

**Policies & Procurement Committee
January 15, 2009, Meeting**

Draft Minutes

Members Present: Raymond O'Brien, Committee Chairman (present by telephone)
Theodore Martland, Vice-Chairman (present by telephone)
Dave Damer

CRRA Staff Present: Tom Kirk, President
Laurie Hunt, Director of Legal Services
Rich Quelle, Senior Engineer
Christopher Shepard, Environmental Engineer
Mike Tracey, Director of Operations
Moira Kenney, Secretary to the Board/Paralegal

Chairman O'Brien called the meeting to order at 9:32 a.m. and noted that a quorum was present.

Chairman O'Brien requested that everyone stand for the Pledge of Allegiance whereupon the Pledge was recited. Noting that there were no members of the public present for comment, Chairman O'Brien stated that the regular meeting would commence.

1. **APPROVAL OF MINUTES OF THE DEC. 4, 2008, POLICIES & PROCUREMENT COMMITTEE MEETING**

Chairman O'Brien requested a motion to accept the minutes of the Dec. 4, 2008, Policies & Procurement Committee meeting. The motion was made by Vice-Chairman Martland and seconded by Director Damer.

The minutes were approved as amended unanimously by roll call.

2. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING REFURBISHMENT OF BELT CONVEYORS CV-123/223 AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY**

Chairman O'Brien requested a motion on the above-referenced item. Director Damer made the motion, which was seconded by Vice-Chairman Martland.

RESOLVED: That the President is hereby authorized to enter into a contract with FGF Construction Network Services, Inc., for refurbishment of belt conveyors CV-123/223 at the Mid-Connecticut Waste Processing Facility, substantially as discussed and presented at this meeting.

Mr. Quelle said that the resolution details work recommended by the Grillo report. He explained management is replacing a majority of the conveyors within the facility to reduce spillage, increase availability and to continue the record setting processing by MDC.

Vice-Chairman Martland asked whether the conveyor belts have sides to prevent spillage. Mr. Quelle said that the conveyors have always had sides, however, the original belts were flat which made containing spillage almost impossible. He explained the overhaul of the unit will bring up the angle of the belt by about 20 degrees. Mr. Quelle said this angle will assist in keeping the waste on the belt centered and that an improved sealing system will also be put in place. Vice-Chairman Martland said that those sound like intelligent improvements.

Mr. Quelle said that there are about three more belt units to upgrade which MDC is responsible for maintaining in the future.

Director Damer said that he was not familiar with the Grillo report; he said it may be helpful to add specifics concerning the expected economic savings making these changes is expected to bring about. Vice-Chairman Martland agreed and asked if these changes would make for less labor.

Mr. Quelle said that this was correct for the first few years until wear and tear eventually take effect. He explained hours of time are saved in clean-up through preventing spillage. Mr. Quelle said a 30 yard container was once filled up 10 times a night with spillage prior to the upgrades.

Director Damer asked if there is a specific portion of the Grillo report which can be appended to the resolution for support. Chairman O'Brien asked that a copy of the Grillo report be provided for Director Damer to review.

Vice-Chairman Martland said that the maintenance may also avoid any issues with OSHA. Mr. Quelle said that he is correct. He said a chief concern of management was the risk of fire. Mr. Quelle said that the reduction in spillage has also reduced that threat to a minimum.

Vice-Chairman Martland said that there is a savings in staff with MDC as well. Mr. Kirk said the savings in staff is most prominent in the night staff used for cleaning. He explained that the temporaries once used by MDC at night for cleaning have been reduced substantially.

Mr. Quelle said that a breakdown of the MDC budget shows that in 2005 about \$3.5 million was spent purely on the maintenance of the equipment in the facility. He said that this year that same budget was \$1.9 million and should be further reduced by several hundred thousand going into 2010. He explained that the infusion of capital costs have shown treatment equipment costs are declining which was recognized and highlighted by management in the write-up. Chairman O'Brien said that the comment regarding the Grillo report is bolded in the discussion to emphasis that management is following recommendations from a recognized engineering report.

Mr. Quelle said that there is an obvious disconnect in the pricing from when the original Grillo report was established. He explained a number of things have attributed to the escalation in cost including; the licensing requirement which has been placed on CRRA's contractors within the last year, prevailing wage costs and union contractors. Mr. Quelle said that these jobs typically have to be done over a long weekend and therefore require a premium to accomplish; this is a cost that the Grillo report's author did not anticipate.

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

3. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THE AUTHORIZATION OF A CHANGE ORDER FOR DECONTAMINATION OF THE TRACK HOPPER ROOM AT THE SOUTH MEADOWS POWER BLOCK FACILITY**

Chairman O'Brien requested a motion on the above-referenced item. Vice-Chairman Martland made the following motion:

RESOLVED: That the President is hereby authorized to execute a change order to the Exit Strategy TM Contract between CRRA and TRC Companies, Inc., for activities involving decontamination of the Track Hopper Room at the South Meadows Power Block Facility, substantially as presented and discussed at this meeting.

The motion was seconded by Director Damer.

Director Damer said that he was surprised that CRRA could contract through TRC (a certified third party) and not have responsibility for the liability.

Mr. Kirk said that TRC is taking the full risk through the exit strategy. He explained it is a great program as it gives some finality to the owner and is backed by AIG. Mr. Kirk said that there was a long discussion concerning specifically what is covered in the liability. Mr. Kirk said that management is comfortable that this is a legitimate change order which was not anticipated in the original scope.

Mr. Shepard said that under the exit strategy contract TRC is responsible for the site wide environmental media remediation which covers soil and groundwater. He explained the area being decontaminated is an interior area of a structure which contains equipment with lead based paint which is flaking off. He said that TRC has done investigations around the structure and has taken soil samples and groundwater to ensure nothing has escaped the structure.

Mr. Shepard explained because it is a structure it is not environmental media and under the contract TRC is not liable for the clean-up. He explained that it could however be a liability for CRRA.

Director Damer asked whether the option of filling in the structure has been explored. Mr. Kirk said that the structure would still have to be cleaned out prior to being filled in.

Vice-Chairman Martland asked if the structure is not being used. Mr. Shepard said that is the case. He said the structure is about 30 feet deep and that TRC had to pump out approximately 20 feet worth of water in order to perform its initial investigation.

Mr. Shepard said that after the clean-out management would install a pump and any accumulated water would be used in the air pollution control system and scrubber system.

Director Damer asked whether the cleaning needs to be done to remove traces of coal. Mr. Shepard said that initial sampling showed that lead was the only contaminant identified which caused concern. He explained that may be from coal dust and/or lead based paint. Director Damer asked whether management is confident that the sealing which is being undertaken will stop any future leakage. Mr. Shepard said most of the sealing will be at upper portions such as the holes and cracks at the concrete slab which sits atop the room.

Mr. Kirk said it is unlikely that the room will ever be completely dry. He explained that storm water which will be pumped out may find its way inside the room; however it will be clean enough for the wastewater system.

Director Damer asked whether the costs are a fixed fee for TRC. Mr. Shepard said that the costs are time and material and does include a 20% contingency in the \$135,000. He said out of the \$135,000 there is \$60,000 in the current operating budget and approximately \$75,000 will come from the reserve account. Mr. Kirk said that the liabilities are CRRA's.

Vice-Chairman O'Brien asked what the balance of the account is after this project. Mr. Kirk said that line item will be used in entirety and that \$75,000 will be taken out of the reserve account which contains \$143,000 leaving about \$85,000. Vice-Chairman O'Brien asked that those figures be included in the write-up.

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

4. REVIEW DISCUSSION REGARDING O&M OF THE GROUNDWATER FLOW CONTROL SYSTEM- INTENTION TO EXERCISE ONE-YEAR OPTION TO EXTEND

Chairman O'Brien said that the above-referenced item does not require any action and was included to advise the Committee that management intends to extend the option. He said that the legal opinion of Ms. Hunt is that this act is within managements' prerogative and does not violate any legislation or polices that apply to purchase orders.

There was a discussion concerning the possibility of bonded funds from the State of Connecticut.

5. INFORMATIONAL

Chairman O'Brien said that there were no cumulative contracts to review under the exception to the competitive process.

Vice-Chairman Martland said that he had several comments concerning the report on vendors that have exceeded \$50,000 on cumulative contracts. He asked what the \$400.00 charge concerning American Express was for. Mr. Kirk said that the charge was for a raffle prize for the employee Holiday party. He explained there are funds budgeted for employee morale and that the charge card was used as there is no specific purchase order with an electronics store. Chairman O'Brien said that

the purchase has no impact on tip fees. Mr. Kirk said that this was correct and the funding came out of the budget for employee morale. He said there is no impact on the tip fee.

Vice-Chairman Martland asked why there was a charge for a police officer. Mr. Kirk replied that a plain-clothes officer was hired to sit in at a public meeting due to concerns of personal safety raised by staff members over the presence of a guest during the public comment portion of the Board meeting. He said management felt that the officer's presence was prudent and appropriate given the possibility of inappropriate actions by this person.

Chairman O'Brien said that the charges are listed twice. Mr. Kirk said that he would look into the charges and get back to the Committee.

Vice-Chairman O'Brien asked what the \$3,600 charge pertaining to Wheelabrator concerned. Mr. Kirk said that he would provide more information at the upcoming Board meeting.

Director Damer said that the title of the report is items less than \$2,500, although the first item referenced is for \$2,500. Mr. Kirk said that a line will be placed under that item to signify mathematically that the report details items that are equal to or greater than \$2,500. Mr. Kirk added that the line item will be addressed more closely by management.

6. MOTION TO ADD AN ITEM TO THE AGENDA

Chairman O'Brien requested a motion to add an item to the agenda pertaining to a contract for conversion of two shredder motors. Director Damer made the motion which was seconded by Vice-Chairman Martland.

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

Ms. Hunt said that the resolution which was added to the agenda concerns a problem with a current contract for conversion of shredder motors. She explained the action the committee was being asked to consider is to assign the contract.

Mr. Tracey explained that CRRA has a contract for approximately \$163,000 with America Rotor Corps for the conversion of two secondary shredder motors. He explained that the firm is about halfway through the project and that the company is going to go out of business.

Mr. Tracey said the firm does have an outlet to complete the rest of the project with a firm related to their firm however; it is under different ownership. Mr. Tracey said that management would like to assign the project to the related firm to complete the work. He said the team managing the work will continue to manage and oversee the execution of the project and the price and warranties will stay the same. Mr. Quelle said the new firm will uphold the warranties.

Chairman O'Brien asked Ms. Hunt if this was legal under CRRA's procedures. Mr. Hunt said this is allowable and the contract allows for assignment with CRRA approval. She explained this would not be her ideal procedure however; the work is half done and finding a bidder was difficult in the first place.

Chairman O'Brien said at the prior Policies and Procurement meetings the project was well justified in productivity and production costs. Mr. Quelle said the original bid had one other bidder and that their price was \$100,000 higher than American Rotor Corps.

Vice-Chairman Martland said that he was in agreement with the proposed resolution. Ms. Hunt said that it will be brought more formally to the Board.

7. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THE EXECUTION OF A CONTRACT CONCERNING CONVERSION OF TWO SHREDDER MOTORS**

Chairman O'Brien requested a motion on the above-referenced item. Vice-Chairman Martland made the following motion:

RESOLVED: That the President is hereby authorized to execute the assignment of contract as discussed.

The motion was seconded by Director Damer and was approved unanimously by roll call.

8. **DISCUSSION**

Mr. Kirk asked the Committee members if they would be opposed to moving the location of the Policies & Procurement Committee meetings to CRRA's office at 100 Construction Plaza in the interest of saving the time and subsequent travel costs undertaken by management.

9. **EXECUTIVE SESSION**

Chairman O'Brien requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition matters, and RFP responses. The motion made by Vice-Chairman Martland and seconded by Director Damer was approved unanimously. Chairman O'Brien requested that the following people remain for the Executive Session, in addition to the Committee members:

Tom Kirk
Laurie Hunt, Esq.

The Executive Session commenced at 10:45 a.m. and concluded at 11:40 a.m. Chairman O'Brien noted that no votes were taken.

The meeting was reconvened at 11:40 a.m., the door was opened, and the Board secretary and all members of the public were invited back in for the continuation of public session.

ADJOURNMENT

Chairman O'Brien requested a motion to adjourn the meeting. The motion made by Director Damer and seconded by Vice-Chairman Martland was approved unanimously by roll call.

The meeting was adjourned at 11:41 a.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal