

Finance Committee
March 20, 2008 Regular Meeting

Draft Minutes

Members Present: James Francis, Committee Chairman
Raymond O'Brien, Committee Vice-Chairman
Edna Karanian
Ted Martland (present by telephone until 11:20 a.m.)

CRRRA Staff Present: Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Bettina Bronisz, Assistant Treasurer & Director of Finance
Robert Constable, Controller
Peter Egan, Director of Environmental Affairs & Development
Mike Tracey, Director of Operations
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Nhan Vo-Le, Director of Accounting
Lisa Bremmer (Present from
Moira Kenney, Secretary to the Board/Paralegal

Other Board Member Present: Linda Savitsky

Also Present: Lisa Janney, Gerard McStravick, and Michele Eby of Aon Risk Services.

Chairman Francis called the meeting to order at 9:35 a.m. and noted that there was a quorum.

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

1. Approval of Minutes of the February 14, 2008, Finance Committee Meeting

Chairman Francis requested a motion to accept the minutes of the February 14, 2008, Finance Committee meeting. The motion was made by Vice-Chairman O'Brien and seconded by Director Karanian.

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

2. Approval of Minutes of the February 26, 2008, Special Finance Committee Meeting

Chairman Francis requested a motion to accept the minutes of the February 26, 2008 Special Finance Committee meeting. The motion was made by Vice-Chairman O'Brien and seconded by Director Karanian.

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

3. Review and Recommend for Board Approval Renewal of All Risk Property Insurance

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following motion:

RESOLVED: That CRRA's \$359 million All Risk Property Insurance be purchased for a premium of \$600,979 (including terrorism) from the following three insurers with their quota shares as indicated: XL 35%; Starr Tech 33% and Zurich 32%:

FURTHER RESOLVED: That CRRA obtain expanded loss prevention engineering services from XL for a cost of \$22,900.

Director Karanian seconded the motion.

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

4. Review and Recommend for Board Approval Renewal of Public Officials' Insurance

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following motion:

RESOLVED: That CRRA's Public Officials and Employees Liability insurance be purchased from ACE with a \$10,000,000 limit, and up to a \$5,000,000 in defense costs outside the limit, and a \$250,000 deductible for the period 4/1/08-4/1/09 for a premium of \$228,139, as discussed at this meeting.

Director Karanian seconded the motion.

5. Amendment to the Motion

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following amendment:

That the resolution includes information clarifying the defense cost changes.

Vice-Chairman O'Brien's suggestion was accepted as a friendly amendment by the Finance Committee members.

The committee discussed the extent to which the coverage protects both CRRA and prior Board members.

The motion previously made and seconded was approved as amended and discussed by roll call.

6. Review and Recommend for Board Approval Renewal of Commercial Crime Insurance

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following motion:

RESOLVED: That CRRA purchase the three-year policy for Commercial Crime insurance with a limit of \$3,000,000 from the Travelers Casualty and Surety Company of America for an annual premium of \$3,310 for the period 4/1/08-4/1/11, as discussed at this meeting.

Director Karanian seconded the motion.

Vice-Chairman O'Brien requested that the resolution for presentation to the full Board clarify that the policy has changed from a one year policy to a three year policy as well as contain information detailing the necessity of the change. The Finance Committee and management agreed those changes will be included.

The motion previously made and seconded was approved as amended and discussed by roll call.

7. Review and Recommend for Board Approval Renewal of Fiduciary Liability Insurance

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following motion:

RESOLVED: That CRRA purchase a three-year, \$3,000,000 Fiduciary Liability insurance policy, with a separate \$1,000,000 limit for defense expenses, for an annual premium of \$4,581 from Travelers Casualty and Surety Company of America for the term 4/1/08 – 4/1/11 as discussed at this meeting.

Director Karanian seconded the motion.

Vice-Chairman O'Brien requested that the resolution for presentation to the full Board clarify that the policy has changed from a one year policy to a three year policy as well as information detailing the necessity of the change. The Finance Committee and management agreed those changes will be included.

The motion previously made and seconded was approved as amended and discussed by roll call.

8. Review and Recommend for Board Approval Fiscal Year 2008 Bulky Waste and Non-Processible Fee at the Hartford Landfill

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following motion:

RESOLVED: That the Fiscal Year 2008 Mid-Connecticut Project Tip Fees for Bulky Waste (C&D) and Non-Processible Waste delivered to the Hartford Landfill be reduced to the *Proposed Rates* as presented in the following table.

Waste Category	Existing Rate <u>FY 2008</u>	Proposed Rate <u>FY 2008</u>
Bulky Waste (C&D) – Municipal	\$85.00	\$40.00 - \$85.00
Bulky Waste (C&D) – Commercial	\$96.00	\$40.00 - \$96.00
Non-processible Fee – Direct	\$85.00	\$40.00 - \$85.00

Director Karanian seconded the motion.

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

9. Executive Session

Chairman Francis requested a motion to enter into Executive Session to discuss pending litigation. The motion was made by Vice-Chairman O'Brien and seconded by Director Karanian. The motion previously made and seconded was approved unanimously by roll call. Chairman Francis requested that the following people remain for the Executive Session, in addition to the committee members:

Mr. Bolduc
Attorney Hunt

The Executive Session commenced at 10:49 a.m. and concluded at 11:20 a.m.

The meeting reconvened at 11:21 a.m. and Chairman Francis noted that no votes were taken during Executive Session.

10. Review and Recommend for Board Approval of the Disposition of Settlement Funds

Chairman Francis requested a motion regarding the above-captioned matter. Vice-Chairman O'Brien made the following motion:

WHEREAS, the Connecticut Resources Recovery Authority (the “Authority”) has continued to pursue Enron related litigation against multiple parties; and

WHEREAS, the Authority has been successful in Enron related litigation and received tens of millions of dollars in settlement funds which has been used to mitigate tip fee increases for the Mid-Connecticut Project; and

WHEREAS, the Authority has now settled its Enron-related claims against an additional defendant, as discussed in executive session; and

WHEREAS, the Authority reached an agreement with the City of Hartford allowing the Authority to utilize additional capacity at the Hartford Landfill through December 31, 2008; and

WHEREAS, the agreement with the City of Hartford assigns the post-closure obligations to the Mid-Connecticut Project; and

WHEREAS, the accounts for the post-closure obligations are currently below the required funding amount; and Hartford Landfill Post-Closure account to ensure sufficient funds are available to meet the required obligations; and

NOW, THEREFORE, it is

RESOLVED: That the funds (net of legal costs) to be received from a recent settlement in the Authority’s Enron-related litigation as discussed in executive session be deposited into the Hartford Landfill Post-Closure account.

Director Karanian seconded the motion.

The motion previously made and seconded was approved as amended and discussed by roll call.

11. Interview Legal Firms for Bond-Counsel Services

The following firm was interviewed:

Pullman & Comley

Present from Pullman & Comely were:

Michael J. Andreana

Frank B. Cleary

John Stafstrom

12. Recess

Chairman Francis requested a motion to recess the meeting. The motion made by Vice-Chairman O’Brien and seconded by Director Karanian was passed unanimously.

The meeting was recessed at 11:45 p.m. and resumed at 12:30 p.m.

13. Interview Legal Firms for Bond-Counsel Services

The following firm was interviewed:

Sidley Austin, LLP

Present from Sidley Austin, LLP was:
Frank Robinson

14. Addition to the Agenda

Chairman Francis requested a motion to add an item to the agenda. Vice-Chairman O'Brien made a motion to add a consideration of a recommendation to the CRRA Board of Director's regarding employment of bond counsel.

The motion was seconded by Director Karanian and was approved unanimously.

15. Review and Recommend for Board Approval the Selection of Bond-Counsel Legal Services.

Chairman Francis requested a motion regarding the above captioned matter.

The motion was seconded by Director Karanian and was approved unanimously.

15. Adjournment

Chairman Francis requested a motion to adjourn the meeting. The motion made by Vice-Chairman O'Brien and seconded by Director Karanian was passed unanimously.

The meeting was adjourned at 1:12 p.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal