

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND TWENTY-SECOND MEETING**

**APRIL 26, 2007**

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, April 26, 2007 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: Mark Cooper (Present until 1:08 p.m.)  
James Francis (Present until 12:55 p.m.)  
Michael Jarjura (Present beginning at 11:20 a.m. until 12:55 p.m.)  
Edna Karanian  
Mark Lauretti (Present beginning at 9:40 a.m.)  
Theodore Martland (Present until 12:55 p.m.)  
James Miron (Present by telephone)  
Raymond O'Brien  
Linda Savitsky  
Stephen Edwards, Bridgeport Ad-Hoc (present until 11:05 a.m.)

Present from the CRRA staff:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Michael Bzdyra, Government Relations Liaison  
Robert Constable, Controller  
Peter Egan, Director of Environmental Affairs  
Floyd Gent, Director of Operations  
Laurie Hunt, Director of Legal Services  
Paul Nonnenmacher, Director of Public Affairs  
Michael Tracey, Operations Manager, Construction Management  
Donna Tracy, Executive Assistant  
Steven Yates, Air Compliance Manager  
Kristen Greig, Secretary to the Board/Paralegal

Also present were: Susan Hemenway of BRRFOC, Kathleen Henry of CCEJ, Margaret Japp of CCEJ, Allan Mercado of CCEJ, Mark Mitchell of CCEJ, John Pizzimenti of USA Hauling & Recycling, Matt Suffish of Covanta, Balbena Smickle of CCEJ, and Jerry Tyminski of SCRRRA.

Chairman Pace called the meeting to order at 9:35 a.m. and stated that a quorum was present.

**PLEDGE OF ALLEGIANCE**

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

**PUBLIC PORTION**

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

Ms. Kathleen Henry and Dr. Mark Mitchell of Connecticut Coalition of Environmental Justice both addressed the Board. Ms. Henry asked why “Phillip D. Bag” had not been seen in Hartford. Mr. Nonnenmacher informed Ms. Henry that “Phillip D. Bag” made his debut in Hartford on April 19 at City Hall for the Earth Day celebration and met Mayor Perez. Mr. Nonnenmacher stated that Mayor Perez has asked “Phillip D. Bag” to make appearances at Hartford schools. Mr. Nonnenmacher added that “Phillip D. Bag” was also going to be appearing at the CPTV Science Expo in Hartford on April 26, 27 & 28. Mr. Nonnenmacher informed Ms. Henry that CRRA staff had also met with Hartford Public Works staff and were working on a pilot program to help residents of multi-family dwellings recycle. Ms. Henry asked why Ad Hoc Directors were not allowed in Executive Session. Chairman Pace replied that, per the Connecticut General Statutes, Ad Hoc Directors are only allowed to participate in Executive Session discussions pertaining to their specific project.

Dr. Mark Mitchell stated that it was his understanding that it was up to the Board of Directors as to whether the Ad Hocs could participate in Executive Session discussions. Dr. Mitchell added that he was not asking that Ad Hoc members vote, but that they be allowed to participate in Executive Session discussions. Chairman Pace answered that Dr. Mitchell was mistaken in his assumption as the legal requirements for who can participate in Executive Session are spelled out in the Freedom of Information Act.

**APPROVAL OF THE MINUTES OF THE MARCH 29, 2007 REGULAR BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the March 29, 2007 Regular Board Meeting. Director O’Brien made a motion to approve the minutes, which was seconded by Director Savitsky. Director O’Brien noted that one section of the minutes would be clarified in a subsequent vote. The minutes were approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	<b>X</b>		
Mark Cooper	<b>X</b>		
James Francis	<b>X</b>		
Edna Karanian	<b>X</b>		
Theodore Martland	<b>X</b>		
James Miron	<b>X</b>		
Raymond O'Brien	<b>X</b>		
Linda Savitsky	<b>X</b>		
<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

**APPROVAL OF THE MINUTES OF THE APRIL 9, 2007 SPECIAL BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the April 9, 2007 Special Board Meeting. Director O’Brien made a motion to approve the minutes, which was seconded by Director Savitsky. The minutes were approved as presented by roll call. Directors Cooper, Francis and Miron abstained.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper			X
James Francis			X
Edna Karanian	X		
Theodore Martland	X		
James Miron			X
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

**CLARIFICATION OF THE MINUTES OF THE MARCH 29, 2007 REGULAR BOARD MEETING**

Chairman Pace requested a motion to approve the clarification of the minutes of the March 29, 2007 Regular Board Meeting as presented in Tab 3 of the Board package. Director O’Brien made a motion to approve the minutes, which was seconded by Director Savitsky.

The minutes as clarified were approved unanimously by roll call.

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

## **FINANCE COMMITTEE UPDATE**

Director Francis stated that the Permit Renewal Changes would accomplish three things: 1) change the guarantee of payment from three months to two months for all projects; 2) allow for a single permit per vehicle; and 3) change the rate structure from \$100 per permit per vehicle per facility to one permit for each vehicle for all facilities for \$125. Director Francis added that this change will bring in approximately \$100,000. Director Edwards asked if this amount was an increase or decrease from the previous income. Mr. Constable stated that this change would be a decrease in income of approximately \$15,000, but added that there would be savings on the administrative side because of the efficiencies of using one permit for all facilities. Mr. Constable added that with the restructuring, haulers registering for more than one facility will be required to register all of their vehicles. Mr. Kirk noted that this is a customer friendly change.

Chairman Pace requested that management change GOP (Guarantee of Payment) to GoP so as not to confuse the terms.

## **RESOLUTION REGARDING THE ADOPTION OF THE REVISED FISCAL YEAR 2008 BRIDGEPORT PROJECT OPERATING BUDGET AND TIP FEE**

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

**WHEREAS:** The State Bond Commission has approved the \$3 million to cover the costs associated with the closure of the Shelton landfill; and

**WHEREAS:** The Authority will apply these funds when received against the Shelton Landfill post-closure reserve; and

**WHEREAS:** The fiscal year 2008 tip fees as proposed and as financially prudent can be reduced as a result of the receipt of these funds.

**THEREFORE BE IT RESOLVED:** That the fiscal year 2008 Bridgeport Project Budget be adopted substantially in the form as presented and discussed at this meeting and that a fiscal year 2008 member tipping fee of \$76.00 per ton for the component of the fee based on actual deliveries and \$5.00 per ton for the portion of the fee based on minimum commitment tonnage be adopted.

**FURTHER RESOLVED:** That the adoption of this resolution is based upon the recommendation of the Solid Waste Advisory Board and that the Solid Waste Advisory Board has been advised that the minimum commitment portion of the tip fee will be increased in fiscal year 2009 by whatever is required to permit the cessation of the project on December 31, 2008 in a fiscally sound manner. They further recognize that any increase to the market tip fee component is restricted by market forces.

The motion was seconded by Director Martland.

Director Francis stated that the Bridgeport tip fee will be reduced to \$76.00/\$5.00 per ton because the State Bond Commission has authorized a \$3 million bond for the Shelton Landfill closure. Director Edwards stated that there was a very lengthy discussion at the SWAB meeting on April 11 as to how to distribute the \$3 million. Director Edwards indicated that the consensus was to spread the \$3 million out against the minimum commitment fee rather than the per ton tipping fee. Director Edwards stated that the SWAB Board recognized that this tip fee may have a greater effect next year, but some of the towns felt that they had been hit hard by the minimum commitment fee and the \$76.00/\$5.00 tip fee will help. Director Edwards added that Mr. Constable was very careful to inform the SWAB Board that this tip fee is only for one year and may have to be adjusted next year.

Mr. Bolduc added that the next tip fee that is set for the Bridgeport Project will be the last tip fee and will be in effect for six months. Mr. Bolduc emphasized that at the conclusion of the Project there must be sufficient reserves on hand to cover any costs that occur at project's end and beyond. Mr. Bolduc reminded the Board that the last tip fee may be substantially higher if the Project is short on funds.

Director Martland asked if the \$3 million was guaranteed. Mr. Kirk replied in the affirmative.

Director Lauretti added that he was happy to support this resolution and that this resolution would prove very beneficial to the towns of the Bridgeport Project. Chairman Pace thanked Director Lauretti for his work at the State Capitol in getting this item onto the State Bond Commission agenda.

Mr. Kirk asked Mr. Gent to address some ongoing issues with the Bridgeport Project prior to the vote. Mr. Gent informed the Board that a decision in the arbitration hearing was received on April 23 and management is in the process of analyzing the decision. The Bridgeport Future Options Committee will be meeting on Monday April 30 to discuss this matter. Mr. Gent cautioned that there may be additional legal expenses as a result.

Mr. Gent stated that there may be a contract dispute with the operator of the Waterbury Landfill, and the operator has asked for an arbitration hearing. Mr. Gent indicated that he will be meeting with the operator later today to attempt to settle the dispute. Mr. Gent stated that he is hopeful that an agreement can be reached between both parties without going to arbitration. Mr. Gent noted that management agrees with the \$76.00/\$5.00 tip fee with the understanding and with SWAB's acknowledgement that the fee may go up substantially in the last six months of the project.

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

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	<b>X</b>		
Mark Cooper	<b>X</b>		
James Francis	<b>X</b>		

Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Steve Edwards, Ad Hoc, Bridgeport	X		
<b>Non Eligible Voters</b>			
NONE			

**RESOLUTION REGARDING SOLID WASTE CONSULTING SERVICES TO SUPPORT PROCUREMENT OF TRANSPORTATION AND DISPOSAL SERVICES FOR PROCESS RESIDUE, NON-PROCESSIBLE WASTE, AND BYPASS WASTE**

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

**RESOLVED:** That the President is hereby authorized to amend a Request for Services with Alternative Resources, Inc., to increase the cost of performance, for solid waste consulting services to support procurement of transportation and disposal services, substantially as discussed and presented at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk explained that this was being brought before the Board because the dollar value of the contract exceeds the \$50,000 limit. Mr. Egan explained that late in 2006 CRRA solicited bids to move process residue and non-processible waste from the Mid-Connecticut facility to an out-of-state location in the event that CRRA did not succeed in getting additional capacity at the Hartford Landfill. As it became clear that CRRA would be granted the permit, CRRA went back to the bidders and asked what affect it would have on their pricing if there were certain changes to the contract, including the effective date of the contract. Mr. Egan explained that those additional changes to the contract resulted in the "Additional Expenditure". Mr. Egan stated that management would come to the June Board with a recommended contract with one of the haulers and the services would go into effect in January of 2009. This contract would cover transportation of process residue, non-processibles and bypass waste out of the Mid-Connecticut system after the Hartford Landfill ceases to accept waste.

Chairman Pace asked what the additional \$26,568.00 would be used for. Mr. Kirk explained that there is now a change in scope from the original contract. The original scope assured that a contract would be in place by March in the event CRRA was not successful in its negotiations with the City for additional capacity. However, since CRRA has been successful in its negotiations, the start date for exporting waste from the Hartford Landfill has been pushed back to January 2009. Mr. Kirk explained that rather than bringing in a new vendor to start the process from "scratch," management wanted to build and refocus the consultant on longer term projects to utilize contacts and work completed already so that CRRA could create an RFP

contract process for 2009. Chairman Pace asked if the full \$47,500 had been expended. Mr. Egan responded that the funds would be spent by the end of April 2007.

Mr. Egan indicated that this additional amount (\$26,568) would be spent during May and June of 2007. Mr. Egan explained that CRRA has spent the \$47,500 on additional tasks that flowed from the fact that CRRA did not have to execute a contract on or about March 1 but instead went back to the bidders for more information and additional financial modeling because the service start date would now be delayed until January 2009 with the additional capacity availability at the Hartford Landfill.

Director O'Brien asked what the risks (particularly fuel costs) were of entering into a contract that doesn't take effect for another eighteen months. Mr. Egan replied that there is a fuel surcharge and a rate schedule that the vendor will commit to at this time. Mr. Egan stated that CRRA went to the bidders and asked if they would keep their same fuel surcharge and rate schedule if the contract was pushed out for eighteen months. Each of the bidders has agreed to keep the pricing the same.

Director Martland asked what the guidelines were for determining fuel costs. Mr. Egan replied that the vendor would use a sliding scale to determine fuel costs and CRRA's cost will be adjusted with the price of fuel.

Chairman Pace asked how many bidders were involved. Mr. Kirk replied that five companies had submitted bids. Director Edwards asked if the intent was to rebid or to renegotiate with the current low bidder. Mr. Gent replied that it was uncertain at this point, but either way management would need ARI to assist in the process.

Mr. Egan reiterated that almost all the funds have been spent because this was such a fluid exercise given the circumstances involving the Hartford Landfill permit modification (particularly in February and March). Mr. Egan added that when CRRA was granted the permit, the consultant had to go back to the bidders with questions regarding mobilization, pricing and what type of exceptions would need to be made to the contract if changes are made. Mr. Egan stated that whatever funds were available had been used for this additional work. Mr. Egan added that the additional funds were needed to complete the project and recommend one of the contractors for transportation and disposal. Mr. Kirk concluded that basically the Board would be granting management permission to exceed the authorized amount of this agreement by \$26,568 in order to complete the project.

Director Karanian suggested that management submit a more detailed presentation for the May Board meeting so that the members of the Board could have a better understanding of the recommendations. Director O'Brien concurred and stated he felt a new bid was necessary. Director O'Brien added that management should do minimum work consistent with the notion that the work will likely be rebid. Mr. Gent suggested that the Board allow for an expenditure to continue the project until May 31, 2007. Mr. Gent added that management would then come back in May with more information.

Chairman Pace asked what the consultant would be doing over the next thirty days that could not be done by CRRA staff. Mr. Egan responded that the consultant would be performing additional economic modeling, working with Halloran & Sage on contracts with hauler and/or the landfill, communicating with bidders regarding questions that CRRA management had asked of the bidders. Mr. Egan added that management was going to identify the best qualified, lowest cost hauler/landfill. Mr. Gent noted that CRRA has limited staff and stated that there are several large projects that will be worked on over the next few weeks, such as the Wheelabrator arbitration, the Request for Proposals and selection of contractors for the Stratford IPC, upgrades at the Stratford museum, and the Waterbury landfill issue. These very important items are taxing CRRA staff resources. Mr. Gent added that CRRA staff does have the expertise to perform most of the services ARI is providing, but CRRA staff does not have the manhours to do it.

Chairman Pace asked why CRRA staff didn't communicate directly with Halloran & Sage on these items. Chairman Pace felt that CRRA was paying the consultant and the attorney at the same time. Chairman Pace noted that when the new Board was formed, one of the first items on their agenda was to bring more "CRRA product knowledge" back inside, rather than using consultants. Mr. Gent stated that normally this type of service would not be bid out to a consultant, but because of management's workload, a consultant was engaged. Mr. Egan stated that management is providing all the guidance and ARI is simply providing the legwork, which is a significant amount of work.

Chairman Pace stated that he was concerned about exporting internal knowledge to outside consultants. Mr. Kirk agreed, but reiterated that staff was just unable to accomplish this task in the limited time constraints. Mr. Kirk stated that CRRA does have staff in house to do the legwork, but if staff is working on this project, another project does not get done. Mr. Kirk stated that most of this type of work is done in house; but, occasionally, management will need to hire a consultant. This is one of those cases.

Director O'Brien indicated that he would support this resolution because he has full faith in the management team. Director O'Brien added that he understood that occasionally management would need to hire a consultant.

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

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		

<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

**RESOLUTION REGARDING THE STANDARD FORM MUNICIPAL SOLID WASTE DELIVERY AGREEMENT FOR THE BRIDGEPORT PROJECT**

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

**RESOLVED:** That the President is authorized to execute agreements for delivery of Acceptable Waste to CRRA's Bridgeport Project using the standard form hauler agreement substantially as presented and discussed at this meeting.

The motion was seconded by Director Lauretti.

Mr. Gent stated that there had been a lengthy discussion at the previous Board meeting regarding the standard hauler agreement. At that time, the Board tabled the motion, requesting that management discuss the Board's concern with SWAB. Mr. Gent indicated that management had met with the SWAB Board and SWAB's recommendation was to limit the amount of waste that comes in, but give CRRA the discretion on how this is done. Mr. Gent explained that Wheelabrator has made it clear that if CRRA brings in more waste than it is currently bringing in, Wheelabrator will be looking for additional costs from CRRA (approximately \$20/ton). Mr. Gent added that there may be some additional haulers who want to come into the facility but the SWAB towns would have to pay that additional fee. Mr. Gent stated that management's recommendation is to have a cap on tonnage for each hauler. Originally, management's thought was to have a cap on tonnage of 110% of FY06 deliveries. Some haulers tonnages have gone down and some have gone up. Management is proposing to meet with each hauler to set a cap depending on what their needs are. Mr. Gent added that allowing any new customers in would depend on the amount of tonnage being brought in by existing haulers.

Chairman Pace, referring to Item #12 on Page 3, asked if any hauler had been denied access to a facility. Mr. Gent indicated that individual drivers had been suspended, but that no hauler company had ever been suspended. Mr. Gent added that there is an appeal process for suspended drivers.

Director O'Brien asked how the tonnage would be monitored, monthly or quarterly. Mr. Gent replied that the tonnages are monitored annually and that each hauler would be responsible for monitoring their own tonnages. Director O'Brien asked at what point Wheelabrator would be able to ask for additional funds for excess tonnage. Mr. Gent explained that CRRA has access to 631,500 tons, and Wheelabrator must make a "reasonable" effort to take any amount above that. If Wheelabrator incurs additional costs because of their regular customers, Wheelabrator can pass those additional costs on to CRRA. Mr. Gent stated that CRRA has been bringing in 650,000 tons since Stamford joined the project, but that Wheelabrator had not passed on any additional costs to CRRA.

Director Edwards stated that this is compounded by the 18 member towns and this resolution refers to the contract haulers. Each municipality is a composite of the 631,500 tons. Mr. Edwards added that if a municipality had a sudden spike in their tonnage, that tonnage would go toward the overall composite. Mr. Edwards stated that the Board and management should not look at this as just seven haulers, but as 25, including the municipalities.

Mr. Kirk stated that management felt very comfortable with the caps that had been set and added that management closely monitors tonnages coming in. Director Edwards noted that these numbers were developed using history over the past seven years.

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

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	<b>X</b>		
Mark Cooper	<b>X</b>		
James Francis	<b>X</b>		
Edna Karanian	<b>X</b>		
Mark Lauretti	<b>X</b>		
Theodore Martland	<b>X</b>		
James Miron	<b>X</b>		
Raymond O'Brien	<b>X</b>		
Linda Savitsky	<b>X</b>		
Steve Edwards, Ad Hoc, Bridgeport	<b>X</b>		
<b>Non Eligible Voters</b>			
NONE			

**CHAIRMAN’S REPORT**

Chairman Pace handed out a legal opinion from Attorney Peter Boucher of Halloran & Sage, CRRA’s General Counsel, that he requested regarding the Board’s responsibilities and liabilities. Chairman Pace asked the Board to review the hand-out. Upon completion of their review, Chairman Pace stated that he felt it was in the best interests of the Board to get some of these questions and concerns answered. Chairman Pace asked Attorney Hunt to summarize each question.

Regarding the first question, “What is the legal obligation of CRRA’s Board to conduct CRRA business?” Attorney Hunt stated that Attorney Boucher set forth various statutory requirements for CRRA to conduct its business and stated that the statutes should be liberally interpreted. Attorney Hunt pointed out that the Board has a duty to the public to carry out its statutory obligations. Chairman Pace noted that the word “public” refers to the State of Connecticut. Attorney Hunt concurred. Chairman Pace asked if the “solid waste management plan” referred to in this legal option was the plan implemented by DEP. Attorney Hunt replied in the affirmative. Chairman Pace referred the Board to Section 22a-262 and asked Attorney Hunt to explain the term “construed liberally in furtherance of this intention”. Attorney Hunt

stated that the statute sets out item by item the powers that CRRA is granted in order to carry out the purpose set forth in the statute. In order to carry out its purpose, the legislature empowered CRRA to interpret those powers broadly enough to allow CRRA to accomplish its purposes. Chairman Pace referred Attorney Hunt to Section 22a-265 and asked her to explain the term “catchall”. Attorney Hunt stated that Attorney Boucher wanted to make it clear that the legislature did not want to “tie the hands” of the Board when it set forth the specific powers that CRRA has and the way the Board utilizes those powers to carry out its obligation. Chairman Pace asked Attorney Hunt if the intent of the legislature was to not only carry out its current obligations, but to also plan for the future. Attorney Hunt replied in the affirmative. Chairman Pace referred the Board to the phrase “CRRA is clearly charged with performing an essential government function”, and stated that CRRA’s government function is to dispose of garbage for the citizens of the State of Connecticut. Chairman Pace then referred the Board to the term “CRRA’s directors could be deemed public officials with a fiduciary duty to the public”. Chairman Pace stated that it was his interpretation that “the public” refers to the residents of the State of Connecticut. Attorney Hunt concurred.

Chairman Pace stated that it was important for the Board and the public to know exactly what the CRRA Board’s function is.

The second question was, “What are the legal liabilities of the Board if it is judicially prohibited from conducting CRRA business?” Chairman Pace stated that he had asked for this opinion to protect the CRRA Board of Directors. Chairman Pace indicated that he wanted to be sure that the Board’s interpretation of the statutes was correct. Chairman Pace referred the Board to the enclosed quote from a Connecticut Supreme Court ruling “. . . The duty to obey the injunction exists however erroneous the action of the of the court may be, even if the error be in the assumption of the validity of a seeming [sic] but void law going to the merits of the case . . .”. Attorney Hunt indicated that she is waiting for opinions from Attorney Goldstein on several other questions posed by Chairman Pace.

Chairman Pace indicated again that his purpose for asking for these legal opinions was to protect the CRRA Board and be sure that the Board has written legal opinions on all the actions or non-actions of the CRRA Board.

Director Savitsky suggested that the Board forward these legal opinions to the Constitutional Officers of the State of Connecticut for an independent corroboration that these opinions are correct. Attorney Hunt indicated that she would pursue this request.

Chairman Pace informed the Board that Director Michael Cassella had handed in his resignation. Chairman Pace regrets his resignation, but understands and respects Director Cassella’s decision.

## **PRESIDENT’S REPORT**

Regarding legislation, Mr. Kirk stated that there is bill before the legislature that would expand the bottle bill to include non-carbonated beverages. Mr. Kirk explained that CRRA has not taken an active position for or against the bill, but has made it clear to the legislature that the

bill, as presently written, would have a substantial impact to the revenue stream to the curbside recycling programs throughout the State. Mr. Kirk added that the planned \$10/ton rebate to the Mid-Connecticut towns for all recycling deliveries to CRRA's facilities is in jeopardy as a result of the loss of revenue associated with the loss of the non-carbonated bottles.

Mr. Kirk stated that the chance of the bill passing is quite good so CRRA has suggested to the legislators sponsoring the bill that an amendment be added that would address the public's concern. Mr. Kirk explained that the amendment would call for CRRA and other public recycling facilities to have the same rights as the private sector has. Specifically, to be able to redeem the non-carbonated bottles and to be paid the 1½¢ (soon to be 3¢) processing fee for essentially collecting, baling and selling the containers. Mr. Kirk stated that the public facilities should be able to benefit from the recycling. Mr. Kirk added that the amendment has received mixed reviews from the bill's sponsors because it would be problematic for the bottlers because it would cut into their revenue. Chairman Pace added that he was surprised that the sponsors of the bill would be more concerned with the bottlers than the public sector. Mr. Kirk stated that there are 169 towns in the State of Connecticut and 146 of those towns have curbside recycling programs. Mr. Kirk added that Connecticut is the envy of other States with these recycling participation numbers. Mr. Kirk stated that adding the non-carbonated beverages to the current bottle bill may have a beneficial impact on litter, but the cost to curbside recycling is not negligible. Mr. Kirk expressed hope that this amendment would be reviewed by the bill's sponsors.

Mr. Kirk stated that the results of the Bridgeport arbitration were in with some good news and some bad news. CRRA will begin negotiations with Wheelabrator in the very near future. The towns will likely be proceeding with Requests for Proposals. Mr. Kirk indicated that more details on the arbitration results will be discussed in the Executive Session.

## **POLICIES AND PROCEDURES COMMITTEE**

### **DISCUSSION REGARDING ENVIRONMENTAL EQUITY STATEMENT**

Director O'Brien referred the Board to Tab 8 of the informational packet, the Environmental Equity Statement. Mr. Kirk stated that management will email a "red-lined" copy to each director for their review. Director O'Brien requested that the Board review the statement and contact Paul Nonnenmacher with any revisions. The Statement, including any suggestions from the Board, will be brought back before the Policies and Procedures Committee for further review.

### **RESOLUTION REGARDING EXPENDITURE FOR RETROFIT OF DIESEL EQUIPMENT AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY, RECYCLING FACILITIES & THE HARTFORD LANDFILL**

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

**RESOLVED:** That the President of CRRA be authorized to expend \$150,000 to be taken from the Mid-Connecticut Rolling Stock Reserve account, to retrofit 16 pieces of heavy-duty diesel equipment as required by the Host Community Agreement contained in the Settlement Agreement with the City of Hartford and the modification of the Solid Waste Permit to Operate the Hartford Landfill, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk stated that CRRA’s agreement with the City of Hartford and the DEP for the closure of the Hartford Landfill requires CRRA to provide \$150,000 for improving the emissions performance of mobile equipment. Mr. Kirk explained that these funds will cover two modifications, 1) adding a special catalytic converter muffler and 2) when necessary, re-powering, or mechanically overhauling the equipment to improve efficiency and reduce emissions.

Director O’Brien stated that he supports the project. Director O’Brien referred the Board to the second paragraph of the Executive Summary. Director O’Brien asked if there was any demonstrative information from Caterpillar as to how much emissions would be reduced or if there were any documented fuel efficiencies. Mr. Yates stated that he will request this information from Caterpillar.

Director Karanian suggested that CRRA issue a press release. Chairman Pace agreed and asked Mr. Egan to let Ms. Henry of CCEJ know that this upgrade was being done. Chairman Pace added that management should also inform towns bordering Hartford that the upgrade was being done. Mr. Egan stated that as soon as the upgrade is completed, he will let all interested parties know.

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

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	<b>X</b>		
Mark Cooper	<b>X</b>		
James Francis	<b>X</b>		
Edna Karanian	<b>X</b>		
Mark Lauretti	<b>X</b>		
Theodore Martland	<b>X</b>		
James Miron	<b>X</b>		
Raymond O'Brien	<b>X</b>		
Linda Savitsky	<b>X</b>		
<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

**RESOLUTION REGARDING RATIFICATION OF EMERGENCY PROCUREMENT CONTRACTS**

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

**RESOLVED:** That the Authority Board of Directors ratifies the Emergency purchase as substantially presented and discussed at this meeting.

The motion was seconded by Director Savitsky.

Director O'Brien indicated that this resolution was recommended by the Policies & Procurement Committee and additional supporting documentation was distributed to the Board.

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

<b>Eligible Voters</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

**RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES**

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

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

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

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

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

<u>Firm:</u>	<u>Amount:</u>
Halloran & Sage	\$150,000

**Further Resolved:** That Management notify the SWAB Executive Committee immediately upon receipt of the panel’s decision in the matter of Wheelabrator Bridgeport L.P. v. Connecticut Resources Recovery Authority, and include full discussion of the decision and its impacts on the agenda for SWAB’s May meeting.

The motion was seconded by Director Savitsky.

Mr. Kirk stated that the Halloran & Sage fees and expenses for the Bridgeport Arbitration were higher than anticipated because Wheelabrator pushed for delays in additional motions and briefs that CRRA resisted at every opportunity. The additional \$150,000 is associated with new developments in the arbitration over the last month. Mr. Kirk added that Halloran & Sage did the work with CRRA management’s permission, but did not keep CRRA informed of the costs as they were being incurred.

Director Lauretti suggested that the Board occasional review the legal bills. Chairman Pace concurred and added that perhaps Attorney Hunt could bring a “sampling” of some of the legal bills to the Finance Committee meetings for their review.

Director Jarjura stated that this matter was crucial to the Bridgeport project towns and that the costs were justified.

Director Edwards referred the Board to the Supplemental Package (Tab C). Director Edwards asked if the \$360,205 was already accounted for. Ms. Grieg stated that the \$360,205 includes anticipated expenses for all projects, not just Bridgeport. Director Edwards asked that SWAB be kept informed of legal costs going forward.

Chairman Pace stated that the Bridgeport Future Options Committee will be meeting on Monday to discuss this matter.

Mr. Kirk commended Halloran & Sage for their work on the Bridgeport arbitration. Director Lauretti stated that their work is not what was at issue, but their billing practices and ultimately the “bottom line”.

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

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Mark Cooper	X		
James Francis	X		

Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Steve Edwards, Ad Hoc, Bridgeport	X		
<b>Non Eligible Voters</b>			
NONE			

**RESOLUTION REGARDING THE PURCHASE OF A PRIMARY SHREDDER MOTOR RATED AT 500 HP AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY**

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

**RESOLVED:** That the President is hereby authorized to execute an agreement with American Rotor Corporation to provide a primary shredder motor rated at 500 horsepower to be located at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

The motion was seconded by Director Savitsky.

Director O'Brien stated that the Policies & Procedures Committee reviewed this item and agreed that this purchase was justified. American Rotor Corporation can deliver the shredder in 8-10 weeks and would provide a two-year warranty. The lowest bidder could not deliver the shredder for 40 weeks and would only offer a one-year warranty.

Director Savitsky added that if management has not chosen the lowest bidder because of the delivery time and warranty period, management should be sure they monitor the performance of this contract to ensure those services (delivery and warranty) are satisfied.

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

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

Raymond O'Brien	X		
Linda Savitsky	X		
<b>Non Eligible Voters</b>			
Steve Edwards, Ad Hoc, Bridgeport			

**EXECUTIVE SESSION**

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation with appropriate staff. The motion made by Director O'Brien and seconded by Director Savitsky was approved by roll call. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

- Thomas Kirk
- James Bolduc
- Laurie Hunt, Esq.
- Floyd Gent

The Executive Session began at 11:35 a.m. and concluded at 1:35 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 1:35 p.m.

**ADJOURNMENT**

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

There being no other business to discuss, the meeting was adjourned at 1:35 p.m.

Respectfully submitted,

Kristen B. Greig  
Secretary to the Board/Paralegal