

**Organizational Synergy & Human Resources Committee
April 20, 2009 Meeting**

Draft Minutes

Members Present: Michael Jarjura, Committee Chairman
Dave Damer
Timothy Griswold

CRRA Management Present: Thomas Kirk, President
James Bolduc, Chief Financial Officer
Moirra Kenney, Secretary to the Board/Paralegal

Also Present: Monica L. Marchese, Marchese Consulting, LLC

Committee Chairman Jarjura called the meeting to order at 11:23 a.m. and noted that there was a quorum.

1. APPROVAL OF MINUTES OF THE MARCH 26, 2009, ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE MEETING

Committee Chairman Jarjura requested a motion to approve the minutes of the March 26, 2009, Organizational Synergy & Human Resources Committee meeting. Director Damer made the motion, which was seconded by Director Griswold.

The motion to approve the minutes was approved unanimously. Chairman Jarjura abstained as he was not present at the meeting.

2. BRIDGEPORT PROJECT TERMINATION - PERSONNEL ISSUES

Mr. Kirk said this discussion is to review with the Committee the pertinent facts concerning the Bridgeport Project budget for FY'10. He explained there is no money in the budget to fund the Stratford Garbage Museum going forward. Mr. Kirk said that the SWAB group declined to include funding of the museum as an add-on to their tipping fee in FY'10. He explained this has led to a lack of revenue for the museum. Mr. Kirk said that historically the museum has been funded by the SWAB group and that funding would have amounted to about an additional 32 cents a ton.

Mr. Kirk said there are less tons in the Bridgeport Project now and there is a flat \$2.00 administrative fee for CRRA's services. He explained without museum funding there are three positions which management has planned on terminating July 1, 2009. Mr. Kirk said that there is currently no severance policy in place.

Mr. Kirk said there is authority within the office of the President to offer a settlement to employees. He said if there is a hesitancy to develop a permanent policy a one-time settlement

can be offered. Mr. Kirk said that CRRA is still trying to keep the museum open. He said one option that may buy the museum more time is the possibility of utilizing the consent order settlement of a half million settlement from a dioxin test violation from the Wallingford Project's Operator Covanta.

Mr. Kirk said management would like to try and use that money as a supplemental environmental program which although is 25% more than the consent order can be applied to a beneficial environmental use. Mr. Kirk said if management is able to use this money it will provide funding for the museum.

The Committee undertook a substantial discussion concerning possible options to keep the Stratford museum open.

Director Griswold asked what portion of funds was necessary to keep the two remaining positions at the museum open. (Mr. Kirk said that one employee has already left voluntarily). Mr. Kirk said there were three employees and that a portion of the museum director's salary is also paid by roughly \$100,000 of the funding needed to keep the museum open.

Director Jarjura said that the Committee is supportive of offering those remaining employees some type of severance or settlement. He said that he would like to see the museum stay open if there is some possibility of negotiating shared funding with the remaining project member towns. He said it would be a shame to see the efforts the community resources had funded closed down.

Director Jarjura said that he was not sure how the overall Board would feel concerning offering a settlement. Mr. Kirk said that the modest offering does not have to come before the Board for approval. Director Jarjura noted that although this is true the Committee would be more comfortable consulting the Board on such a matter when considering the precedent this may set for other employees of CRRA. Mr. Kirk agreed.

Mr. Bolduc said it was important to consider the signal that providing or not providing a settlement or severance would send to the rest of the organization. Mr. Bolduc noted that it was also important to make a decision considering this possible provision as July 1, 2009 is approaching quickly.

Mr. Kirk said the employees have been informed that their positions will be eliminated if alternative funding is not found by July 1, 2009.

Chairman Jarjura said that if he has to eliminate positions the City does not offer a payment plan; however there may be accrued time-off and call-back provisions as these employees are union members.

Director Damer asked if there are any other positions that may need to be eliminated. Mr. Kirk said that the answer is no and that he wants to make that message clear to CRRA's employees. Director Damer said that providing a severance while providing notice to the Board of such an action may be the best course of action.

Director Griswold said that CRRA is not cutting the jobs and that the lack of funds is a result of the town's decision to not continue funding the cost of the museum.

Director Griswold asked if providing a severance may create a situation where employees looking for alternative employment may make a decision to leave CRRA based on the availability of severance pay.

Ms. Marchese said that she thinks the implications of not providing severance pay is very strong for the other employees and that this is a risk that the organization needs to evaluate carefully. She said the departing employees will certainly share whether a severance is provided favorably with the other CRRA employees.

Chairman Jarjura said that the Board is divided concerning this severance provision. Director Damer said he has never seen a company go through lay-offs without providing a severance within the private sector.

Ms. Marchese said that the two companies that she had worked with within the private sector concerning lay-offs provided a severance as well as an additional provision in exchange for a release.

Mr. Bolduc said the Bridgeport Project is closing down and that the de-commissioning costs need to be reserved and earmarked soon if in fact CRRA is providing severances.

Chairman Jarjura asked if the State of Connecticut had been approached for possible grants or funding. Mr. Kirk said the environment committee was approached for funding but the suggestion never got out of committee. He explained CRRA is one of many worthwhile organizations looking for much needed funding.

Ms. Marchese reviewed the provision of a transitional payment provision with the Committee.

After substantial discussion Chairman Jarjura agreed to bring the suggestion of a severance or transition offering for the museum employees to the full Board under his report from the Human Resources and Organizational Synergy Committee. Director Griswold said it was also important to note that the decision to not provide funding for the museum is one that was made by the SWAB group. Mr. Kirk agreed and noted that the town's decision was made with the proviso that they would like to continue this program and that it had many benefits, however the cost savings is necessary given the current state of the economy.

3. DISCUSSION AND PROCESS FOR 2009 SALARY ADJUSTMENTS

Mr. Kirk said that CRRA's policy says very clearly that management is supposed to administer a merit pay according to the performance management program. He said these programs have been performed and management has an aggressively conservative 10% bell curve of exceptional performers and an increase has not been associated with that curve. Mr. Kirk explained if those increases were to be provided they would be 2.8% and 1.8%. He

explained management did not implement these increases because there are some strong opinions from the Board on whether or not those increases should be provided.

Mr. Kirk said a resolution with alternatives was provided to the Board but was not passed. He said the suggestion that these items should come to the Mid-Conn Advisory Committee was made and therefore placed on their agenda for consideration. Mr. Kirk said he would expect that the Advisory Committee would agree that merit increases should not be passed due to the current economic situation.

Chairman Jarjura asked why management did not implement the merit increases if approval was not needed from the Board. Mr. Kirk said this may have brought about negative reactions from the public and that CRRA has asked MDC to reconsider providing their own salary increases.

Chairman Jarjura said as far as the Committee is concerned the 2% COLA should go forward. He said government contracts always contain COLA increases. He said it was pertinent to inform the employees that this situation is due to an extraordinary year and will not set a precedent for the future.

Ms. Marchese said that the employees are currently in a state of limbo concerning both the merit increase and the COLA.

Mr. Kirk said that he has indicated to the employees that the merit increase would most likely not be implemented.

The Committee discussed the option of implementing alternative means of reward for merit performance evaluations.

4. PERSONNEL UPDATES

Ms. Marchese said that management had interviewed three very qualified applicants out of a large applicant pool for the position of Human Resources Manager and would most likely be selecting a candidate shortly.

Mr. Bolduc said there are currently several vacancies at CRRA. He said there is a vacancy in the accounting department which is currently being filled with a temporary employee. He said one of the problems encountered at CRRA is outside requests for information which frequently take large amounts of time for the Finance department to comply with.

Mr. Bolduc said that Mr. Kirk's assistant Ms. Bremmer has also put in her resignation and that filling her position is being evaluated. Ms. Marchese said a temporary employee will be used for the position in the meantime.

Mr. Bolduc said that CRRA is currently down to 57 positions which is significant considering a year and a half ago there were 69 employees.

Mr. Bolduc said that a scale enforcement employee was also not replaced. He said the position of Director of Operations was filled internally and Mr. Tracey's position was left vacant.

5. SENIOR MANAGEMENT REVIEW

Mr. Kirk said the Compensation Committee (which the Organizational Synergy & Human Resources Committee has been designated as) shall review the performance of the Chief Executive Officer, report the findings on the performance and make recommendations to the full Board regarding such executive's compensation. He said because Mr. Bolduc and Mr. Kirk have both volunteered not to take any possible merit increases there are no changes to their compensation and therefore approval from the full Board is not needed.

Director Damer excused himself from the discussion and approval of Mr. Kirk's review.

Mr. Kirk said that Chairman Jarjura can make this disclosure of the Committee approval under the Organizational Synergy & Human Resources Committee report.

6. CHANGE IN DATE OF THE ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE MEETING

Mr. Bolduc asked the Committee if they were comfortable holding the Organizational Synergy & Human Resources Committee going forward the Monday prior to the Board meetings at 11:00 a.m. at 100 Constitution Plaza, Hartford, CT 06103. The Committee agreed that this day and time are agreeable.

7. ADJOURNMENT

Committee Chairman Jarjura requested a motion to adjourn the meeting. The motion made by Director Damer and seconded by Director Griswold was approved unanimously.

The meeting was adjourned at 1:05 p.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal