

**Policies & Procurement Committee  
September 15, 2005 Meeting**

**Minutes**

Members Present: Benson Cohn, Committee Chairman  
Theodore Martland, Committee Vice-Chairman  
Mark Cooper  
Raymond O'Brien

CRRA Staff Present: Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Mike Byzdra, Senior Analyst (Present until 10:30 a.m.)  
Peter Egan, Director of Environmental Affairs and Development  
Tom Gaffey, Director of Recycling & Enforcement (Present until  
10:30 a.m.)  
Laurie Hunt, Director of Legal Services  
Paul Nonnenmacher, Director of Public Affairs  
Jim Ruel, Purchasing Manager  
Donna Tracy, Executive Assistant  
Kristen Greig, Secretary to the Board/Paralegal

Chairman Cohn called the meeting to order at 9:30 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 JULY 14, 2005 POLICIES & PROCUREMENT COMMITTEE MEETING**

Chairman Cohn requested a motion to accept the minutes of the July 14, 2005 Policies & Procurement Committee meeting. The motion made by Director O'Brien was seconded by Vice-Chairman Martland.

Director O'Brien stated that the second sentence in the last paragraph on page 8 should be corrected to, "Ms. Greig said that the language in the resolution where the Board approves a certain amount of money for each firm, the language states that 'these are expenses to be incurred through June 30'".

The minutes as amended were approved unanimously.

**2. E-PROCUREMENT PRESENTATION**

Mr. Ruel handed out a copy of the presentation which is included in these minutes as Attachment A.

In his presentation, Mr. Ruel emphasized that E-Procurement is designed to follow CRRA's Procurement Policy. Director O'Brien recommended that the presentation indicate that the system is in compliance with CRRA's procedures if it is to be presented to the full Board.

Mr. Bolduc noted that the E-Procurement system was compatible with CRRA's current accounting system, which would allow for greater transparency and a smooth transition at the lowest cost.

Vice-Chairman Martland asked if this system was utilized before or after a vendor was selected. Mr. Kirk responded that the system was used for routing contracts and requisitions after a vendor is selected and explained bids can be attached to a requisition along with an explanation of why the vendor was selected.

There was a brief discussion regarding the benefits of the system, including a hard-coded authorization process. Mr. Ruel explained that hard-coded authorization was a process, set up in compliance with the Procurement Policy, that prescribed a specific route for approvals. Mr. Ruel noted that the approval route could not be deviated from.

Mr. Ruel explained that approvers are able to approve or disapprove requisitions for a number of reasons. Director O'Brien asked if a reason had to be given when a requisition was disapproved and asked if the requisitioner was immediately notified. Mr. Ruel responded that an explanation was required and the requisitioners were sent an e-mail as soon as the requisition was denied.

Director O'Brien asked if an approver is notified that there was an item waiting for their approval even if they are not logged into the E-Procurement system. Mr. Ruel responded in the affirmative and informed the Committee that reminder e-mails are sent on a regular basis until the requisition is approved or denied.

Vice-Chairman Martland asked if information on the system is available to anyone in CRRA, regardless of their department. Mr. Bolduc explained that everyone on the CRRA network has access to the data, but the approval sequences and procedural aspects of the system cannot be modified. Mr. Ruel also noted that employees cannot make changes to other employees' requisitions. Mr. Kirk added that there are system securities to protect outside users from gaining access to the system.

Mr. Ruel stated that the E-Procurement system is directly tied into the budgets, which allows requisitioners to track their expenses. Mr. Ruel added that a requisitioner is given a warning if an item goes over-budget and cannot proceed without resolving the issue with the Controller and their division head. Mr. Kirk stated that the system will drive CRRA to be more thorough and accurate in planning and budgeting. Director O'Brien suggested that the accountability that the system requires in respect to the budgeting should be listed as a benefit.

Vice-Chairman Martland asked if the system allowed for procurement in emergency situations. Mr. Egan responded that the system is not restrictive because the Procurement Policy offers some flexibility in cases of legitimate emergencies. Mr. Egan said that the system will not negatively impact operations in that respect. Mr. Kirk pointed out that individuals still have budgetary and procurement responsibility for their purchases.

Mr. Ruel informed the Committee that CRRA's auditor would be performing a procedural audit to verify that the E-Procurement system is in compliance with the Procurement Policy and that the control features are adequate. Mr. Bolduc noted that CRRA does not believe that the system is not in compliance with the Policy, but because it is such a significant change, management thought it would be prudent to have the auditor review the system.

Vice-Chairman Martland asked how back-up was maintained in order to prevent losing information. Mr. Ruel stated that the server was backed-up on a daily basis. Chairman Cohn asked how much of the back-up information was stored off-site. Mr. Egan said he was not certain how often they are sent off-site and added that the back-up schedule would be clarified. Chairman Cohn suggested that, since CRRA has multiple facilities, back-up information be stored at one of the facilities other than headquarters.

Chairman Cohn suggested that the presentation be included in the package to the Board, limiting discussion at that meeting to questions rather than presenting all of the same information.

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

**RESOLVED:** That the E-Procurement presentation, as revised by the Policies & Procurement Committee, be submitted to the Board of Directors for review.

Vice-Chairman Martland seconded the motion.

The motion previously made and seconded was approved unanimously.

3. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING ADOPTION OF REVISED SECTION 4.2.3 OF THE CRRA PROCUREMENT POLICIES AND PROCEDURES**

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

**RESOLVED:** That the Board of Directors hereby adopts the revised section 4.2.3 of CRRA's Procurement Policies and Procedures substantially as discussed and presented at this meeting.

The motion was seconded by Vice-Chairman Martland.

Director O'Brien stated that all of his questions and concerns from the previous meeting were addressed in the E-Procurement presentation.

The motion previously made and seconded was approved unanimously.

4. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING AMENDMENT TO TRAVEL POLICY AND EXPENSE REPORTING**

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

**WHEREAS** the Policies and Procurement Committee established the CRRA Travel Policy and Expense Reporting Procedure; and

**WHEREAS** the CRRA Board of Directors subsequently adopted the Travel Policy and Expense Reporting Procedure on May 20, 2004; and

**WHEREAS** the Policies and Procurement Committee reviewed the proposed Amendment to the Travel Policy and Expense Reporting Procedure at its meeting on June 23, 2005; and

**WHEREAS** it has been determined that the average physical damage (comprehensive and collision) deductible is \$500.00; and

**WHEREAS** it is equitable to allow for reimbursement of an employee's personal vehicle deductible if the employee is involved in an accident while conducting CRRA business and if the employee only occasionally uses his/her personal vehicle on company business; and

**NOW, THEREFORE**, be it

**RESOLVED:** The Policy and Procurement Committee has discussed the amendment allowing payment of employee personal physical damage automobile deductible in the event of an accident while utilizing their personal vehicle on CRRA business, if the employee drives less than 2,500 miles per year or less (\$500 divided by \$.405 the current reimbursement rate equals 1,235 miles) and recommends that the CRRA Board of Directors adopt this amendment as presented and discussed at this meeting.

The motion was seconded by Vice-Chairman Martland.

Director O'Brien suggested that "on CRRA business" should be added after "if the employee drives less than 2,500 miles per year or less" in the "Resolved" paragraph. Chairman Cohn pointed out that the "Resolved" paragraph stated that the deductible would be paid if the employee utilizes their personal vehicle less than 2,500 miles per year, but the attached policy stated 1,235 miles. Mr. Bolduc agreed that the policy should also state 2,500 miles per year.

Director Cohn asked if the reason for the 2,500 mile per year limit was because if an employee drives their personal vehicle on CRRA business more than that amount, the deductible would be recouped in the mileage reimbursement. Mr. Kirk answered in the affirmative and said that employees who drive more than 2,500 will have reclaimed enough through the reimbursement to handle the possibility of paying the deductible.

The motion previously made and seconded was approved unanimously.

5. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING AMENDMENT TO MID-CONNECTICUT PERMITTING, DISPOSAL AND BILLING PROCEDURES**

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

**RESOLVED:** The Board of Directors hereby adopts the amended Mid-Connecticut Permitting, Disposal and Billing Procedures, substantially as presented and discussed at this meeting.

The motion was seconded by Vice-Chairman Martland.

Mr. Kirk explained the amendment would include junk mail on the list of acceptable recyclable materials. Mr. Kirk noted that CRRA does not charge the towns a tip fee for recyclables. Director O'Brien asked if adding this item to the list of acceptable recyclables required an amendment to the Municipal Service Agreements. Mr. Gaffey responded that the Municipal Service Agreements allow CRRA to add acceptable materials at its discretion.

Director O'Brien suggested that management point out in their communications with the towns that they will no longer be paying a tip fee for the weight of junk mail in their municipal solid waste. Mr. Kirk stated that management did include that statement in a letter to the towns. Mr. Kirk informed the Committee that there was at least one town, and maybe more, that have been recycling junk mail on their own and receiving revenue from those contracts. Mr. Kirk stated that CRRA is exploring options to help towns so that they are not losing revenue because of this change. Mr. Kirk pointed out that all of the Mid-Connecticut towns that have been disposing of junk mail with their solid waste will benefit through subsidy to the tip fee. Mr. Nonnenmacher added that the proposed change has been communicated to the towns and the towns recognize that the additional revenue that CRRA will receive from the new recycling center will benefit them by keeping the tip fee down. Mr. Nonnenmacher stated that the towns also recognize that vast amounts of material will move from the solid waste stream, where towns are paying \$70 per ton for disposal, to being recycled at no cost to the towns.

Vice-Chairman Martland asked why magazines could not be more than two months old to be recycled. Mr. Gaffey responded that the mill developed that specification when CRRA first started accepting magazines, but said that CRRA will revisit that because he did not believe that the age of the magazine was still a concern.

The motion previously made and seconded was approved unanimously.

6. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING PROPOSED TELEPHONIC BOARD OF DIRECTORS MEETING POLICY AND PROCEDURE**

Chairman Cohn requested a motion regarding the above-captioned matter. Vice-Chairman Martland made the following motion:

**RESOLVED:** That the Board hereby adopts the Telephone Meeting Policy and Procedure substantially as presented and discussed at this meeting.

The motion was seconded by Director Cooper.

Mr. Kirk stated that it was possible that the issue regarding Board participation in telephone meetings would be raised at the legislature again. Mr. Kirk said that additional requirements could make it extremely difficult for CRRA to get quorums and meet 2/3 voting requirements. Mr. Kirk said that, to appease any concerns about the conduct of phone meetings, CRRA has laid out how the organization has been administering telephone meetings. Mr. Kirk noted that CRRA's intent is to always conduct business at regularly scheduled meetings, but from time to time, there is a need to take action before the next regular meeting. Mr. Kirk said that the subject matter of phone meetings has almost always been raised as an agenda item at a regular meeting, but said that there may be situations where a new matter required immediate action so management hesitates to include that as a condition for holding a telephone meeting.

Chairman Cohn stated that the key to telephone meetings is having a clear procedure for public participation because the issue at the legislature was whether telephone meetings were excluding the public. Mr. Kirk stated that CRRA's telephonic meetings are always open to the public and noticed through the Secretary of the State and on the CRRA website, and Directors are also welcome to attend in person if they wish.

Vice-Chairman Martland suggested revising the language regarding prior discussion at a regular meeting so that it could be known that these matters are usually discussed in a prior meeting without making that a requirement. Director O'Brien suggested including that statement in the paragraph following the bullet points on page 2.

Mr. Kirk asked if the third bullet sufficiently conveyed that telephone meetings are available to the public. Chairman Cohn responded that he would include an explicit statement on the public notice of the meeting that the telephone meeting is available to the public. Mr. Kirk noted that public availability was also noted on CRRA's website. Mr. Nonnenmacher suggested adding a bullet that would require special meeting agendas to include time for public comment. The Committee agreed.

Director O'Brien suggested adding language in the first sentence of the policy to state that the composition of the Board is in accordance with the Connecticut General Statutes. Director O'Brien also suggested referencing the statutory requirement for notice to the Secretary of the State in the first bullet on page 2. In addition, Director O'Brien stated that the policy should state that votes taken by telephone will be recorded by roll call. The Committee agreed with Director O'Brien's suggestions.

Director O'Brien noted that the last paragraph of the policy should specifically state that six Directors must participate to meet minimum quorum requirements. Chairman Cohn stated that including a specific number would require the policy to differentiate between Board meetings and Committee meetings. Director O'Brien stated that the word "Board" could be inserted to make that distinction. Director O'Brien said that he preferred the specific number so it is clear to the Board and the public what the minimum quorum requirement is. Director Cohn

asked if six Directors constituted a quorum if there are vacancies. Attorney Hunt responded that she believed six Directors were still required for a quorum, but the 2/3 requirement would presumably change.

Attorney Hunt noted that management anticipated making substantive changes to the policy so it has been noticed for the October Board meeting. Mr. Kirk stated that all of the recommended changes would be made and brought back to the Committee for review at the next meeting.

The motion previously made and seconded was approved unanimously.

7. **UPDATE AND DISCUSSION ON REVISION TO PROCUREMENT POLICY REGARDING IDENTIFICATION OF CORPORATE OWNERS & OFFICERS OF COMPANIES WITH WHICH CRRA DOES BUSINESS**

Attorney Hunt explained that the Committee may want to consider discussing this matter in Executive Session. Attorney Boucher noted that the memorandum addressing this matter was prepared as legal advice and was submitted as a draft and is appropriate for Executive Session under exception 2 of the Freedom of Information Act.

Chairman Cohn requested a motion to enter into Executive Session. The motion made by Director O'Brien and seconded by Vice-Chairman Martland was approved unanimously. Chairman Cohn requested that the following people remain for the Executive Session, in addition to the Committee members:

Mr. Kirk  
Mr. Bolduc  
Mr. Egan  
Attorney Hunt

The Executive Session commenced at 10:50 a.m. and concluded at 11:10 a.m. Chairman Cohn noted that no votes were taken.

The meeting reconvened at 11:11 a.m.

8. **DISCUSSION ON ANDERSON, KILL & OLICK CLAIM FOR RECAPTURE OF DEFERRED LEGAL FEES**

Chairman Cohn asked if CRRA's former in-house counsel, Attorney Stravalle-Schmidt, ever communicated anything about this arrangement to management. Mr. Kirk responded that he does not recall any discussion regarding the matter, but said that Attorney Stravalle-Schmidt does recall that Anderson Kill deferred a \$20,000 payment. Mr. Kirk said that Attorney Stravalle-Schmidt does not recall any arrangement that would account for the balance of Anderson Kill's claim. Mr. Kirk stated that, more importantly, there is no documentation to support such an arrangement.

Chairman Cohn stated that he had trouble believing that either Attorney Stravalle-Schmidt or Anderson Kill would think that an oral agreement that conflicts with a written

contract would be binding. Director O'Brien noted that there was also a comment in the correspondence that Attorney Stravalle-Schmidt would not have had the authority to make such an agreement. Chairman Cohn agreed and added that the amount is over \$50,000 and would require Board approval.

Chairman Cohn stated that any change to the terms of the agreement would require an amendment. Attorney Hunt noted that there was an amendment to the original contract, but said there was no discussion regarding rates in the negotiation of that amendment.

Mr. Kirk stated that management does not think there is sufficient evidence to support payment beyond the \$20,000 amount that was deferred. Mr. Kirk noted that Anderson Kill is anxious to address CRRA's Board regarding this matter.

Vice-Chairman Martland asked what the probability was that CRRA would be sued if they did not agree to pay the amount sought by Anderson Kill. Attorney Hunt pointed out that the contract with Anderson Kill is through the Attorney General's Office, not directly through CRRA and the Attorney General's contract does not have a provision that allows increases to the rates.

Director O'Brien suggested allowing Anderson Kill to address the Board, but giving them warning that the issue was discussed by the Committee and there was no inclination to pay the full amount. Chairman Cohn asked if giving Anderson Kill a chance to present their case to the Board strengthens CRRA's position. Attorney Hunt responded that she thought it would be better for CRRA to offer Anderson Kill the opportunity to address the Board so they understand that the action taken is the Board's position, not just management's.

Chairman Cohn made a motion to recommend that the Board approve a payment of \$20,000 for deferred legal fees, reject Anderson Kill's claim for the balance, and invite Anderson Kill to a future Board meeting to present their case to CRRA for the rejected claim.

The motion was seconded by Vice-Chairman Martland. The motion previously made and seconded was approved. Vice-Chairman Martland voted nay.

## **9. INFORMATIONAL**

Director O'Brien acknowledged the receipt of the report on vendors exceeding \$50,000 on cumulative contracts and the report on exceptions to the competitive process. Director O'Brien requested that the format of the exceptions to the competitive process report be revised to eliminate the cents associated with dollar amounts for ease of reading. Mr. Bolduc stated that the purchase order numbers could also be eliminated to remove extraneous information.

## **10. EXECUTIVE SESSION**

Chairman Cohn requested a motion to enter into Executive Session to discuss pending litigation.

The motion to enter into Executive Session was made by Director O'Brien and seconded by Vice-Chairman Martland. The motion previously made and seconded was approved

unanimously. Chairman Cohn requested that the following people remain for the Executive Session, in addition to the Committee members:

Mr. Kirk  
Mr. Bolduc  
Attorney Hunt

The Executive Session commenced at 11:25 a.m. and concluded at 12:15 p.m. Chairman Cohn noted that no votes were taken.

**6. ADJOURNMENT**

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

The meeting was adjourned at 12:15 p.m.

Respectfully submitted,

Kristen B. Greig  
Secretary to the Board/Paralegal