond Resolution (the “\$22,000,000 Loan”), all pursuant to the terms of an Amended and Restated Master Loan Agreement, dated as of October 29, 2003 (the “2003 Master Loan Agreement”); and

WHEREAS, on March 1, 2004, the Authority and the State entered into a loan in an amount not to exceed \$20,000,000 for the purpose of paying a portion of the debt service payments on its outstanding Bonds issued for the Mid-Connecticut Project for the fiscal year ending June 30, 2005 and subsequent fiscal years, classified as Subordinated Indebtedness under the General Bond Resolution (the “\$20,000,000 Loan”), all pursuant to the terms of a Master Loan Agreement, dated as of March 1, 2004 (the “2004 Master Loan Agreement”); and

WHEREAS, as of the date hereof, the Authority owes the State approximately \$11,000,406 of principal plus interest with respect to the \$22,000,000 Loan and approximately \$8,331,406 of principal plus interest with respect to the \$20,000,000 Loan; and

WHEREAS, on February 1, 2005, the Authority received a total of \$111,686,881 from the sale of the settlement of its bankruptcy claims against Enron Corp. and certain Enron subsidiaries (the “Enron Settlement”); and

WHEREAS, the proceeds of the Enron Settlement were deposited with U.S. Bank National Association, the bond trustee under the General Bond Resolution (the “Trustee”), and will be used for the benefit of the holders of the Bonds issued for the Mid-Connecticut Project, including the repayment of debt service on outstanding Bonds issued for the Mid-Connecticut Project; and

WHEREAS, the 2003 Master Loan Agreement and the 2004 Master Loan Agreement provide that the Authority shall consult with the State Treasurer and the Secretary of the Office of Policy and Management regarding the utilization of the proceeds received in connection with the Enron Settlement; and

WHEREAS, the 2003 Master Loan Agreement and the 2004 Master Loan Agreement provide that the proceeds from the Enron Settlement may be used to repay advances under the \$22,000,000 Loan and the \$20,000,000 Loan (collectively, the “Loans”), to mitigate the need for anticipated future advances under the Loans and/or to mitigate service payments collected by the Authority as a gate or user fee for the disposal of solid waste at the Mid-Connecticut Project; and

WHEREAS, after consulting with the State Treasurer and the Secretary of the Office of Policy and Management, the Board has determined to use a portion of the proceeds from the Enron Settlement to repay the advances made under the Loans as well as any other debt issued pursuant to the General Bond Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Connecticut Resources Recovery Authority:

Section 1. That not more than \$20,000,000 of the proceeds from the Enron Settlement shall be deposited in an irrevocable escrow or similar fund or account designated for the repayment of the Loans and that the interest earned on such fund or account shall be held for the repayment of the Loans until the Loans are paid in full.

Section 2. That the Chairman of the Board, the President and the Chief Financial Officer of the Authority (the "Officials") are authorized and directed to execute and deliver any agreements or letters necessary to provide for the payment when due of the current installments of principal and interest on the Loans, including, but not limited to, agreements with the Trustee establishing the necessary funds and/or accounts in order to repay the 2003 Loan and the 2004 Loan, respectively.

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

Section 4. This resolution shall take effect immediately.

Date: February __, 2005

TAB 5

CONNECTICUT RESOURCES RECOVERY AUTHORITY

A RESOLUTION AUTHORIZING THE APPLICATION OF A PORTION OF THE PROCEEDS OF THE SALE OF THE CONNECTICUT RESOURCES AUTHORITY'S CLAIMS IN BANKRUPTCY AGAINST THE ESTATE OF ENRON CORP. AND ITS AFFILIATES TO THE DEFEASANCE OF OUTSTANDING MID-CONNECTICUT SYSTEM BONDS AND THE EXECUTION AND DELIVERY OF ESCROW DEPOSIT AGREEMENTS WITH U.S. BANK NATIONAL ASSOCIATION TO PROVIDE FOR THE CUSTODY, INVESTMENT AND APPLICATION OF SUCH PORTION OF THE PROCEEDS TO EFFECT SUCH DEFEASANCE.

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") has previously issued, and there are outstanding \$150,095,000 Mid-Connecticut System Bonds, 1996 Series A, \$2,100,000 Mid-Connecticut System Bonds, 1997 Series A and \$13,210,000 Mid-Connecticut System Bonds, 2001 Series A (collectively, the "Bonds"), all pursuant to a resolution of the Authority adopted March 13, 1985 as supplemented and amended (the "Bond Resolution"); and

WHEREAS, under the Bond Resolution, the Authority pledged to the payment of the bonds issued thereunder, including the Bonds, certain Revenues, including revenues derived from an Energy Purchase Agreement; and

WHEREAS, the Authority entered a series of transactions into with Enron Power Marketing Incorporated ("EPMI") that in effect amended the Energy Purchase Agreement and, following the bankruptcy filing of EPMI and its affiliates including Enron Corp. (collectively, "Enron") in December 2001, resulted in the Authority's filing claims against Enron in its bankruptcy proceedings; and

WHEREAS, the Authority's claims in the Enron bankruptcy proceedings were allowed, the Authority sold such claims, and the Authority realized from such sale of such claims a sum in excess of \$111,600,000 (the "Proceeds"); and

WHEREAS, the Board of Directors of the Authority (the "Board") has determined to apply a portion of such Proceeds to the payment and prepayment of Debt Service on the Bonds in a manner consistent with the Bond Resolution and designed to stabilize the tipping fees charged to the communities obligated to deliver waste to the Mid-Connecticut System and to assist the Authority to meet its revenue covenant contained in Section 716(A) of the Bond Resolution (the "Revenue Covenant"); and

WHEREAS, the Board has determined that the most effective application of the Proceeds consistent with the Authority's obtaining maximum credit for such Proceeds for purposes of its meeting its Revenue Covenant requires that the Authority defease Bonds so as to reduce the amount of Debt Service to be paid from Revenues derived from tipping fees; and

WHEREAS, defeasance of Bonds requires that the Authority enter into agreements with the Trustee under the Bond Resolution to provide irrevocably for the custody, investment and payment and redemption of Bonds from the Proceeds deposited with the Trustee as escrow agent for the defeased Bonds, to the end that such Bonds shall be deemed to have been paid in accordance with the provisions of

Section 11.1(B) of the Bond Resolution and therefore the Debt Service thereon shall not be taken into account for purposes of the Revenue Covenant; and

WHEREAS, there have been presented to the Authority three Escrow Deposit Agreements, one each for the Mid-Connecticut Bonds, 1996 Series A, 1997 Series A and 2001 Series A to be defeased, and the Authority has determined to approve and authorize the execution and delivery of each; and

WHEREAS, the Board has previously this day resolved to set aside a portion of the Proceeds in a reserve for the payment or prepayment of certain other obligations outstanding under the Bond Resolution (the portion of the Proceeds and the investment income thereon not so set aside being herein called the "Remaining Proceeds") ; now, therefore, be it

RESOLVED: That the Board hereby authorizes the application of all or a portion of the Remaining Proceeds to the defeasance of all of the Authority's outstanding 1997 Series A Bonds, all of the Authority's outstanding 2001 Series A Bonds and so many of the 1996 Series A Bonds, in the order of their maturity, as the Chairman of the Board, the President and the Chief Financial Officer of the Authority (the "Officials") shall determine, in their sole discretion, to be practicable; and

FURTHER RESOLVED: That the Board hereby approves the forms of the Escrow Deposit Agreements and authorizes the Officials to execute and deliver each of the three Escrow Deposit Agreements in substantially the forms presented at this meeting with such changes as the Officials shall approve as in the best interests of the Authority, their execution and delivery thereof being conclusive evidence of their approval of any such changes; and

FURTHER RESOLVED: That the Officials be, and hereby are, authorized to take all such further actions and execute such further documents on behalf of the Authority to accomplish the defeasance of the Bonds as contemplated hereby, and as otherwise may be necessary and appropriate, and of the terms and conditions of any and all the aforesaid documents.

Capitalized terms not defined herein shall have the meanings accorded to them by the Bond Resolution. This resolution shall take effect immediately.

Adopted: _____

**CONNECTICUT RESOURCES RECOVERY
AUTHORITY**

By: _____
Corporate Secretary

TAB 6

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CONNECTICUT RESOURCES RECOVERY AUTHORITY RESCINDING ITS
RESOLUTION ADOPTED ON DECEMBER 16, 2004 AUTHORIZING THE ISSUANCE
OF SUBORDINATED INDEBTEDNESS UNDER THE GENERAL BOND RESOLUTION
IN THE FORM OF A LOAN NOT TO EXCEED \$20,000,000 FOR THE FISCAL YEAR
ENDING JUNE 30, 2006 AND SUBSEQUENT FISCAL YEARS FROM THE STATE
OF CONNECTICUT FOR THE BENEFIT OF THE MID-CONNECTICUT PROJECT**

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") has been duly established and constituted as a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, to carry out the purposes of Chapter 446e of the Connecticut General Statutes, Sections 22a-260 et. seq., as amended (the "Act"); and

WHEREAS, the Authority has, from time to time, issued bonds, pursuant to certain powers and duties expressly provided for in the Act, and pursuant to the terms of its Resolution Authorizing the Issuance of Mid-Connecticut System Bonds, adopted on March 13, 1985, as amended (the "General Bond Resolution"), for the purpose of financing its Mid-Connecticut Project, a Waste Processing Facility and Power Block Facility of the Authority, pursuant to the powers vested in the Authority under the Act (the "Mid-Connecticut Project"); and

WHEREAS, Section 2(a) of Public Act No. 03-5, as the same is codified under Section 22a-268d of the Act provides that the Authority may, upon the approval of two-thirds of the appointed directors of the Authority and subsequent approval of the State Treasurer and the Secretary of the Office of Policy and Management ("OPM"), borrow from the State of Connecticut (the "State"), for the fiscal years ending June 30, 2003 and June 30, 2004, an amount not to exceed twenty-two million dollars (\$22,000,000) and, for the fiscal years ending subsequent to June 30, 2004, an amount in the aggregate not to exceed ninety-three million dollars (\$93,000,000), which borrowing shall be for the purposes of supporting the repayment of debt issued by the Authority on behalf of the Mid-Connecticut Project, and shall be collateralized, as determined by the State Treasurer and the Secretary of OPM, to the extent possible under the Act; and

WHEREAS, on June 27, 2003, the Authority and the State entered into an interim financing arrangement in the form of a credit facility from the State to the Authority in the aggregate amount of \$2,000,000 (the "\$2,000,000 Loan"), which \$2,000,000 Loan was issued pursuant to the terms of a Master Loan Agreement, dated as of June 27, 2003, by and between the Authority and the State, and evidenced by a Promissory Note, in the aggregate amount of \$2,000,000, dated June 27, 2003; and

WHEREAS, on July 24, 2003, the Authority and the State entered into a second interim financing arrangement in the form of a credit facility from the State to the Authority in the aggregate amount of \$2,171,149 (the "\$2,171,149 Loan"), which \$2,171,149 Loan was issued pursuant to the terms of a Master Loan Agreement, dated as of July 24, 2003, by and between the Authority and the State, and evidenced by a Promissory Note, in the aggregate amount of \$2,171,149, dated July 24, 2003; and

WHEREAS, on October 29, 2003, the Authority and the State entered into an aggregate \$22,000,000 financing arrangement, consisting of (i) the reclassification of both the \$2,000,000 Loan and the \$2,171,149 Loan as Subordinated Indebtedness under the General Bond Resolution, and (ii) the issuance of an additional \$17,828,851 of indebtedness, classified as Subordinated Indebtedness under the General Bond Resolution (the "\$22,000,000 Loan"), all pursuant to the terms of an Amended and Restated Master Loan Agreement, dated as of October 29, 2003; and

WHEREAS, on March 1, 2004, the Authority and the State entered into a loan in an amount not to exceed \$20,000,000 for the purpose of paying a portion of the debt service payments on its outstanding Bonds issued for the Mid-Connecticut Project for the fiscal year ending June 30, 2005 and subsequent fiscal years, classified as Subordinated Indebtedness under the General Bond Resolution (the "\$20,000,000 Loan"), all pursuant to the terms of a Master Loan Agreement, dated as of March 1, 2004; and

WHEREAS, on December 16, 2004, the Board of Directors of the Authority (the "Board") adopted a resolution authorizing the President and Chief Financial Officer of the Authority (the "Officials") to enter into an interim financing arrangement with the State in the form of a loan in an amount not to exceed twenty million dollars (\$20,000,000), the proceeds of which were to be expended by the Authority for the purpose of paying a portion of the debt service payments on its outstanding Bonds issued for the Mid-Connecticut Project for the fiscal year ending June 30, 2006 and subsequent fiscal years (the "2006 State Loan"); and

WHEREAS, on February 1, 2005, the Authority received a total of \$111,686,881 from the sale of the settlement of its bankruptcy claims against Enron Corp. and certain Enron subsidiaries (the "Enron Settlement"); and

WHEREAS, the proceeds of the Enron Settlement were deposited with U.S. Bank National Association, the bond trustee under the General Bond Resolution, and will be used for the benefit of the holders of the Bonds issued for the Mid-Connecticut Project, including the repayment of debt service on outstanding Bonds issued for the Mid-Connecticut Project; and

WHEREAS, because the Authority has received the proceeds from the Enron Settlement, the Board has determined that the 2006 State Loan is not needed and wishes to rescind the authorization for the 2006 State Loan passed at its December 16, 2004 Board meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Connecticut Resources Recovery Authority:

Section 1. That the resolution adopted by the Board on December 16, 2004 authorizing the Authority to enter into the 2006 State Loan is hereby rescinded.

Section 2. That this resolution shall have no force and effect upon the terms and provisions of the \$22,000,000 Loan and the \$20,000,000 Loan and the Authority shall continue to be obligated for the repayment of such Loans in accordance with their provisions.

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

Section 4. This resolution shall take effect immediately.

Date: February __, 2005

TAB 7

**RECOMMENDED BOARD RESOLUTION REGARDING ADDITIONAL
PROJECTED LEGAL EXPENDITURES**

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

WHEREAS, the Board of Directors, on September 23, 2004, authorized certain amounts for payment of fiscal year 2005 projected legal fees; and

WHEREAS, CRRA has incurred greater than anticipated legal expenses in connection with the settlement of its Enron bankruptcy claim, the MDC arbitration, and certain other matters;

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

<u><i>Firm</i></u>	<u><i>Amount</i></u>	<u><i>Revised Board Authorized Amount</i></u>
Anderson Kill & Olick	\$100,000	\$600,000
Halloran & Sage	\$150,000	\$650,000
McCarter & English	\$300,000	\$700,000

TAB 8

**RESOLUTION REGARDING LOOSE RESIDENTIAL MIXED PAPER PURCHASE AND
SALE AGREEMENT WITH RECYCLE AMERICA ALLIANCE, L.L.C.**

RESOLVED: That the Board of Directors hereby approves the execution by the President of an agreement with Recycle America Alliance, L.L.C., for the purchase of CRRA's loose residential mixed paper from its Mid-Connecticut Project, substantially in the form presented to the Board in the January 27, 2005 Board package, and as presented and discussed at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Agreement Entitled

Loose Residential Mixed Paper Purchase and Sale Agreement Mid-Connecticut Regional Recycling Project

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): Recycle America Alliance, L.L.C.

Effective Date: February 1, 2005

Contract Type/Subject matter: Loose Residential Mixed Paper Purchase and Sale Agreement

Facility (ies) Affected: Mid-Ct Regional Recycling Project

Term: February 1, 2005 – January 31, 2007
CRRA can terminate on or after February 1, 2006 with 60 day advance written notice

Term Extensions: CRRA & contractor may agree in writing to extend the term for any additional period

Scope of Services: Recycle America Alliance will pay CRRA \$56.11 per ton, including transportation costs, for all paper generated by member towns and delivered to CRRA's Hartford facility and transfer stations in Essex, Torrington & Watertown (no recyclables at Ellington). Estimated tons are 56,000 tons paper per year.

Purchase Price: CRRA receives \$56.11/ton of Loose Residential Mixed Paper

Contract Dollar Value: \$3.1 million per year

Amendment(s): Not applicable

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority Mid-Connecticut Regional Recycling Project – Loose Residential Mixed Paper Purchase and Sale Agreement with Recycle America Alliance, L.L.C.

February 24, 2005

EXECUTIVE SUMMARY

CRRA has entered into a two-year agreement beginning February 1, 2005 with Recycle America Alliance, LLC, a Waste Management affiliate, to purchase and transport loose paper from the Mid-Connecticut Regional Recycling Center in Hartford and the Essex, Torrington and Watertown Transfer Stations. CRRA has the right to terminate after one year with 60-day notice.

In accordance with Section 5.11 (Market Driven Purchases and Sales) of CRRA's Procurement Policies and Procedures, effective January 22, 2004, this is to report to the CRRA Board of Directors that CRRA has entered into this market driven transaction, and to seek Board approval of the transaction.

CRRA issued a Request for Bids in December 2004 to receive competitive prices from qualified companies to purchase and transport loose paper.

The highest price per ton was offered by Recycle America Alliance. Their guaranteed price of \$56.11 per ton is substantially higher than the previous contracted price of \$18.00 per ton. As a result, CRRA's Mid-Connecticut Project revenues from loose paper would increase from approximately \$1 million per year to \$3.1 million per year, an increase of \$2 million, or 200% as compared to the current contract.

DISCUSSION

CRRA plans to issue an RFP to combine the container recycling operation and the paper recycling operation into a common facility located at the Mid-Connecticut Regional Recycling Facility at Murphy Road in Hartford. Once these operations are combined, the separate contracts for the container operation, the loose paper transloading operation, and loose paper purchase and sale agreement will not be necessary. Since the schedule for completing the combined container and paper operation will take anywhere from twelve to eighteen months, the existing contracts needed to be extended or reissued for bids. The previous loose paper purchase agreement with the Newark Group, Inc. expired on January 31, 2005 with no defined term for a contract extension.

CRRA determined that it was in its best interest to bid this contract versus negotiating an extension of the existing agreement.

As a result, CRRA issued a Request for Bids in December 2004 and received competitive prices from qualified companies to purchase and transport loose paper from the Mid-Connecticut Regional Recycling Center on Murphy Road and the Essex, Torrington and Watertown Transfer Stations.

The term of this agreement allows CRRA to end its arrangement with Recycle America in conjunction with the Murphy Road Recycling Transloading Agreement and the FCR Operating Agreement to allow for a smooth transition upon CRRA's selection of a new vendor to operate the regional recycling center. The RFP for the operation of the regional recycling center is expected to be issued in the very near future.

The following table shows the bid results of the RFB for the purchase and transportation of loose residential mixed paper.

Bid Results - Loose Residential Mixed Paper Purchase Agreement

Name of Bidders	Price Per Ton Paid To CRRA
Recycle America Alliance	\$56.11
FCR	\$50.50
Newark Group - Blended Price	\$38.83
Newark Group - Hartford Site Price	\$40.13
Newark Group- Transfer Station Price	\$35.43
Newark Group- - Alternative Price	60% of OBM for #6 News
Brant-Allen	\$35.00
F&G Murphy Road Recycling	\$30.00
Metro Waste Paper Recovery	\$24.25

The prices received were very favorable compared to the current price of \$18.00 per ton. Based upon the Recycle America Alliance price of \$56.11 per ton, the revenues would be approximately \$3.1 million as compared to \$1 million under the current contract.

FINANCIAL SUMMARY

The current FY 2005 budget for the Mid-Connecticut Project would be favorably impacted by approximately \$900,000. For FY 2006, the potential benefit would be approximately \$2.1 million. Such estimates are based upon 56,000 tons of delivered paper per year. Please see the table below illustrating the comparison.

Estimated Benefit to Mid-Ct Project		
Bidder	FY05	FY06
Recycle America Alliance	\$1,309,233	\$3,142,160
Current Vendor (Newark Group)	\$420,000	\$1,008,000
Benefit	\$889,233	\$2,134,160

TAB 9

**RESOLUTION REGARDING EXTENSION OF MID-CONNECTICUT PROJECT LOOSE
PAPER TRANSLOADING AGREEMENT WITH MURPHY ROAD RECYCLING AND
MURPHY ROAD REALTY**

RESOLVED: That the Board of Directors hereby approves the execution by the President of an extension agreement with Murphy Road Recycling, LLC and Murphy Road Realty, LLC, to continue loose paper transloading at the Mid-Connecticut Project Paper Facility, substantially in the form presented to the Board in the January 27, 2005 Board package, and as presented and discussed at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Amendment to the Regional Recycling, Access and Scale Use Agreement Mid-Connecticut Regional Recycling Project

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): Murphy Road Recycling, L.L.C. & Murphy Road Realty LLC

Effective Date: February 1, 2005

Contract Type/Subject matter: Amendment for Loose Residential Paper Transloading

Facility (ies) Affected: Mid-Ct Regional Recycling Project

Term: February 1, 2005 – January 31, 2007
CRRA can terminate on or after February 1, 2006 with 60 days advance written notice

Term Extensions: CRRA & contractor may agree in writing to extend the term for two, four-year periods

Scope of Services: To transload approximately 42,000 tons of residential paper generated by member towns and delivered to Murphy Road Recycling's facility onto trailers supplied by the contractor purchasing the paper.

Scope Exclusions: Approximately 16,000 tons per year of Residential paper is delivered direct to the Essex, Torrington and Watertown Transfer Stations are excluded from this contractor's Scope. The contractor purchasing the loose Paper will be responsible for transportation of the paper from those transfer stations as well as from the Murphy Road Recycling site in Hartford.

Service Price: CRRA pays Murphy Road Recycling, L.L.C. \$8.00 per ton

Contract Dollar Value: \$336,000.00 per year (approximate)

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority Mid-Connecticut Regional Recycling Project Amendment to Regional Recycling, Access and Scale Use Agreement

February 24, 2005

Executive Summary

In December 2004 CRRA issued a Request for Bids (“RFB”) for offers to buy the residential recyclable paper generated within the Mid-CT project, and delivered to the paper recycling facility at 123 Murphy Road in Hartford, CT. The paper is received at the facility pursuant to a solid waste permit issued to CRRA. The contract that this RFB was to intended to replace expired on January 31, 2005. The high bidder, with a purchase offer of \$56.11 per ton, was Recycle America Alliance, LLC (“RAA”). This new purchase price represents an increase of more than 200% from the price received from the former purchaser. In order to ensure that a contract to sell the paper was in place on February 1, 2005, and in order to guarantee that CRRA captured RAA’s favorable offer, CRRA executed a contract with RAA, effective February 1, 2005, in accordance with Section 5.11 of its Procurement Policy, Market Driven Sales and Purchases. This contract is reported in, and discussed in more detail, elsewhere in the February 24, 2004 CRRA Board of Directors agenda.

In order to begin providing recyclable paper to RAA on February 1, 2004 (and therefore guarantee that CRRA’s favorable sales price was not jeopardized), CRRA had to ensure that there was no interruption in the continued transfer of the recyclable paper at 123 Murphy Road. In order to accomplish this, CRRA extended its contract with Murphy Road Recycling, LLC & Murphy Road Realty LLC to conduct the paper transloading activities at 123 Murphy Road that this vendor had been conducting for the previous 12 months.

In order to preserve the favorable sales price that CRRA had received from RAA, CRRA had to in-turn ensure a seamless continuation of the transloading activities at its permitted facility at 123 Murphy Road; accordingly, because time was of the essence, extension of the paper transloading service agreement with Murphy Road Recycling, LLC & Murphy Road Realty LLC was managed as a market driven transaction.

In accordance with Section 5.11 (Market Driven Purchases and Sales) of CRRA’s Procurement Policies and Procedures, effective January 22, 2004, this is to report to the CRRA Board of Directors that CRRA has entered into this market driven transaction with Murphy Road Recycling, LLC & Murphy Road Realty LLC, and to seek Board approval of the transaction.

Discussion

As a result of CRRA's need to continue its Transloading agreement with Murphy Road Recycling LLC and Murphy Road Realty LLC, an Amended Agreement has been executed. The changes to the original Agreement are, as follows:

1. The original contract term had an initial term going to January 31, 2005, with CRRA's right to exercise two five-year extensions that would potentially extend the contract to January 31, 2015. In Section 1 the initial term is extended to January 31, 2007, and the two extension options are for four-year extensions. Thus, the potential, maximum duration of this Agreement remains the same.
2. The transloading fee has been increased from \$4 per ton to \$8 per ton. The \$4 per ton fee was initially established as part of a comprehensive settlement of a number of legal actions and real estate transactions with the past owner and operator, as well as the current owner and operator, of the Murphy Road recycling facility. When the \$4 per ton fee was established, CRRA was selling the unbaled, transloaded paper for \$18 per ton. CRRA has obtained a new sales price of \$56.11 per ton – a more than 200% increase. The \$4 per ton fee has remained in effect for several years, and the present owner and operator have long maintained that this fee does not cover the costs of transloading. The \$8 per ton fee is fixed for two years, with CRRA having the unilateral right to terminate the transloading agreement after the first year upon 60 days notice. The net impact of the new fee and sales price will be a substantial increase in revenues to CRRA.
3. In Section 5 of the Agreement, CRRA, which owns the transloading payload, has increased the maintenance costs to be born by Murphy Road for any single repair, from \$750 to \$1,500. This takes into account that the payload is older, and may have greater maintenance needs.
4. Finally, there are some minor changes in the notice and signature provisions to reflect the fact that CRRA has a new General Counsel, and that this Amendment will be signed in 2005.

Financial Summary

Since the FY 05 budget has a transloading cost of \$4/ton, the increase in the transloading fee to \$8/ton will result in approximately \$67,000 in increased costs through the end of FY 05. This increased cost of transloading is more than offset by the estimated \$889,233 increase in recycling revenues for FY 05 generated from the new loose paper purchase and sale agreement with RRA. On an annualized basis, the increased purchase price for paper sales results in a net gain of approximately \$1.8 million to the Mid-CT budget.

TAB 10

**RESOLUTION REGARDING AGREEMENT WITH FCR REDEMPTION,
INC. THE MID-CONNECTICUT PROJECT'S CONTAINER
PROCESSING FACILITY OPERATOR**

RESOLVED: The President is authorized to enter into an extension agreement with FCR, Inc. the Mid-Connecticut Project's container processing facility operator, substantially in the form as discussed at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Second Amendment to Agreement entitled

Agreement Between FCR Redemption, Inc. and CRRA

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): FCR Redemption, Inc.

Effective date: July 1, 2005

Contract Type/Subject matter: Second Amendment to Agreement Between FCR and CRRA

Facility (ies) Affected: Container Processing Facility of Mid-Ct Project

Extension of Term: July 1, 2005 to January 31, 2007
CRRA can terminate on or after February 1, 2006 with 60 advance written notice

Term Extensions: Not applicable

Contract Dollar Value: Additional \$8,000 per month until CRRA terminates. Total contract amount dependent upon termination date

Amendment(s): Not applicable

Scope of Services: To continue to provide for the operation and maintenance of the Container Processing Facility after June 30, 2005.

Other Pertinent Provisions: To clearly define FCR's obligation to maintain the facility in good working order until they vacate, for FCR to bear all costs of demobilization, and for FCR to fully cooperate with the new vendor to ensure a smooth and orderly transition.

Connecticut Resources Recovery Authority Mid-Connecticut Project – Container Processing Facility

Second Amendment to Agreement with FCR Redemption, Inc.

February 24, 2005

EXECUTIVE SUMMARY

The proposed Second Amendment with FCR, Inc. to extend the Agreement for the Operation of the Mid-Connecticut Project container recycling facility is intended to more clearly define FCR's obligations and to allow this Agreement to be co-terminous with the loose paper transloading agreement and the loose paper purchase and sale agreement.

CRRA determined that it would be in its best interests to extend this agreement for a period not to exceed two years rather than issue an RFP in recognition of the fact that the recycling facility operation is a large-scale undertaking which would require substantial mobilization efforts on behalf of a new vendor potentially causing interruption of service for the member towns and CRRA's other customers.

CRRA plans to issue an extensive RFP to combine the container recycling operation and the paper recycling operation into a common facility located at the Mid-Connecticut Regional Recycling Facility at Murphy Road in Hartford in the very near future. Once these operations are combined, the separate contracts for the container operation, the loose paper transloading operation, and loose paper purchase and sale agreement will not be necessary. Since the schedule for completing the combined container and paper operation will take anywhere from twelve to eighteen months, the existing contracts needed to be extended or reissued for bids. The current agreement with FCR does not have a provision to extend the term and will expire on June 30, 2005.

DISCUSSION

The Second Amendment extends the Agreement as summarized above and also provides for the following:

- 1) An additional \$8,000 monthly payment to FCR beginning July 1, 2005 until termination in recognition of general cost increases
- 2) Clarifies that FCR will maintain the facility and its equipment in good working order until they vacate the premises upon expiration
- 3) Ensures that FCR will bear all costs and expenses of its de-mobilization from the site upon 60-day termination notice

- 4) Makes certain that FCR will cooperate with a new vendor during the 60-day transition period prior to the termination of the contract

FINANCIAL SUMMARY

The current FY 2005 budget for the Mid-Connecticut Project would not be impacted. The FY 2006 projected budget would be impacted by the expenditure of an additional \$8,000 per month payment to FCR until termination of the contract.

TAB 11

**RESOLUTION REGARDING DELIVERY OF COVER SOILS
TO THE HARTFORD LANDFILL**

RESOLVED: That the President is hereby authorized to enter into a contract with Valley Sand & Gravel Corporation 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.

Connecticut Resources Recovery Authority
Contract Summary for Contract
entitled

Special Waste Cover Soils Letter Agreement

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): Valley Sand & Gravel Corporation

Effective date: December 16, 2004

Contract Type/Subject matter: Letter Agreement. Delivery of DEP approved contaminated soil to the Hartford Landfill to be used as daily cover.

Facility (ies) Affected: Hartford Landfill

Original Contract: This is the original contract

Term: Until specified quantity is delivered

Contract Dollar Value: \$126,000 (7,000 tons at \$18.00 per ton)

Amendment(s): One amendment (increased projected volume from 3,500 to 7,000 tons)

Term Extensions: Not applicable

Scope of Services: Delivery of DEP approved contaminated soil to the Hartford Landfill to be used as daily cover.

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority Hartford Landfill Delivery of Cover Soil

February 24, 2005

Executive Summary

CRRA has contracted with Valley Sand & Gravel to deliver approximately 7,000 tons of contaminated soil, generated in East Haven, Connecticut to the Hartford Landfill for use as daily cover.

In accordance with Section 5.11 (Market Driven Purchases and Sales) of CRRA's Procurement Policies and Procedures, effective January 22, 2004, this is to report to the CRRA Board of Directors that CRRA has entered into this market driven transaction, and to seek Board approval of the transaction.

Discussion

The Solid Waste Operating Permit for the Hartford Landfill requires that all of the solid waste deposited at the landfill each day is to be covered with soil, or other approved material, at the end of the day. Historically, CRRA has purchased virgin soil to be used for this purpose.

Three years ago CRRA staff began an initiative to identify sources of contaminated soil that could be used to satisfy the requirement for the landfill's daily cover needs, and for which a delivery charge could be assessed to the generator or deliverer of the soil. CRRA staff contacted environmental remediation companies, and environmental and engineering consulting firms, to determine if there were sources of this soil that would be amenable for use as daily cover. CRRA staff also contacted other landfills and soil treatment facilities to determine the disposal market price for this type of contaminated soil.

In consultation with the Policy and Procurement Committee, CRRA staff developed a procedure to be used in negotiating prices for receipt of daily cover soil at the Hartford Landfill. In summary, CRRA staff has developed a list of approximately 35 companies (consultants, remediation companies, etc.) that have advised CRRA that they have, or may have, sources of contaminated soil amenable for use as daily cover. CRRA staff periodically contact these companies to determine if they have quantities of soil for shipment to the landfill. CRRA also periodically receives inquiries from firms that have potential sources of cover soil.

Based on quantity, soil composition, the estimated delivery time frame, receipt of CTDEP approval of the soil for use as daily cover, and the Mid-Connecticut Project Permitting, Disposal and Billing Procedures, CRRA staff negotiate a delivery price with the generator or their representative.

Based on this procedure, CRRA staff negotiated a price of \$18.00 per ton for 7,000 tons with Valley Sand & Gravel for soil generated in New Haven, Connecticut.

Based on prices negotiated with other generators of contaminated soil during the past several months, and based on CRRA's quantity needs for daily cover material, CRRA staff believe that this price represents a satisfactory market price for contaminated soil that is to be used as daily cover, and that acceptance of this soil is in the best interest of the member communities of the CRRA Mid-Connecticut Project.

Financial Summary

This will provide \$126,000.00 in revenues to the Mid-Connecticut project (7,000 tons at \$18.00 per ton).

TAB 12

**Resolution Regarding Settlement Agreement for the
Bridgeport Project**

RESOLVED: That the President is hereby authorized to enter into a Settlement Agreement with Bridgeport RESCO Company, L.P. for the Bridgeport Resources Recovery Facility substantially in accordance with the terms and conditions presented at this meeting.

**Contract Summary
Settlement Agreement**

Presented to CRRA Board on: February 24, 2005

Vendors/Contractors: Bridgeport RESCO Company, LP
[dba Wheelabrator Bridgeport, L.P.] (“RESCO”)

Effective Date: February 25, 2005

Contract Type/Subject Matter: Settlement Agreement

Facilities Affected: Bridgeport Resources Recovery Facility

Term: Through December 30, 2008

Term Extensions: None

Scope of Services: Full and final settlement of any claims asserted by RESCO that arise out of or relate to the Refinancing Savings Dispute, the Arbitration and the Stamford Dispute under the Solid Waste Disposal Agreement, as amended, between CRRA and RESCO.

Service Fees: CRRA shall pay RESCO a lump sump of \$1,850,000 on July 1, 2005.

Other Provisions: RESCO shall follow the procedures outlined in the MSW Diversion Plan. RESCO has the right to process and/or dispose of Stamford waste at other permitted waste disposal facilities.

SUMMARY OF DISPUTE WITH BRIDGEPORT RESCO COMPANY, LP OVER 1999 REFINANCING OF THE BRIDGEPORT PROJECT

In 2001, Bridgeport RESCO Company, LP (“RESCO”) initiated an arbitration proceeding against the Authority relating to the 1999 Bond Refinancing of the Bridgeport project. RESCO claimed that the parties had agreed that any savings that resulted from the refinancing would be shared between the Authority and RESCO on a 50/50 basis. RESCO claimed that in fact when the refinancing was completed the Authority had received 100% of the benefits of the refinancing, and further claimed that the refinancing in fact cost RESCO hundreds of thousands of dollars. RESCO claimed that it was entitled to approximately \$12M to correct for errors made during the refinancing process and to equalize the sharing of the savings at 50/50 (collectively the “Refinancing Savings Dispute”).

The Authority responded to the arbitration demand by denying that RESCO was due any money at all. The refinancing was a heavily negotiated transaction. RESCO is a sophisticated party who was ably represented by one of New York’s largest law firms. In addition, the documents underlying the transaction set forth the parties’ agreement that the calculations used to determine each party’s share of the savings were accurate and agreed upon by the parties.

After doing depositions and filing motions with the arbitrators in 2002, from the end of 2002 until the end of 2003 the parties engaged in settlement discussions in an effort to resolve the dispute. When a settlement could not be reached by the end of 2003, the parties proceeded back to arbitration. Hearings on RESCO’s claim took place in September and October of 2004. At the beginning of the hearing, RESCO revised its claim seeking approximately \$10M based on two errors that it claimed occurred during the calculation of savings prior to the 1999 refinancing. RESCO is seeking approximately \$5M in connection with each alleged error. The Authority has continued to defend against these claims and has argued to the arbitrators that RESCO had before it all of the information necessary to understand the transaction and should receive nothing.

In November 2004, the parties submitted briefs to the arbitrators and conducted closing arguments. The arbitrators asked for a second round of briefs to be filed by January 18, 2005.

At around the same time, the City of Stamford conditionally awarded to CRRA the contract for the disposal of the City’s municipal solid at the Bridgeport Project. After CRRA notified RESCO of this conditional award, RESCO raised questions about either the Authority’s right to bring the Stamford waste to the Bridgeport project or the Authority’s liability for additional costs if RESCO had to divert other waste from the Bridgeport project in order to make room for the Stamford waste (the “Stamford Dispute”).

Given the Stamford Dispute and the unresolved Refinancing Savings Dispute, in early December 2004, the Authority and RESCO began discussing a potential settlement that would resolve both matters. Since that time, the parties have exchanged draft settlement agreements and the attached Settlement Agreement is the final version of such an agreement subject to the sign-off by both parties. The settlement would resolve the Refinancing Savings Dispute with a one-time payment from the Authority to RESCO on July 1, 2005. In addition, RESCO would withdraw any other claims it had raised in connection with the Stamford Dispute as long as

RESCO has the right to divert at its sole discretion and cost the Stamford waste to another permitted disposal facility. The Authority has reviewed the proposed settlement with SWAB. SWAB members support entering into the settlement. SWAB's only request is that the MSW diversion plan that had been discussed between the Authority and RESCO over the last year, the purpose of which is to reduce lines at the Bridgeport project, be finalized. Subsequently, the Authority and RESCO have finalized the Waste Diversion plan which has been incorporated in and made part of the final settlement agreement.

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TAB 13

**RESOLUTION REGARDING AN AGREEMENT WITH ENVIRO EXPRESS, INC. TO
DELIVER CITY OF STAMFORD ACCEPTABLE SOLID WASTE TO CRRA'S
BRIDGEPORT PROJECT RESOURCES RECOVERY FACILITY**

RESOLVED: That the Board of Directors hereby approves the execution by the President of an agreement with Enviro Express, Inc., for the delivery of the City of Stamford's Acceptable Solid Waste to the Bridgeport Project Resources Recovery Facility, substantially in the form presented to the Board in the January 27, 2005 Board package, and as presented and discussed at this meeting.

Connecticut Resources Recovery Authority
Contract Summary for Contract
entitled

Bridgeport Solid Waste Delivery Agreement

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): Enviro Express, Inc.

Effective date: December 20, 2004

Contract Type/Subject matter: Solid Waste Delivery Agreement for Stamford MSW
on a Short-term Basis

Facility (ies) Affected: Bridgeport Project

Original Contract: This is the original contract

Term: 90 days commencing on December 20, 2004

Term Extensions: Not applicable

Scope of Services: Enviro Express shall deliver Stamford MSW from
City of Stamford transfer station to the Bridgeport
Project Resources Recovery Facility

Tip Fee: \$62.00 per ton

Contract Dollar Value: \$1.1 million (Estimate based upon \$62.00 per ton
tip fee for 18,750 tons [3 month's of Stamford MSW
tonnage])

Amendment(s): Not applicable

Other Pertinent Provisions: Stamford agrees to pay CRRA directly for the
disposal costs incurred with this contract

**Connecticut Resources Recovery Authority
Bridgeport Project
Enviro Express Solid Waste Delivery Agreement for the
Bridgeport Project**

February 24, 2005

EXECUTIVE SUMMARY

CRRA has entered into a 90-day agreement with Enviro Express, Inc. for the delivery of the City of Stamford's Acceptable Solid Waste on a short-term basis to the Bridgeport Project Resources Recovery Facility.

The City of Stamford, in a separate letter agreement with CRRA, has agreed to pay CRRA directly for all costs incurred for the disposal of its MSW at the Bridgeport Project at a tip fee of \$62.00 per ton.

In accordance with Section 5.11 (Market Driven Purchases and Sales) of CRRA's Procurement Policies and Procedures, effective January 22, 2004, this is to report to the CRRA Board of Directors that CRRA has entered into this market driven transaction, and to seek Board approval of the transaction.

DISCUSSION

CRRA entered into this interim waste delivery arrangement with Enviro Express to provide the City of Stamford with a disposal site for its MSW. Stamford had terminated its contract with its contractor prior to execution of a contract with CRRA and therefore required emergency service in order to prevent a waste disposal crisis for the City.

By way of background, Stamford had issued an RFB for waste disposal and transportation services in August and selected the lowest bidder who was unable to perform the services. Since CRRA had submitted the next lowest bid, Stamford conditionally awarded the bid to CRRA. Subsequently, CRRA accepted the award conditioned upon SWAB and CRRA board approval and final execution of a mutually agreeable contract between Stamford and CRRA.

At a meeting on January 14, 2005, CRRA and Stamford concluded negotiations on a three year disposal agreement. CRRA is waiting on Stamford to issue a revised contract reflecting such negotiations.

FINANCIAL SUMMARY

For the FY 2005 Bridgeport Project budget, this 90-day agreement will generate approximately \$1.1 million in revenue for the Bridgeport Project Budget.

TAB 14

**RESOLUTION REGARDING AN AGREEMENT WITH THE
CITY OF STAMFORD TO DELIVER ITS ACCEPTABLE
SOLID WASTE TO CRRA'S BRIDGEPORT PROJECT
RESOURCES RECOVERY FACILITY**

RESOLVED: That the President is hereby authorized to enter into a contract with the City of Stamford to deliver its Acceptable Solid Waste to the Bridgeport Project Resources Recovery Facility, substantially as discussed and presented at this meeting.

Connecticut Resources Recovery Authority
Contract Summary for Contract
entitled

Agreement Between City of Stamford and CRRA for Disposal of Stamford's
Acceptable Solid Waste

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): City of Stamford

Effective date: Upon signature

Contract Type/Subject matter: Solid Waste Delivery Agreement for Stamford MSW

Facility (ies) Affected: Bridgeport Project

Original Contract: This is the original contract

Term: Three Years; Commences upon signature through to December 31, 2007 with one-year extension option at Stamford's sole discretion

Term Extensions: Not applicable

Scope of Services: The City and its subcontractors shall deliver Stamford MSW from the Stamford transfer station to the Bridgeport Project Resources Recovery Facility

Tip Fee: \$62.00 per ton escalated 2% per year

Contract Dollar Value: \$14.3 million (Estimate for three years)

Amendment(s): Not applicable

Other Pertinent Provisions: Stamford's subcontractor to transport the MSW shall indemnify CRRA

**Connecticut Resources Recovery Authority
Bridgeport Project
Stamford Acceptable Solid Waste Deliveries to
Bridgeport Project**

February 24, 2005

EXECUTIVE SUMMARY

CRRA proposes to enter into a three year agreement with the City of Stamford for delivery of its Acceptable Solid Waste from its transfer station to the Bridgeport Project Resources Recovery Facility. In September 2004, CRRA responded to the City of Stamford's RFB for disposal and transportation of its Acceptable Solid Waste from its transfer station for a term of three years with a one year option to extend. One of CRRA's prices was for disposal only at a tip fee of \$62.00 per ton at the Bridgeport Project Resources Recovery Facility.

The Authority has been working with Stamford and successfully concluded negotiations on January 14, 2005, on a three year disposal agreement and have finalized a revised contract which reflects all of the agreed upon changes. Stamford will pay the Greater Bridgeport Project \$62.00 per ton escalated 2% per year for the disposal of its MSW through December 31, 2007. Stamford has the option to extend for one additional year at its sole discretion.

DISCUSSION

Stamford initially selected the lowest bidder who was unable to perform the services. Since CRRA had submitted the next lowest bid, Stamford conditionally awarded the bid to CRRA. Stamford had terminated its contract with its previous contractor prior to execution of a contract with CRRA and therefore required emergency services beginning December 20, 2004 in order to prevent a waste disposal crisis for the City. As a result, CRRA has been accepting Stamford's waste for disposal under a short-term 90-day agreement with its hauler Enviro Express, Inc. until a final contract was agreed upon and executed by both Stamford and the Authority.

FINANCIAL SUMMARY

For the FY 2005 Bridgeport Project budget, this agreement would generate approximately \$1.5 million in revenue for the Bridgeport Project Budget for the remainder of the fiscal year. Based upon Stamford's estimated waste deliveries of 75,000 tons per year, the Bridgeport Project is projected to realize approximately \$14 million in

revenue over a three-year contract and \$19 million per year over a four-year term. Please refer to the table below for the projected annual revenues.

Stamford Disposal Fees to Bridgeport Project (1)

	Tip Fee Per Ton	Revenue
Year 1	\$62.00	\$4,650,000
Year 2	\$63.24	\$4,743,000
Year 3	\$64.50	\$4,837,860
Year 4 (Optional)	\$63.25	\$4,743,620
Total		\$18,974,480

(1) Estimated 75,000 tons per year

TAB 15

**RESOLUTION REGARDING A SETTLEMENT AGREEMENT
BY AND AMONG STAMFORD, SWEROC, CRRA AND FCR,
INC.**

RESOLVED: That the President is hereby authorized to enter into a settlement agreement by and among the City of Stamford, The Southwest Regional Recycling Operating Committee ("SWEROC"), The Connecticut Resources Recovery Authority ("CRRA"), and Fairfield County Recycling, Inc. ("FCR"), including the acknowledgment letter to FCR concerning the apportionment of the settlement payments to FCR, substantially in the form as discussed and presented at this meeting.

Connecticut Resources Recovery Authority
Contract Summary for Contract
entitled

Settlement Agreement By and Among Stamford, SWEROC, CRRA, and FCR

Presented to the CRRA Board on: February 24, 2005

Vendor/ Contractor(s): City of Stamford

Effective date: July 1, 2005

Contract Type/Subject matter: Settlement Agreement for Stamford Recyclable Diversion Claim

Facility (ies) Affected: Bridgeport Project

Original Contract: This is the original contract

Term: July 1, 2005 to June 30, 2008

Term Extensions: Not applicable

Scope of Services: The City shall make 36 equal monthly payments of \$4,166.67, payable to CRRA, for a total of \$150,000. CRRA shall allocate these payments as follows for the benefit of SWEROC and to FCR

- To FCR – 36 equal monthly payments of \$777.78 for a total of \$28,000 in accordance with the Acknowledgement Letter Agreement
- To SWEROC – The balance to SWEROC in accordance with the Agreement

Tip Fee: Not applicable

Contract Dollar Value: \$150,000

Amendment(s): Not applicable

Other Pertinent Provisions: FCR, the Stratford IPC vendor, releases CRRA, SWEROC, and Stamford of any liability

**Connecticut Resources Recovery Authority
Bridgeport Project
Settlement Agreement By and Among Stamford,
SWEROC, CRRA, and FCR**

February 24, 2005

EXECUTIVE SUMMARY

The City of Stamford has agreed to a settlement agreement by and among the City, SWEROC, CRRA and FCR. Stamford has agreed to pay CRRA \$150,000 in equal thirty-six monthly payments of \$4,166.67 beginning July 1, 2005 and ending on June 30, 2008, in consideration of settling the claim of SWEROC and CRRA of wrongful diversion of cardboard and mixed paper from the Stratford Intermediate Processing Facility, without an admission of liability. Further, in accordance with the Acknowledgement Letter Agreement, CRRA shall allocate the payments such that FCR receives \$28,000 in thirty six equal monthly payments of \$777.78 for the same period. The balance of the funds will be allocated to SWEROC in thirty six equal monthly payments.

As part of the Settlement Agreement, Stamford has represented that it is now in compliance with the delivery of the recyclables, and CRRA has confirmed this compliance.

CRRA, acting as SWEROC's agent, discovered through inspection and enforcement efforts, at the request of the SWEROC Board, that Stamford had not been shipping all of its cardboard and mixed paper to the Stratford Recycling Center for several years thereby depriving the Project recycling revenues.

As a result of these efforts, both the City and CRRA successfully negotiated a settlement that covers in full all of SWEROC's damages and provides a release of any liability from the Recycling Center operator, FCR. This monitoring/contract compliance effort has continued the record of increased deliveries of recyclables to the Stratford Intermediate Processing Facility, to the benefit of all concerned.

TAB 16

**RESOLUTION REGARDING AN AMENDMENT TO THE
SUPPLEMENT TO AMENDED AND RESTATED AGREEMENT BY
AND AMONG SWEROC AND CRRA**

RESOLVED: That the Supplement to Amended and Restated Agreement by and among SWEROC and CRRA (SWEROC Museum and Operations Supplement) is amended to extend the agreement from January 28, 2005 to June 30, 2005, substantially in the form as discussed at this meeting.

Connecticut Resources Recovery Authority SWEROC Educational Facility Operating Agreement

February 24, 2005

Executive Summary

Since 1999, CRRA has operated the Stratford education center under an agreement with the Southwest Connecticut Regional Recycling Operating Committee ("SWEROC"). Under this agreement, which was extended in 2002, CRRA has also performed certain administrative functions for SWEROC.

The education center is managed by Sotoria Montanari, who also oversees the education center at the Mid-Connecticut Project Visitors Center, and staffed by two part-time educators and a part-time temporary. Other CRRA employees, most notably from Operations, Finance & Accounting and Public Affairs, provide support to SWEROC and the education center.

In FY 2004, CRRA's expenditures for these functions totaled \$169,397. SWEROC paid CRRA \$168,386 for providing these services.

The education center provides great public relations value to CRRA. In 2004, more than 20,000 people visited the center to learn about recycling, the environment and the waste-to-energy process, while the center and its staff were featured in positive newspaper stories and television segments, enhancing CRRA's image.

The agreement expired January 31, 2005. CRRA proposed and the SWEROC Board ratified on January 13, 2005 an amendment to the agreement that would extend the agreement through June 30, 2005. The short-term extension was proposed to provide a longer term extension that will accurately reflect the services provided to SWEROC, as functions provided originally by some CRRA divisions are now provided by other divisions. Both the short-term extension before the Board and the longer term extension to be proposed at a later date will ensure that all of CRRA's costs associated with the education center and SWEROC administration are covered by SWEROC.

TAB 17

**RESOLUTION RATIFYING THE PROCUREMENT ACTION TAKEN REGARDING
WASTE EXPORT AND DIVERSION HAULING AND DISPOSAL SERVICES FOR MID-
CONNECTICUT AND WALLINGFORD PROJECTS**

RESOLVED: That the Board of Directors, in accordance with Connecticut Resources Recovery Authority's Procurement Policy, hereby ratifies the execution of agreements with USA Hauling and Recycling, Energy Answers Corporation, Waste Management of Massachusetts, Santaro Development, and CWPM, LLC, for waste export and diversion services for the Mid-Connecticut and Wallingford Resources Recovery Facilities, substantially in the form presented to the Board in the January 27, 2005 Board package, and as presented and discussed at this meeting.

Contract Summary
Waste Export and Diversion Hauling and Disposal Services for
Mid-Connecticut and Wallingford Projects

Presented to CRRA Board on: February 24, 2005

Vendors/Contractors: USA Hauling and Recycling, Waste Management of Massachusetts, Energy Answers Corporation, Santaro Development and CWPM

Effective Date: January 1, 2005

Contract Type/Subject Matter: MSW hauling and disposal

Facilities Affected: Mid-Connecticut and Wallingford Resources Recovery Facilities

Term: January 1, 2005 – December 30, 2005

Term Extensions: None

Scope of Services: To provide waste transportation and disposal export and diversion services on an on-call, as needed basis for the Mid-Connecticut and Wallingford Projects.

Service Fees: Per ton transportation costs for export services (inclusive of transportation and disposal) range from a low of \$73.00/ton to a high of \$90.00/ton for waste exports and for diversion transportation services range from of \$12.00/ton to \$19.00/ton.

Annual Cost: Based upon historical export data the annual cost of exports FY05 are budgeted at:
Mid-Connecticut: \$4.2 million
Wallingford: \$1.2 million

Waste Export and Diversion Hauling and Disposal Services for Mid-Connecticut and Wallingford Projects

EXECUTIVE SUMMARY

For a number of years, the Authority has contracted with private waste haulers for the transportation and disposal of surplus MSW received by the Mid-Connecticut and Wallingford RRFs to out-of-state and in-state disposal sites. The Authority frequently requires the use of multiple haulers during diversion and export periods, particularly during major plant outages. Therefore the Authority contracts with multiple haulers to ensure availability of haulers when needed.

The current contracts expired on December 31, 2004. The new contracts for the 2005 calendar year have been executed by CRRA's president in order to provide for the exporting of waste during the January and February 2005 major boiler maintenance outages at both facilities.

In October a Request for Proposals was issued to receive competitive quotes for waste export and diversion transportation and disposal services. The Authority received five bids. Based upon the results of the bids, Operations staff is recommending that the Board of Directors provide authorization to enter into agreements with the following firms for "on-call" waste export and diversion transportation and disposal services:

- USA Hauling & Recycling, Inc.,
- Energy Answers Corporation
- Waste Management of Massachusetts
- Santaro Development
- CWPM, LLC

DISCUSSION

Frequently the Authority's contracted waste deliveries exceed the Mid-Connecticut and Wallingford plants' permitted capacity and/or operational ability to process it, particularly during plant maintenance outages. During these periods of surplus waste the Authority will 1) divert waste to other in-state disposal sites (Bridgeport, Preston, Bristol, Windsor/Bloomfield Landfill) and/or 2) export the waste to out-of-state disposal sites.

The Authority received five bids. The results of these bids are presented in the following tables.

Waste Export Services Contract Year – January 1, 2005-December 31, 2005 – Price Per Ton

Company	Ellington	Essex	Torrington	Watertown	Mid-CT RRF	Wallingford
USA Hauling	\$70.00	NB	NB	NB	NB	NB
Waste Management	\$71.50	\$80.00	\$74.00	\$74.00	\$80.00	\$82.00
EAC Operations	\$73.50	\$82.00	\$72.00	\$72.25	\$82.00	\$82.00
Santaro Development	\$73.00	\$76.00	\$73.00	\$73.00	\$83.00	\$90.00
CWPM, LLC	\$83.00	\$83.00	\$82.00	\$83.00	\$83.00	\$90.00

The bid documents also asked firms to provide prices for the cost of in-state transportation from various CRRA facilities to other in-state disposal sites. Only one firm provided prices for the in-state transportation services.

In-state Waste Diversion Transportation Services Contract Year – January 1, 2005 – December 31, 2005 - Per Ton

Company	From Wallingford RRF to Mid-CT	Mid-CT to Windsor Landfill	From Wallingford RRF to Preston RRF	From Wallingford RRF to Bridgeport RRF
CWPM, LLC	\$16.00	\$12.00	\$23.00	\$19.00

TAB 18

**Resolution Regarding Spot Waste Delivery Services for the
Mid-Connecticut and Wallingford Projects**

RESOLVED: That the President is hereby authorized to enter into agreements with A.J. Waste Systems, LLC, USA Hauling and Recycling, Inc., and CWPM, LLC for the delivery of spot waste on an as needed basis for the Mid-Connecticut and Wallingford Resources Recovery Facilities substantially in accordance with the terms and conditions presented at this meeting.

**Contract Summary
Spot Waste Deliveries
Mid-Connecticut and Wallingford Projects**

Presented to CRRA Board on: February 24, 2005

Vendors/Contractors: USA Hauling and Recycling, CWPM, LLC, A.J. Waste Systems

Effective Date: January 1, 2005

Contract Type/Subject Matter: On-call spot waste delivery services

Facilities Affected: Mid-Connecticut and Wallingford Resources Recovery Facilities

Term: January 1, 2005 – December 30, 2005

Term Extensions: None

Scope of Services: To provide spot waste delivery services on an on-call, as needed basis for the Mid-Connecticut and Wallingford Projects.

Per Ton Revenue: Tip fees to be paid:
CWPM: \$48.00/ton for MSW
USA Hauling: \$46.00/ton for MSW and \$20.00/ton for RDF
A.J. Waste Systems: \$40.40/ton MSW (Wallingford only)

Annual Revenue: FY05 budgets for the Mid-Connecticut and Wallingford Resources Recovery Facilities project revenues of \$108,000 and \$120,000, respectively, through the sale of spot waste capacity.

Spot Waste Deliveries for Mid-Connecticut and Wallingford Projects

EXECUTIVE SUMMARY

For the past several years the Authority has contracted with private waste haulers for the delivery of spot waste (MSW, RDF, and woodchips) to the Mid-Connecticut and Wallingford Resources Recovery Facilities. The current contracts for this service expired on December 31, 2004.

In October, a Request for Proposals was issued to receive competitive quotes for spot waste capacity. The term of the agreement is for one year for "on-call" service during periods when additional waste is needed at the plants. The Authority received bids from two firms. Staff is recommending that the Board of Directors provide authorization to enter into one-year agreements with three firms for this service: USA Hauling and Recycling, CWPM, LLC, and A.J. Waste Systems

DISCUSSION

On occasion, primarily during the winter months, the Authority's waste deliveries or RDF availability may not meet the plants' operational needs. During these periods the Authority will authorize, on an "as-needed" basis, additional deliveries of MSW, RDF and/or woodchips.

The Authority received bids from two firms. The following charts summarize the bid results.

Contract Year – January 1, 2005-December 31, 2005 – Mid-Connecticut Project

Company and Material	Price Per Ton
USA Hauling & Recycling - MSW	\$46.00
USA Hauling & Recycling - RDF	\$20.00
USA Hauling & Recycling - Woodchips	\$00.00
CWPM, LLC - MSW	\$48.00
CWPM, LLC - Woodchips	\$00.00
A.J. Waste Systems - MSW	\$49.49

Based on current operations, the need for spot waste is minimal. However, it is prudent to enter into these agreements to ensure the availability of a fuel supply in the event of unusual or unpredictable circumstances.

FINANCIAL SUMMARY

The FY 05 budgets for the Wallingford and Mid-Connecticut plants project revenues of \$120,000 and \$108,000 respectively, through the sale of spot waste capacity.

TAB 19

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED EIGHTY-THIRD MEETING

JANUARY 18, 2005

A Special telephonic meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Tuesday, January 18, 2005 at 211 Murphy Road, Hartford, Connecticut. Those present were:

Chairman Michael Pace (Present at 211 Murphy Rd.)

Directors: Mark Cooper
 Edna Karanian (Present at 211 Murphy Rd.)
 Mark Lauretti (Present at 211 Murphy Rd.)
 Theodore Martland (Present beginning at 9:12 a.m.) (Present at 211
 Murphy Rd.)
 Raymond O'Brien (Present at 211 Murphy Rd.)
 Andrew Sullivan (Present at 211 Murphy Rd. beginning at 9:12 a.m.)
 Veronica Airey-Wilson (Ad-Hoc for Mid-Connecticut Project)
 Timothy Griswold (Ad-Hoc for Mid-Connecticut Project)

CRRA Staff Present at 211 Murphy Rd.:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Laurie Hunt, Director of Legal Services
Donna Tracy, Executive Assistant
Kristen Greig, Secretary to the Board/Paralegal

Chairman Pace called the meeting to order at 9:07 a.m. and noted that a quorum was present.

EXECUTIVE SESSION

Chairman Pace requested a motion to go into Executive Session to discuss pending litigation with appropriate staff. The motion, which was made by Director Sullivan and seconded by Director O'Brien, was approved unanimously. Chairman Pace requested that the following people remain for the Executive Session in addition to the Directors:

Tom Kirk
Jim Bolduc
Laurie Hunt, Esq.

The Executive Session began at 9:07 a.m. and concluded at 9:18 a.m. Chairman Pace noted that no votes were taken in Executive Session.

Chairman Pace reconvened the Board meeting at 9:19 a.m.

RESOLUTION REGARDING AUTHORIZATION OF A SETTLEMENT OF WESOLOWSKI v. CRRA

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

RESOLVED: That the Board of Directors of the Authority hereby approves the settlement of the matter of Wesolowski v. CRRA substantially in the form discussed during this meeting;

FURTHER RESOLVED: That the President of the Authority or his designee is hereby authorized to take all actions and to execute any and all agreements required in connection with the proposed settlement.

Director Martland seconded the motion.

Chairman Pace noted that the resolution would include authorization for the President's designee, who would be Attorney Hunt, to take action and to execute agreements in connection with the settlement.

Chairman Pace stated that discussion took place in Executive Session.

Director O'Brien thanked Mr. Kirk, Ms. Hunt and the staff for resolving the issue.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Andrew Sullivan	X		
Non Eligible Voters			
Veronica Airey-Wilson	X		
Timothy Griswold, Ad Hoc, Mid-Connecticut	X		

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 9:21 a.m.

Respectfully submitted,

Kristen B. Greig

Kristen B. Greig

Secretary to the Board/Paralegal

TAB 20

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED EIGHTY-FOURTH MEETING

JANUARY 27, 2005

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, January 27, 2005 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Stephen Cassano, Vice-Chairman (Present by telephone from 9:50 a.m. until 10:57 a.m.)
Mark Cooper
Edna Karanian
Mark Lauretti
Theodore Martland
Raymond O'Brien
Veronica Airey-Wilson (Ad-Hoc for Mid-Connecticut Project)
Timothy Griswold (Ad-Hoc for Mid-Connecticut Project)

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Rob Constable, Controller
Peter Egan, Director of Environmental Affairs & Development
Floyd Gent, Director of Operations
Laurie Hunt, Director of Legal Services
Sotoria Montanari, Education Supervisor
Paul Nonnenmacher, Director of Public Affairs
Donna Tracy, Executive Assistant
Kristen Greig, Secretary to the Board/Paralegal

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

APPROVAL OF THE MINUTES OF THE NOVEMBER 18, 2004 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the November 18, 2004 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Cooper.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

APPROVAL OF THE MINUTES OF THE NOVEMBER 23, 2004 SPECIAL BOARD MEETING

Director O'Brien requested a motion to approve the minutes of the November 23, 2004 Special Board Meeting. The motion was made by Director Cooper and seconded by Director Martland.

Attorney Hunt noted that the resolution was amended to give the President authority to waive the resolution's requirement that AIG pay disputed expenses before the settlement with prior approval of the Chairman of the Board or the Chairman of the Finance Committee. The resolution was also amended to give the President authorization to negotiate CRRA's claim for legal expenses against AIG with prior approval of the Chairman of the Board or the Chairman of the Finance Committee.

The minutes as amended were approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

APPROVAL OF THE MINUTES OF THE DECEMBER 16, 2004 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the December 16, 2004 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Cooper.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING THE ADOPTION OF THE WALLINGFORD PROJECT FISCAL YEAR 2006 OPERATING AND CAPITAL BUDGETS AND TIP FEES

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

RESOLVED: That the fiscal year 2006 Wallingford Project Operating budget in the amount of \$22,708,000 and the Capital Budget in the amount of \$651,000 be adopted as substantially presented and discussed at this meeting.

FURTHER RESOLVED: That the member tip fees for municipal solid waste be set at \$57.00 per ton and a tip fee of \$68.00 per ton be set for non-contracted waste for fiscal year 2006.

Director Cooper seconded the motion.

Director O'Brien noted that the Finance Committee was recommending that the Board adopt the Wallingford Project budgets. Chairman Pace pointed out that the Finance Committee was well-represented at the current Board meeting although the full Board was not present at the meeting. Chairman Pace stated that Directors with thorough knowledge of the budget were present.

Mr. Bolduc stated that the Wallingford Policy Board reviewed the budget in detail. Mr. Bolduc explained that the Wallingford Project was well-endowed in terms of finance as a result of its exceptional electric purchase agreement. When the electric rates returned to market rates, the Wallingford Project would be required to increase their tip fees dramatically or to utilize some of the surplus currently being generated. Mr. Bolduc referred the Board to a chart on page 8 that had been presented to the Wallingford Policy Board which detailed the surplus projections.

Mr. Bolduc stated that the tip fee would be \$57.00 which was a \$1.00 increase per ton from FY05. In comparison, Mr. Bolduc listed the tip fees for the other Projects: Mid-Connecticut was expected to be \$70 per ton, the Bridgeport Project was \$74.00 per ton and the Southeast Project was \$60.00 per ton.

Mr. Bolduc added that CRRA was in the process of identifying the different Projects' post-project liabilities and evaluating what reserves would be necessary. Mr. Bolduc stated that information would be brought to the CRRA Board as well as the Boards governing the various projects.

Director O'Brien asked for confirmation that the Wallingford Policy Board reviewed and approved the budget. Mr. Bolduc confirmed and stated that minutes from the meeting were available as supporting documentation.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING THE ADOPTION OF THE BRIDGEPORT PROJECT FISCAL YEAR 2006 OPERATING AND CAPITAL BUDGETS AND TIP FEES

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

RESOLVED: That the fiscal year 2006 Bridgeport Project Operating Budget in the amount of \$53,504,000 and the Capital Budget in the amount of \$319,000 be adopted

substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That the fiscal year 2006 member tipping fees for the market component be set at \$68.00 per ton and the minimum commitment component be set at \$8.00 per ton for an all-inclusive fee not to exceed \$76.00, unless the Authority receives and approves an executed agreement from the City of Stamford by January 27, 2005 in which event the member tipping fees for the market component be set at \$66.00 per ton and the minimum commitment component be set at \$8.00 per ton for an all-inclusive fee not to exceed \$74.00.

Director Cooper seconded the motion.

Chairman Pace stated that this resolution was thoroughly reviewed by the Finance Committee, many of whom were present at the current meeting.

Director O'Brien pointed out that there was an item on the agenda regarding a settlement affecting the Bridgeport Project and asked why those funds were not reflected in the budget. Mr. Kirk responded that the settlement funds would be paid out of reserves, but the reserves would be reimbursed. Mr. Kirk explained that CRRA was able to negotiate a substantial reduction in the settlement by paying the settlement in cash by July 1, 2005 rather than over the three years remaining in the contract.

Mr. Kirk requested that the Board consider a slight change to the resolution to reflect a change to the January 27, 2005 date provided in the resolution. Mr. Kirk explained that management was expecting to have the final agreement with Stamford executed in February.

Mr. Kirk stated that CRRA had a responsibility to provide the towns with a tip fee by January 31st and said that CRRA was prohibited from raising the tip fee once the towns were notified. Mr. Kirk noted that CRRA was not prohibited from lowering the tip fee after that date. With that in mind, the tip fee would be set at \$68.00 and lowered when the agreement with Stamford was signed.

Director Lauretti asked what issues were left to be resolved regarding the agreement. Mr. Gent responded that Stamford proposed a boiler plate contract to which CRRA had several comments. Mr. Gent stated that the two parties reached agreement on all comments at a meeting on January 14th. Mr. Gent stated that Stamford agreed to provide a revised contract incorporating the agreed upon revisions the following week. Since that verbal agreement, Stamford faced a legal emergency, causing a delay, and CRRA was still waiting to see the revised agreement. Mr. Gent noted that both parties were motivated to finalize the agreement. Mr. Gent proceeded to describe some of the issues that were resolved at the January 14th meeting with Stamford. Mr. Kirk and Mr. Gent both stated that they did not anticipate any problems finalizing the agreement because of the significant savings to Stamford.

After discussion, Director O'Brien made a motion to amend the resolution to read as follows:

RESOLVED: That the fiscal year 2006 Bridgeport Project Operating Budget in the amount of \$53,504,000 and the Capital Budget in the amount of \$319,000 be adopted substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That the fiscal year 2006 member tipping fees for the market component be set at \$68.00 per ton and the minimum commitment component be set at \$8.00 per ton for an all-inclusive fee not to exceed \$76.00.

FURTHER RESOLVED: That upon Authority approval of an executed agreement from the City of Stamford on or before March 24, 2005, the member tipping fees for the market component be set at \$66.00 per ton and the minimum commitment component be set at \$8.00 per ton for an all-inclusive fee not to exceed \$74.00 per ton.

The motion to amend the resolution was seconded by Director Martland.

Director Lauretti asked why the portion of the resolution referencing lowering the tip fee was necessary if CRRA already had the ability to lower the tip fee. Chairman Pace stated that it made it transparent that the agreement was not finalized. Mr. Kirk stated that the Bridgeport Project towns found that portion of the resolution important because it gave the towns' leadership an idea of what the anticipated tip fee would be.

Director Lauretti stated that he voted against this resolution at the Finance Committee, but after further research, he had a better understanding of why the numbers presented were appropriate.

The motion to amend was approved unanimously.

The amended motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING AN AMENDMENT TO CONTRACT FOR THE OPERATION OF AN INTERMEDIATE PROCESSING CENTER TO SERVE THE MUNICIPALITIES OF THE SOUTHWEST CONNECTICUT REGIONAL RECYCLING OPERATING COMMITTEE ("SWEROC")

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

RESOLVED: That the President is authorized to enter into the Third Amendment to Contract for the Operation of an Intermediate Processing Center substantially in accordance with the terms and conditions presented at this meeting.

Director Lauretti seconded the motion.

Mr. Kirk stated that the resolution was for an amendment to an existing agreement with FCR, the recycling contractor at the Stratford facility. Mr. Kirk stated the resolution would formalize an agreement with FCR to allow commingling of mixed paper with ONP (old newspapers). Mr. Kirk explained that this was a very favorable development in the market and noted that the market price for commingled paper is between \$70 and \$80 per ton. Mr. Kirk added that the market was favorable enough that FCR was willing to allow municipalities to mix those two commodities through the end of their agreement with CRRA. It would also allow municipalities, who were not doing so, to insist that their citizens recycle mixed paper, which would result in an increase in recycling rates and revenue.

Director Griswold asked if this would create a problem if the municipalities did not allow commingling after the agreement ended. Mr. Kirk responded that the issue was discussed at length at the SWEROC meeting. Mr. Kirk stated that was a concern, but the advantages to being able to add mixed paper to the recyclable commodities at such a substantial price outweighed the risk.

Director Griswold asked if the price structure could change dramatically enough to make this action a disappointment to CRRA. Mr. Kirk stated that was possible, but the prices had been stable for the last few years because of the demand for fiber in the Asian market. Mr. Kirk added that if there were an economic slowdown in Asia, the price could change rather quickly. Mr. Kirk stated that the upside was that FCR was committed to accepting the commingled paper though the end of the agreement. Mr. Kirk stated that his bigger concern was educating consumers to recycle mixed paper after years of being told not to do so.

Director Lauretti asked if the municipalities would be announcing the change. Mr. Kirk stated that CRRA was preparing a flyer to be made available to all towns with curbside programs so municipalities could inform their citizens.

Director Griswold stated that promotional material would be helpful in all of the municipalities. Mr. Kirk stated the flyer would be created and available to all project towns for their distribution. Mr. Kirk stated that CRRA has stepped into the position of providing recycling education information to Connecticut towns and their citizens.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING AN AMENDMENT TO THE SUPPLEMENT TO AMENDED AND RESTATED AGREEMENT BY AND AMONG SWEROC AND CRRA

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

RESOLVED: That the Supplement to Amended and Restated Agreement by and among SWEROC and CRRA (SWEROC Museum and Operations Supplement) is amended to extend the agreement from January 28, 2005 to June 30, 2005, substantially in the form as discussed at this meeting.

The motion was seconded by Director Cooper.

Mr. Kirk stated that this was a straightforward extension of an agreement with SWEROC for the operation of the museum and recycling information center. Mr. Kirk said a longer agreement would be available at the expiration of the extension.

Director Airey-Wilson asked if the Board would be given the opportunity to evaluate how well individuals were performing at the education centers prior to extending the contract. Chairman Pace stated that Mr. Nonnenmacher oversaw all of the education centers. Mr. Kirk stated that all of the educators were CRRA employees, who were part of the Performance Management Program. Mr. Kirk stated personnel assessments were done on an individual basis and the education center was assessed as an organization by SWEROC. Mr. Kirk added that CRRA met with SWEROC semi-monthly and offered to provide Performance Management reports for the employees of the education center.

Director O'Brien requested a periodic update on how well the facilities were being utilized. Mr. Kirk stated that a report detailing the number of visitors and what school districts

and countries visitors were from was provided to the SWEROC board. Mr. Kirk said that report could be included in the supplemental package to the CRRA Board.

Mr. Nonnenmacher explained that the education centers book school field trips, scout groups, and other visitors at the education centers and noted that tours for the Stratford center were booked well into 2006. Mr. Nonnenmacher added that there were over 20,000 visitors from all over Connecticut and foreign countries at the Stratford center last year. Mr. Nonnenmacher pointed out that the centers provide tremendous public relations value to CRRA and noted that the education centers were a perfect vehicle to promote the commingling of mixed paper and newspaper. Ms. Montanari added that the educators were prepared to begin informing visitors that they could commingle mixed paper.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

RESOLUTION REGARDING APPOINTMENT OF BOARD COMMITTEES

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

RESOLVED: Pursuant to the Bylaws and CRRA's enabling statute, the Board hereby extends the following Committee to have such powers and responsibilities as the Board of Directors shall determine from time to time. Said Committee shall be established for a one (1) year period.

EXECUTIVE COMMITTEE comprising as members: Michael A. Pace, as committee chair, Andrew M. Sullivan, Jr., Stephen T. Cassano and Benson R. Cohn.

FURTHER RESOLVED: Pursuant to the Bylaws and CRRA's enabling statute, the Board hereby extends the following committees and members to have such powers and

responsibilities as the Board of Directors shall determine from time to time. These Committees shall be established for a one (1) year period.

ORGANIZATIONAL SYNERGY AND HUMAN RESOURCES COMMITTEE comprising as members: Stephen T. Cassano, as committee chair, Mark Cooper and James Francis.

FINANCE COMMITTEE comprising as members: Andrew M. Sullivan, Jr. as committee chair, Benson R. Cohn, James Francis, Edna Karanian, Mark A. Lauretti, Theodore H. Martland and Raymond J. O'Brien.

POLICIES & PROCUREMENT COMMITTEE comprising as members: Benson R. Cohn, as committee chair, Theodore H. Martland, as vice-chair, Michael J. Jarjura and Raymond J. O'Brien.

The motion was seconded by Director Cooper.

Mr. Kirk stated that Director O'Brien had been acting as Vice-Chairman of the Finance Committee but there was no formal documentation of his appointment. Chairman Pace stated that the resolution could be amended to correct that.

Director O'Brien noted that Director Cooper had been added to the Policies & Procurement Committee.

The resolution was amended to appoint Director O'Brien as Vice-Chairman of the Finance Committee and to add Mark Cooper to the Policies & Procurement Committee.

Chairman Pace invited Ad-Hocs to attend any Committee meeting, but pointed out that they were not appointed to Committees.

Chairman Pace noted that Vice-Chairman Cassano had expressed his approval of the Committee appointments prior to ending his telephonic participation.

The amended motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		

Non Eligible Voters			
Veronica Airey-Wilson, Ad Hoc, Mid-Connecticut			
Timothy Griswold, Ad Hoc, Mid-Connecticut			

The following agenda items required the affirmative vote of 2/3 of the Directors. With 2/3 of the Directors not in attendance, the following items were tabled to be addressed at the next regularly scheduled Board of Directors Meeting.

1. Board Action will be sought regarding Settlement Agreement for the Bridgeport Project (Attachment 10).
2. Board Action will be sought for the approval of an Increase in Legal Expenditures (Attachment 6).
3. Board Action will be sought regarding Loose Residential Mixed Paper Purchase and Sale Agreement with Recycle America Alliance, L.L.C. (Attachment 7).
4. Board Action will be sought regarding an Extension of the Mid-Connecticut Project Loose Paper Transloading Agreement with Murphy Road Recycling and Murphy Road Realty (Attachment 8).
5. Board Action will be sought regarding an Agreement with FCR Redemption, Inc., the Mid-Connecticut Project's Container Processing Facility Operator (Attachment 9).
6. Board Action will be sought regarding an Agreement with Enviro Express, Inc. to Deliver City of Stamford Acceptable Solid Waste to CRRA's Bridgeport Project Resources Recovery Facility (Attachment 11).
7. Board Action will be sought regarding an Agreement with the City of Stamford to Deliver its Acceptable Solid Waste to CRRA's Bridgeport Project Resources Recovery Facility (Attachment 12).
8. Board Action will be sought regarding Waste Export and Diversion Hauling and Disposal Services for Mid-Connecticut and Wallingford Projects (Attachment 15).
9. Board Action will be sought regarding Spot Waste Delivery Services for the Mid-Connecticut and Wallingford Projects (Attachment 16).

CHAIRMAN'S REPORT

Chairman Pace stated that the CRRA Board was comprised of dynamic individuals. Chairman Pace stated that the individuals on the Board were responsible for running towns, businesses, consulting and other professional endeavors. Chairman Pace said he has been amazed at the Board's dedication and noted that there have been very few instances when the Board was unable to vote on agenda items because there were not enough Directors present. Chairman Pace said that while telephonic meetings were conducted in an open and transparent manner, frequent telephone meetings could give critics of CRRA something to criticize. Chairman Pace added that he would like to see Directors in person at meetings. Chairman Pace stated that telephonic meetings were important on an emergency basis, but said he would like to limit the number of meetings held by telephone conference. Chairman Pace emphasized that he would like to see those who would criticize CRRA for utilizing telephone meetings hold the same standard to other organizations.

Director Martland asked if CRRA's legislative agenda included a bill for ash reuse. Mr. Kirk responded that CRRA did not submit a bill this year because CRRA wanted the DEP to address ash reuse as a component of the Solid Waste Management Plan. Mr. Kirk said that with the backing of the DEP, there would be a better chance of having ash reuse viewed favorably. Mr. Kirk noted, however, that DEP is not at present in favor of ash reuse and there were also economic issues to overcome.

Chairman Pace informed the Board that the ruling from the arbitration with MDC was in CRRA's favor. Chairman Pace stated that the issues regarding indirect costs were still to be resolved. Chairman Pace said he met with the Chairman of MDC to "extend an olive branch." Chairman Pace requested that the MDC Chairman and his staff meet with CRRA to discuss the arbitration ruling and how to move forward.

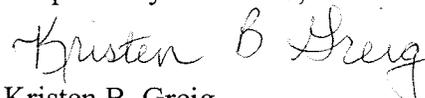
Mr. Kirk invited the Directors to CRRA's 2nd Annual Meeting on February 1st. Mr. Kirk stated that there would be a celebration of CRRA's receipt of the \$111 million from Deutsche Bank and said the Board and management would be recognized for their work to secure the \$111 million. Mr. Kirk added that Attorney General Blumenthal confirmed that he would be in attendance.

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 10:45 a.m.

Respectfully submitted,



Kristen B. Greig
Secretary to the Board/Paralegal

TAB 21

CONNECTICUT RESOURCES RECOVERY AUTHORITY

ANNUAL MEETING

FEBRUARY 1, 2005

The Second Annual Meeting of the Connecticut Resources Recovery Authority was held on Tuesday, February 1, 2005 in the Old Judiciary Room of the State Capitol Building. Those present were:

Chairman Michael Pace

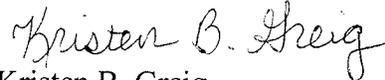
Directors: Mark Cooper
 Mark Laretti
 Theodore Martland
 Raymond O'Brien

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Bettina Bronisz, Assistant Treasurer & Director of Finance
Rob Constable, Controller
Peter Egan, Director of Environmental Affairs & Development
Tom Gaffey, Enforcement/Recycling Director
Floyd Gent, Director of Operations
Laurie Hunt, Esq., Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Christian Stumpf, Operations Manager, Customer Care
Donna Tracy, Executive Assistant
Kristen Greig, Secretary to the Board/Paralegal

A quorum of the Board of Directors was not present and no votes were taken.

Respectfully submitted,



Kristen B. Greig
Secretary to the Board/Paralegal