

**Policies & Procurement Committee  
June 8, 2006 Meeting**

**Draft Minutes**

Members Present: Michael Pace, Board Chairman  
Benson Cohn, Committee Chairman  
Mark Cooper  
Raymond O'Brien

CRRA Staff Present: Tom Kirk, President  
Peter Egan, Director of Environmental Affairs & Development  
Floyd Gent, Director of Operations  
Laurie Hunt, Director of Legal Services  
Michael Tracey, Operations Manager, Construction Manager  
Donna Tracy, Executive Assistant  
Kristen Greig, Secretary to the Board/Paralegal

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

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

**1. APPROVAL OF MINUTES OF THE MARCH 16, 2006 POLICIES & PROCUREMENT COMMITTEE MEETING**

Chairman Cohn requested a motion to accept the minutes of the January 12, 2006 Policies & Procurement Committee meeting. The motion made by Director O'Brien was seconded by Director Cooper.

The minutes were approved unanimously.

**2. APPROVAL OF MINUTES OF THE MAY 11, 2006 POLICIES & PROCUREMENT COMMITTEE MEETING**

Chairman Cohn noted that a quorum was not present on May 11 and the meeting was not held. Therefore, the Committee is not required to approve the minutes presented for that meeting. Chairman Cohn asked that the minutes be filed for future reference.

**3. ENGAGEMENT OF URS CORPORATION PURSUANT TO THREE-YEAR ENGINEERING SERVICES AGREEMENT**

Mr. Kirk stated that this matter involves selecting URS Corporation to design and permit a transfer station for the Wallingford Project. Mr. Egan noted that management was recommending URS Corporation from CRRA's "stable" of firms to complete this work. Mr. Egan further explained that since URS Corporation is one of the firms with a three-year engineering services agreement, CRRA would not be going out to bid for this specific work. Mr. Egan stated that URS has the unique qualifications to complete this particular project. Mr. Egan explained that the project involves designing a transfer station and handling the environmental permitting. Mr. Egan stated

that he wanted to address any concerns that the Committee might have prior to the Board of Directors meeting.

Mr. Tracey informed the Committee that CRRA had hired URS approximately one year ago to examine the 50 acre property. Mr. Tracey further explained that URS reviewed encumbrances, wetlands and zoning requirements to determine if the site would be appropriate for a transfer station. The determination was that although much of the property was unusable, the remaining property could be used to build a transfer station. Mr. Tracey indicated that there was a second phase of this project where CRRA did a feasibility study to determine if the existing Wallingford waste-to-energy plant could be converted into a transfer station. In addition, the study included a determination of whether rail hauling is a viable option from this facility. Mr. Tracey stated that one of the main reasons URS was selected was that URS has a unique qualification as the primary rail consultant for the Connecticut Department of Transportation. Mr. Tracey stated that CRRA would ask to continue with the design phase of the project at the July Wallingford Policy Board meeting. Mr. Tracey concluded by stating that since URS performed the initial phases of the project, it would make sense to use them going forward as they already completed the drawings and studies.

Director O'Brien asked what the dollar amount of the contract would be and what the length of the contract would be. Mr. Tracey responded that the next phase of the project would be the environmental permitting process and necessary engineering work to support the permitting. Mr. Tracey indicated that cost for the engineering work would be approximately \$200,000. Director O'Brien asked where these funds would come from. Mr. Gent responded that management's intent was to put together a Phase 1 budget to submit to the Wallingford Policy Board for their approval at their July meeting. Mr. Gent stated that at the July CRRA Board of Directors' meeting, he would present a well-defined scope and cost for the project. Mr. Gent noted that one future option being considered is a regional transfer station and the Wallingford Policy Board is receptive to beginning the permitting process.

Director O'Brien stated that he would like management to include a detailed description of why URS was selected in the full Board package.

#### **4. EXERCISE OF OPTIONS TO EXTEND**

Mr. Kirk explained that this was a question previously raised regarding whether management is required to obtain Board approval to exercise an option to extend a contract. Mr. Egan stated that it was his understanding that when the Board approves a contract which includes options to extend, the Board has approved the entire contract including the options and that management does not have to go back to the full Board for approval of each option. Ms. Hunt stated that if a contract is over \$50,000 in annual consideration or, by exercise of the extension go for more than five years, it is management's understanding that as required by statute (2/3 of the full Board) the entire contract, including options, has been approved by the Board. Chairman Pace indicated that his feeling was that management should bring the option back to the Board for informational purposes only. Chairman Cohn indicated that these exercise options should be listed as an agenda item for discussion. Mr. Kirk stated that management will modify the procedures to reflect the requested change.

5. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING SIGNATORY AUTHORITY FOR WATER POLLUTION CONTROL SUBMITTALS**

Chairman Cohn requested a motion regarding the above-captioned item. Director O'Brien made the following motion:

**RESOLVED:** Pursuant to Conn. Gen. Stat. Section 22a-277(c) the Board hereby authorizes the President to delegate to Christopher Shepard, Environmental Engineer, as duly authorized representative of the Authority, the authority to sign permit-required reports and other applicable information submitted by the Authority to the Connecticut Department of Environmental Protection, in connection with water pollution control compliance and permitting programs, substantially as presented and discussed at this meeting. This delegation of authority, in the President's opinion, would be appropriate for the prompt and orderly transaction of the business of the Authority.

The motion was seconded by Director Cooper.

Mr. Egan noted that he is currently performing this function and is recommending that Christopher Shepard assume the task of signing routine administrative reports. Mr. Egan said that Mr. Shepard, a licensed engineer, has the knowledge, experience and capability of assuming this task and performed this function at his previous place of employment. Chairman Pace asked if Mr. Kirk felt comfortable with this change. Mr. Kirk responded in the affirmative. Mr. Egan noted that the Board must authorize the President to delegate authority. Chairman Cohn asked how Mr. Egan originally obtained his authority. Mr. Egan explained that his authority was granted by a resolution of the Board. Director O'Brien asked if management would check with DEP to determine if they would accept Mr. Shepard's signature. It was Mr. O'Brien's belief that DEP would only accept the "top official on site's" authorized signature. Mr. Egan stated that he will confirm with DEP that they will accept a designee.

The motion previously made and seconded was approved unanimously.

Chairman Cohn noted that he would recuse himself on the next items on the agenda due to the appearance of a conflict of interest. Chairman Cohn stated that he would reluctantly remain in the room, however, because there would not be quorum if he left the room. Director O'Brien assumed the Chair to introduce the following motions.

6. **RESOLUTION AUTHORIZING THE PRESIDENT TO EXECUTE AN AMENDMENT TO CRRA'S LEGAL SERVICES AGREEMENT WITH COHN, BIRNBAUM AND SHEA**

Director O'Brien requested a motion regarding the above-captioned item. Director Cooper made the following motion:

**RESOLVED:** That the President is hereby authorized to execute an amendment to be effective as of 7/1/06, to CRRA's Legal Services Agreement with Cohn Birnbaum & Shea, as presented and discussed at this meeting.

The motion was seconded by Director O'Brien.

Mr. Kirk stated that Cohn, Birnbaum and Shea has a three-year Legal Services Agreement with CRRA largely for the skills and experience of Attorney Douglas Pelham. An associate rate specific to Attorney Pelham was listed on the agreement because CRRA wanted to be sure that they had access to Attorney Pelham as opposed to a generic associate. Attorney Pelham has since been promoted to Partner and as such his rates have increased. Under the amendment, the new rates will take effect in July of 2006. Chairman Pace asked how much work Cohn, Birnbaum and Shea are expected to perform for CRRA. Mr. Egan stated that the amount of work will pick up over the next two years as CRRA employs them exclusively for South Meadows remediation oversight.

Attorney Hunt noted that this is the only legal services agreement that calls out a rate for a specific person.

The motion previously made and seconded was approved. Chairman Cohn abstained.

Chairman Cohn stated that he would like to move agenda items 7 and 8 until after Executive Session as these items will involve discussion of litigation.

7. **EXECUTIVE SESSION**

Chairman Cohn requested a motion to move to Executive Session to discuss litigation. The motion made by Director O'Brien and seconded by Director Cooper was approved unanimously. Chairman Cohn requested that the following people remain for Executive Session, in addition to Committee members:

Mr. Kirk  
Attorney Hunt  
Mr. Egan  
Mr. Gent

The Executive Session commenced at 10:08 a.m. and concluded at 11:25 a.m. Chairman Cohn noted that no votes were taken.

The meeting reconvened at 11:25 a.m.

8. **BOARD APPROVAL ADDITIONAL PROJECTED FISCAL YEAR 2006 LEGAL EXPENDITURES**

Director O'Brien requested a motion regarding the above-captioned item. Director Cooper made the following motion:

**WHEREAS**, CRRA has entered into Legal Services 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 2006 projected legal fees; and

**WHEREAS**, CRRA has incurred greater than anticipated legal expenses in connection with environmental matters, general counsel matters, and the costs of Enron-related litigation;

**NOW THEREFORE, IT IS RESOLVED:** That the following additional amounts be authorized for payment of projected legal fees and costs to be incurred through June 30, 2006:

Firm:	Amount:
Cohn Birnbaum	\$10,000
Halloran & Sage	\$150,000
Pepe & Hazard	\$300,000

The motion was seconded by Director O'Brien.

Director O'Brien noted that this was discussed in Executive Session.

The motion previously made and seconded was approved. Chairman Cohn abstained.

**9. BOARD APPROVAL PROJECT FISCAL YEAR 2007 LEGAL EXPENDITURES**

Director O'Brien requested a motion regarding the above-captioned item. Director Cooper made the following motion:

**WHEREAS,** CRRA has entered into Legal Services Agreements with various law firms for the provision of legal services from July 1, 2005 through June 30, 2008; and

**WHEREAS,** CRRA now seeks Board authorization for projected legal expenditures during the second year term of said Agreements;

**NOW THEREFORE, IT IS RESOLVED:** That the following additional amounts be authorized for payment of projected legal fees to be incurred during fiscal year 2007:

Firm:	Amount:
Brown Rudnick	\$ 550,000
Cohn Birnbaum & Shea	\$ 75,000
Halloran & Sage	\$1,200,000
Heneghan Kennedy & Doyle	\$ 115,000
Kainen, Escalera & McHale	\$ 40,000
McCarter & English	\$ 180,000
Perakos & Zitser	\$ 120,000
Pepe & Hazard	\$ 920,000
Pullman & Comley	\$ 105,000

Sidley Austin

\$ 55,000

The motion was seconded by Director O'Brien.

Director O'Brien noted that this was also discussed in Executive Session.

The motion previously made and seconded was approved. Chairman Cohn abstained.

**10. BOARD APPROVAL RESOLUTION REGARDING PEPE & HAZARD**

Chairman Cohn requested a motion regarding the above-captioned item. Director O'Brien made the following motion:

RESOLVED: That the Policies & Procurement Committee recommends that the Board endorse a proposal to be presented to Pepe & Hazard, and subject to Pepe & Hazard approval, for an amendment to the Professional Employment Agreement between the Attorney General and Pepe & Hazard reverting to a fee basis with a credit for cost of living at the lesser of CPI or 4% related to CRRA's lawsuit against Hawkins Delafield & Wood.

The motion was seconded by Director Cooper.

Chairman Cohn noted that this matter was discussed in Executive Session. Chairman Pace added that this would be further reviewed by the Executive Committee.

The motion previously made and seconded was approved unanimously.

**11. ADDITION TO THE AGENDA**

Chairman Cohn requested a motion to add consideration of contracting with Project Management Associates, David Brown principal, regarding the Solid Waste Management Plan to the agenda. The motion made by Director Cooper and seconded by Director O'Brien was approved unanimously.

Mr. Kirk said that management would like to discuss the use of a uniquely qualified contractor, Dave Brown, who was CRRA's Operations Director for a number of years. Mr. Kirk stated that the final draft of the Solid Waste Management Plan would be available soon and CRRA will have an opportunity to give comprehensive comments regarding the plan. Given the work load of the environmental department, Mr. Kirk said that it is CRRA's intent to engage a consultant to assist CRRA in a thorough review of the plan.

Chairman Cohn asked if Project Management Associates has a three-year Engineering Services Agreement with CRRA. Mr. Kirk responded in the negative and said that CRRA considered the firms in CRRA's stable of firms, but think Mr. Brown and Project Management Associates is much better suited and will give CRRA a much better work product at a better cost.

Director O'Brien stated that he has experience with Mr. Brown and noted that he is aware that Mr. Brown was cited and penalized by the Ethics Commission for action undertaken after he left CRRA. For that reason, Director O'Brien said that he would not support a motion regarding this matter.

Mr. Egan said this matter was brought to the Committee to get a sense of whether or not the Board would be comfortable employing Project Management Associates. Mr. Egan emphasized that Mr. Brown is, by far, the most qualified individual to perform this task and said that there are no other consultants in the state that could take the Solid Waste Management Plan and provide such an analysis in a short number of hours. Mr. Egan informed the Committee that Mr. Brown left CRRA in early 2001 and immediately went to work for TRC. When he bid on CRRA work under TRC's three-year Engineering Services Agreement within one year of his departure from CRRA, he violated the Code of Ethics for which he was cited and paid a fine. Mr. Egan stated that Mr. Brown left TRC after approximately 2 years and has been running his own business since.

Mr. Egan recognized Mr. Brown's history and said that he felt if Mr. Brown was given this very specific task, it would be completed in a timely manner and at a reasonable price. However, because Mr. Brown would be employed under the special capability/unique experience exception of the Procurement Policy and the consideration would likely be greater than \$10,000, the contract would have to be approved by the Board of Directors.

A very detailed discussion ensued regarding Mr. Brown's previous work, his experience with CRRA, and the potential challenges associated with engaging Mr. Brown and his firm. In this discussion, Director O'Brien asked if Project Management Associates submitted a proposal when the last Engineering Services Request for Qualifications was bid out. Mr. Egan responded in the negative, but said that the firm did submit a proposal for another RFQ approximately two and a half years ago.

Chairman Pace stated that he appreciates everyone's comments, but he is not ready to commit to a resolution. Chairman Pace said that he may be oversensitive, but he does not want to go back to working with people that are associated with the former CRRA administration. Mr. Kirk agreed that this would be one of the risks of hiring Mr. Brown, which is why management wanted to discuss this with the Committee before bringing this to the Board. Mr. Egan agreed and said that he did not want to proceed without the support of the Committee.

## **12. ADJOURNMENT**

With no other business to discuss, Chairman Cohn requested a motion to adjourn the meeting. The motion made by Director Cooper and seconded by Director O'Brien was passed unanimously.

The meeting was adjourned at 11:42 a.m.

Respectfully submitted,

Kristen B. Greig  
Secretary to the Board/Paralegal