

**Policies & Procurement Committee
May 13, 2010, Meeting**

Draft Minutes

Members Present: Dave Damer, Committee Chairman
Theodore Martland, Vice-Chairman
Dot Kelly

CRRA Staff Present: Tom Kirk, President
Peter Egan, Director of Environmental Affairs
Thomas Gaffey, Director of Enforcement & Recycling
Ron Gingerich, Development Environmental Compliance & IT Manager
Laurie Hunt, Director of Legal Services
Moira Kenney, Secretary to the Board/Paralegal

Members of the Public: John Pizzementi, USA Hauling

Chairman Damer called the meeting to order at 9:34 a.m. and noted that a quorum was present.

Chairman Damer requested that everyone stand for the Pledge of Allegiance whereupon the Pledge was recited. Noting that there were no members of the public present which cared to speak during public comment, Chairman Damer stated that the regular meeting would commence.

1. APPROVAL OF MINUTES OF THE APR. 15, 2010, POLICIES & PROCUREMENT COMMITTEE MEETING

Chairman Damer requested a motion to accept the minutes of the Apr. 15, 2010, Policies & Procurement Committee meeting. The motion to approve the minutes was made by Vice-Chairman Martland and seconded by Director Kelly.

Vice-Chairman Martland said on pg. 9 in the last paragraph he may have misunderstood management's intentions. Mr. Egan said that management is in discussions with Wheelabrator concerning possibly extending the five one year options within the contract. Mr. Egan said that the options that CRRA would exercise would begin half way through fiscal year 2012 and go for five years subsequent to that. Chairman Damer said that no clarification to the minutes was necessary.

Chairman Damer said that he had given Ms. Kenney some minor typographical corrections to make.

The minutes were approved as amended by roll call. Director Kelly abstained.

2. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THREE YEAR ENGINEERING SERVICES

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

RESOLVED: That the President is hereby authorized to enter into contracts with the following firms and individuals for Consulting, Engineering and Land Surveying Services, substantially as discussed and presented at this meeting:

General Engineering Services

AECOM
B. L. Companies Connecticut, Inc.
Diversified Technology Consultants, Inc.
HRP Associates, Inc.
URS Corporation AES
van Zelm, Heywood & Shadford, Inc.

Environmental Consulting and Engineering Services

Blue River Engineering LLC
HRP Associates, Inc.
Kleinschmidt Associates
Langan Engineering & Environmental Services, Inc.
Leggette, Brashears & Graham, Inc.
Loureiro Engineering Associates, Inc.
Malcolm Pirnie, Inc.
M. I. Holzman & Associates
O'Reilly, Talbot & Okun Associates, Inc.
TRC Environmental Corporation

Resource Recovery and Recycling Consulting and Engineering Services

CalRecovery, Inc.
Dvirka & Bartilucci Consulting Engineers
Grillo Engineering Co.
Hatch Mott McDonald
HDR Engineering, Inc.
RRT Design & Construction
van Zelm, Heywood & Shadford, Inc.

Landfill Consulting and Engineering Services

Anchor Engineering Services, Inc.
Cornerstone Environmental Group, LLC
Fuss & O'Neill, Inc.
GZA GeoEnvironmental, Inc.
Malcolm Pirnie, Inc.
SCS Engineers, PC
TRC Environmental Corporation

Land Surveying Services

BSC Group
Conklin & Soroka, Inc.

Solid Waste Consulting Services

Alternative Resources, Inc.
CalRecovery, Inc.
Gershman, Brickner, & Bratton, Inc.
HDR Engineering, Inc.

Electric Marketing, Procurement and Consulting Services

Essex Partnership LLC
Navigant Consulting, Inc
Power Advisory LLC

Mr. Kirk said that this a tri-annual event undertaken by CRRA to fill the stable of consultants which are pre-qualified companies which can provide certain specific services CRRA may use over the next three years. He explained this process is done for engineering and legal services and locks in rates. Mr. Kirk said that management is not suggesting that a particular amount will be spent with any engineering or consulting firm; however the firms will be available for use by management in the normal budget and approval process. He said that Mr. Egan and his department have put together a table of qualifiers for the various firms containing their specific qualifications and areas of expertise.

Director Kelly said that she noticed the firms are in categories. She asked if a firm is listed under one specific area if that precludes it from consideration in other areas. Mr. Egan said that is correct. He said management establishes these categories in order to identify companies with specific strengths. Mr. Egan said not all of the firms can support CRRA in all aspects of engineering and environmental consulting.

Mr. Egan pointed out several firms have specific qualifications such as Kleinschmidt Associates under the Environmental Consulting and Engineering Services category which has extensive knowledge with fisheries biology, NPDES permitting clean water discharge permits, and a certain area of the clean water act. He said this firm has supported CRRA for the last five years in renewal of its clean water discharge permit. Mr. Egan said that management wishes to be able to continue to call on the firm.

Mr. Egan said that M.I. Holzman & Associates under the Environmental Consulting and Engineering Services category is a one man firm with knowledge in CRRA's facilities and is recognized as a very good air consultant.

Mr. Egan said that TRC Environmental Corporation under the Environmental Consulting and Engineering Services category is a very large capable firm with good history with CRRA which supports CRRA in several categories.

Mr. Kirk said that CRRA is not precluded from using a contractor which may assist in an area outside of its expertise.

Director Kelly asked if a new matter developed and a firm within the stable had qualifications for that matter if the Board can give approval for using that firm in an area outside its category of expertise. Mr. Egan said that was permitted.

Chairman Damer said that in addition if an individual moves to another employer and has exceptional skills which management wants to utilize the freedom to employ that firm is welcome.

Mr. Kirk said that CRRA has fairly detailed employment standards when going out to bid with fair evaluations and an open and transparent process. He said that CRRA is not sole sourcing without a sufficient and compelling reason. Mr. Kirk said that this process gets a lot of those potential issues resolved in advance.

Mr. Egan said that a number of staff analyzed the 53 bids which were received. He said that Mr. Bodendorf evaluated firms for the landfill category and three or four members of the Environmental and Operations Department evaluated the bids under the Environmental Consulting and Engineering Services category. Mr. Egan said that Mr. Quelle and Mr. Gaffey evaluated the firms in the Resource Recovery and Recycling Consulting and Engineering Service category. He said that there was an objective scoring regime which looked at the firms' key strengths, qualifications, background, and labor rates.

Chairman Damer asked if the full list contains all 53 of the submitters as well as which category they submitted for. Mr. Egan said that was correct. He said that there were 33 firms total which were recommended. Mr. Egan said all the firms were recommended for the categories which they bid into.

Director Kelly asked what percentage of the work under these contractors is bid out as a separate proposal. Mr. Egan replied that the next item on the agenda address this type of work which is bid out separately. He said that occasionally management looks to its stable and asks several firms for a cost estimate for work.

Mr. Egan said that for the additional closure steps for the Hartford Landfill management will ask three or four firms to compete for that work within this stable. He said the same action was taken for the Franklin Landfill consulting initiative. He said five firms within the stable were chosen and asked to provide pricing on a scope of work. Mr. Egan said occasionally a public solicitation is used for a specific project however that is a rare circumstance.

Chairman Damer said that any contract over \$50,000 in a fiscal year comes to the full Board for approval and typically through the Policies & Procurement Committee first.

Chairman Damer asked if the first paragraph under the executive summary states that current agreement expires June 30, 2007. Mr. Egan said that was a typo and should state June 30, 2010. He said it will be corrected for the full Board.

Director Kelly said that under the financial summary it says, "it should be noted that the cost for any particular task is going to be on these negotiated hourly rates for time and materials". She said that it seems to her that accepting the proposed hourly rates without negotiations may hurt CRRA financially.

Chairman Damer said that CRRA is still going through a bid process for any particular service which is required.

Mr. Egan said that the bidder provides their hourly rates. He said that next step is to develop a scope of work to deal with a specific issue. Mr. Egan said that a good example was a job that came up several months ago looking at confined space at three of CRRA's landfills which was about a \$6,000 task. He said that TRC has two very qualified health and safety consultants which were sent to the landfills and asked to provide a price using the rates in their contract. Mr. Egan said that management discussed TRC's proposal and price and came to an agreement based on those rates.

Mr. Egan said that the work for the final closure oversight of the Hartford landfill will probably be around \$100,000-\$200,000 for a third party engineering consultant. He said in that case management will approach several firms for a price and based on their responses will most likely choose the low bidder.

Mr. Egan said firms are evaluated based on their labor rates. He said that in discussion with several engineering companies management may find one firm may have experience and capability to do a job in 10 hours that may take another firm with lower rates 20 hours to do, factors which are considered when making the decision. He said that any job over \$50,000 has to go to the full Board for approval. Mr. Egan said that a request for services is negotiated with these engineers which have a not to exceed price.

Vice-Chairman Martland said that many of these firms will not receive any work for several years. Mr. Kirk said that pre-qualification is complicated and management worries that firms which are not provided work may not re-bid the second time around.

The motion was approved unanimously by roll call.

3. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THREE YEAR ENVIRONMENTAL MONITORING BIDS

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

RESOLVED: That the President of CRRA be authorized to enter into agreements for Environmental Monitoring, Laboratory Analysis and Reporting Services, substantially as presented at this meeting, as follows:

Vendor	Amount	Facility
Anchor Engineering Services, Inc.	\$ 259,998	Hartford Landfill
GZA GeoEnvironmental, Inc.	\$ 266,865	Shelton Landfill

Mr. Kirk said this resolution is for Environmental Monitoring, Laboratory Analysis and Reporting Services for two landfills. He said about a quarter of a million dollars each is managed for the three years to perform quarterly and annual sampling and monitoring and reporting which is permit required.

Chairman Damer asked if the Committee and the Board are not being asked to approve the costs for Wallingford or Ellington because they are annual costs which are less than \$50,000 a year. Mr. Egan said that was correct and noted that the information was included on a purely informational basis.

Chairman Damer said that the Wallingford Landfill cost dropped significantly while the other firms are staying rather level. He asked if the roughly 50% drop in costs for Wallingford is due to testing requirement changes. Mr. Egan said it is because both the sampling frequency and the list of analytes were reduced significantly when CRRA received a new permit in September of 2009. He explained CRRA was allowed to go from quarterly to semi-annual monitoring and some parameters on the testing list were dropped as a result of stable trends after many years of monitoring the site.

Mr. Egan said that Shelton landfill costs are also a little lower and management expects to see the same 50% reduction for Shelton sometime in 2011. He said the contractor knows to expect that reduction and a subsequent reduction in scope. Vice-Chairman Martland asked if it would be normal that over time those monitoring costs would drop. Chairman Damer said that can be true but the regulators can also unexpectedly require new and costly monitoring actions over the years.

Director Kelly asked if management has investigated if the cost of monitoring CRRA landfills compares to the cost of monitoring other landfills in the State. Mr. Egan said that he believes the answer is yes. He said that he is not prepared to discuss it at the moment but will address that item in time.

Director Kelly said that the package material is incredibly well done.

The motion was approved unanimously by roll call.

4. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING A CONTRACT WITH WTE FOR METALS REMOVED FROM THE WPF**

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

RESOLVED: That the President be authorized to enter into a contract with wTe Recycling Inc., for the transportation, processing and marketing of metals generated at the Mid-Connecticut Resources Recovery Facility, substantially as presented and discussed at this meeting.

Chairman Damer said that this item has been discussed at the prior meeting and the Committee had asked management to provide evidence that WTE is a unique vendor.

Mr. Egan said that management is asking the Committee and subsequently the Board to award a contract to this vendor which has special capabilities under this section of the procurement policies. He said that this item is being proposed because WTE and CRRA would like to renew this contract. He said if the contract is simply renewed WTE will provide CRRA with an additional \$5.00 a ton premium on the metal equity sharing agreement which amounts to about \$120,000 a year.

Mr. Egan said that if this item is publically solicited WTE may have to open their contracts with subcontractors and will not be able to guarantee the premium to CRRA. He said he reached out to several surrounding states and found there does not appear to be any other viable bidders. Mr. Egan said management is recommending signing a new two year contract with a one year extension.

Chairman Damer said that the write-up is very thorough.

Mr. Kirk said that the past two times this item was bid out there was only a single response. He said this seems to be a fair and lucrative deal for CRRA.

Chairman Damer asked Ms. Hunt if this contract is permitted under CRRA's procurement regulations. Ms. Hunt said that this clearly falls within the special capability exception to CRRA's procurement policy.

Director Kelly asked management to look into changing or looking into changing how this metal is managed. She said that CRRA takes back the non-metal anyway and is paying for the transportation. Mr. Kirk said with an RDF process this is simply not feasible as the boiler geometry does not allow it. He said this metal comes out because it can not get through CRRA's process.

The motion was approved unanimously by roll call.

5. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING ELLINGTON TRANSFER STATION ROOF REPAIR**

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

RESOLVED: That the President is hereby authorized to execute an agreement for the standing steam metal roof retro-fit project at the Ellington Transfer Station with Beaulieu Company, LLC, substantially as presented and discussed at this meeting.

Mr. Kirk said that this resolution is for a retro-fit roof at the Ellington transfer station. He said that these stations are maintained to provide durability to CRRA's customers both private and municipal. He said that management is recommending the low bidder.

Chairman Damer asked what the existing roof is. Mr. Egan said that he believes it is a flat metal roof. Mr. Gingerich said the new roof will sit on top of the existing roof.

Vice-Chairman Martland asked if the alternate bid response had a better roof. Mr. Gingerich said that the firm could not provide the testing data to show that the crimped roof was equivalent to the design roof that management is recommending. Vice-Chairman Martland asked if these roofs are bonded. Mr. Gingerich replied that the roof has a thirty year bond.

Director Kelly asked how many transfer stations CRRA has and if the upkeep item is standard as an expense seen at the transfer stations Mr. Kirk replied yes, he said that CRRA owns four transfer stations in the Mid-CT Project. He said this upkeep is a typical maintenance item and noted the capital plan for the Mid-CT Project is in the budget.

Mr. Egan said that this replacement is being completed as a result of an inspection that was done several years ago which identified that this roof needs to be replaced. He said that he believes that another one of these roofs was placed on a transfer station in Norwalk. Mr. Kirk said that the roof has a thirty year guarantee.

The motion was approved unanimously by roll call.

6. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THE PURCHASE OF A NEW LOADER**

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

RESOLVED: That the President is hereby authorized to execute an agreement for the standing steam metal roof retro-fit project at the Ellington Transfer Station with Beaulieu Company, LLC, substantially as presented and discussed at this meeting.

Chairman Damer said that this item seems fairly straightforward and said the cost analysis and life cycle cost was well done.

Mr. Egan said that this item was budgeted for in the rolling stock budget and is replacing the John Deere which has aged and requires nearly \$200,000 worth of work to be repaired.

Vice-Chairman Martland said he was surprised that CAT was so much more. Mr. Kirk said that they have a part network.

Chairman Damer asked if this is the first Volvo being added to the fleet. Mr. Egan said that it is the second. He said one was delivered several months ago and is working very well. Chairman Damer noted that a three year preventative maintenance package was included in the purchase price. Mr. Kirk said that was a key factor for management's recommendation for Volvo. Chairman Damer asked if the other companies had offered such a package. Mr. Kirk said that the other maintenance packages were substantially different.

Chairman Damer asked if this item was within budget. Mr. Egan replied yes.

Director Kelly asked what happens to the old John Deere loader. Mr. Egan said that the John Deere will be auctioned off at State auction. Mr. Kirk said that all discarded or replaced equipment is handled through the State DAS system and CRRA receives the proceeds from the auction.

The motion was approved unanimously by roll call.

7. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING A CONTRACT FOR RAIL CROSSING WORK ON MURPHY ROAD

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

RESOLVED: That the President is hereby authorized to execute an agreement for maintenance and repairs for the railroad track grade crossing on Maxim Road, Hartford, Connecticut with RailWorks Track Services, Inc. substantially as presented and discussed at this meeting.

Mr. Egan said that CRRA has the legal obligation to maintain the rail crossing nearby. He said that responsibility was shifted to CRRA when the permits for the Mid-CT Project facility were issued.

Chairman Damer asked who the obligation was shifted from. Mr. Egan said that he believes it was from MDC.

Mr. Egan said that the Connecticut Department of Transportation (hereinafter referred to as the "CT DOT") has indicated that it is time to upgrade and repair the crossing. He said that management engaged a consultant to engineer the upgrade and help CRRA bid the work out. Mr. Egan said the CT DOT has been involved in this process and will close down the road for three days and this rail crossing will be done over the weekend likely in late June. He said the haulers will be notified as well as the business which goes back and forth over Maxim Road. Mr. Egan said additional work will be done on each side of the rail crossing and the job will take roughly three days.

Mr. Egan said that CRRA's in house engineer met with the low bidder to ensure that the company understands the bid scope and is very confident that they will do a good job.

Director Kelly asked if the Mid-CT Project uses rail. Mr. Egan replied yes from time to time. Director Kelly asked if this is Connecticut owned track. Mr. Egan said that CRRA owns the track to the South of the crossing about 1,000 feet. He said CL&P owns the rail siding on the North Side.

Chairman Damer said that this resolution is a comfortable margin below what is budgeted.

Director Kelly asked if it is typical that CRRA has the obligation to repair this crossing. Mr. Egan said this it is not typical as CRRA does not own any other rail, and is a condition that was negotiated 20 years ago during the permitting of the recycling facility.

Chairman Damer asked if this would come into play if CRRA was to develop rail further. Mr. Kirk said that it may help provide another alternative.

The motion was approved unanimously by roll call.

8. **EXECUTIVE SESSION**

Chairman Damer requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, and feasibility estimates and evaluations. The motion made by Vice-Chairman Martland and seconded by Director Kelly was approved unanimously. Chairman Damer requested that the following people remain for the Executive Session, in addition to the Committee members:

Tom Kirk
Laurie Hunt, Esq.
Peter Egan
Tom Gaffey

The Executive Session commenced at 10:29 a.m. and concluded at 11:40 a.m. Chairman Damer 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 (of which there were none) were invited back in for the continuation of public session.

9. **ADDITION OF TWO ITEMS TO THE AGENDA**

Chairman Damer requested a motion to add two items to the agenda. Vice-Chairman Martland made the motion, which was seconded by Director Kelly.

The motion was approved unanimously by roll call.

10. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING A SETTLEMENT AND SUPPLEMENTAL AGREEMENT WITH CWPM, LLC**

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

RESOLVED: That the President is hereby authorized to execute a Settlement and Supplemental Agreement with CWPM, LLC, substantially on the terms presented and discussed at this meeting, and to take all actions and do all other things necessary to carry out said agreement.

Chairman Damer read the motion onto the record.

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

11. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING FY 2011 PROJECTED LEGAL EXPENDITURES

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

WHEREAS, CRRA has negotiated three-year Legal Service Agreements with various law firms for the provision of legal services from July 1, 2008 through June 30, 2011; and

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

NOW THEREFORE, it is RESOLVED: That the following amounts be authorized for projected legal fees to be incurred during fiscal year 2011:

<u>Firm:</u>	<u>Amount:</u>
Brown Rudnick	255,000
Cohn Birnbaum & Shea	55,000
Halloran & Sage	1,275,000
Heneghan Kennedy & Doyle	49,000
Hinckley, Allen & Snyder	300,000
Kainen, Escalera & McHale	250,000
McCarter & English	85,000
Pepe & Hazard	235,000
Pullman & Comley	120,000
Sidley Austin	120,000

Further RESOLVED: That the President be authorized to expend up to \$20,000 from the Landfill Development Reserve Account for payment for legal fees incurred in fiscal year 2011 in connection with the Authority's suspension of its efforts to develop a new ash landfill in the State of Connecticut;

Further RESOLVED: That the President be authorized to expend up to \$85,000 from the Post Litigation Reserve Account for payment of legal expenses incurred in fiscal year 2011 in connection with the Enron Global litigation continuing under the aegis of the Attorney General; and

Further RESOLVED: That the President be authorized to expend up to \$25,000 from the Bridgeport_[tbd]_Reserve Account for payment for legal fees incurred in fiscal year 2011 in connection with continuing Bridgeport Project litigation.

Chairman Damer said that the item under Henneghan, Kennedy & Doyle is likely to change before it is brought to the full Board.

The clarification on the Bridgeport reserve account which currently reads “to be determined” in the resolution will be provided at the Board meeting.

The motion was approved unanimously by roll call.

12. INFORMATIONAL SECTION

Chairman Damer said that the informational section had been thoroughly reviewed and there were no comments on the material.

ADJOURNMENT

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

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

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal