

**Policies & Procurement Committee
June 14, 2007 Meeting**

Minutes

Members Present: Raymond O'Brien, Committee Chairman
Theodore Martland
Linda Savitsky

CRRA Staff Present: Tom Kirk, President
Peter Egan, Director of Environmental Affairs & Development
Floyd Gent, Director of Operations
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
David Bodendorf, Senior Environmental Engineer
Steven Yates, Air Compliance Manager
Kristen Greig, Secretary to the Board/Paralegal

Chairman O'Brien called the meeting to order at 9:30 a.m. and noted that there was a quorum. 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 MAY 18, 2007 COMMITTEE MEETING

Chairman O'Brien requested a motion to accept the minutes of the May 18, 2007 Policies & Procurement Committee meeting. The motion made by Vice-Chairman Martland was seconded by Director Savitsky.

The minutes as presented were approved. Director Savitsky abstained.

2. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING ENVIRONMENTAL EQUITY STATEMENT

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

RESOLVED: That the Board hereby adopts the Environmental Equity Statement substantially as presented and discussed at this meeting.

The motion was seconded by Director Savitsky.

Mr. Nonnenmacher stated that the Statement had been condensed, per the Committee's recommendation.

Mr. Nonnenmacher informed the Committee that the Coalition for Environmental Justice had staged a protest outside of the Waste Processing Facility (“WPF”) to protest the expansion of the WPF. Mr. Nonnenmacher added that there is no such expansion planned. Mr. Nonnenmacher stated that the Environmental Equity Statement would protect CRRA from such false allegations.

Director Savitsky asked that the word “trash” be replaced with “solid waste”. Director Savitsky suggested that perhaps the Statement should indicate that CRRA “will negotiate exclusively with appropriate representatives of municipal government on all issues”.

After a brief discussion, Mr. Nonnenmacher stated that he would make the requested revisions and submit the statement to the full Board of Directors.

3. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION ADOPTING A POLICY AND PROCEDURES FOR THE USE OF MEETING ROOM AT THE TRASH MUSEUM AND THE GARBAGE MUSEUM**

Chairman O’Brien requested a motion regarding the above-captioned item. Vice-Chairman Martland made the following motion:

RESOLVED: That the Board hereby adopts the Policy and Procedures for the Use of Meeting Rooms at the Trash Museum and the Garbage Museum substantially as presented and discussed at this meeting.

The motion was seconded by Director Savitsky.

Chairman O’Brien asked that the hours of operation be included. Ms. Hunt indicated that because the hours change on occasion, management decided not to specifically list the hours. Ms. Hunt noted, however, that the policy does state that the hours are listed on the CRRA website. Ms. Hunt stated that when the meeting rooms are utilized, CRRA staff is always on site.

The motion previously made and seconded was approved unanimously.

4. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING EXPENDITURES FOR ODOR MONITORING SERVICES A THE MID-CONNECTICUT WASTE PROCESSING FACILITY & HARTFORD LANDFILL**

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

RESOLVED: That the President of CRRA be authorized to execute a Request for Services with TRC Environmental Corporation for Odor Monitoring Support at the Mid-Connecticut Waste Processing Facility and Hartford Landfill, substantially as presented and discussed at this meeting.

The motion was seconded by Vice-Chairman Martland.

Mr. Kirk stated that this resolution had been discussed at the previous P&P Committee meeting and at the May Board meeting. The Board asked management to provide more specific information on how the odor monitoring has worked in the past, what the findings of previous odor complaints have been, and renegotiate with the vendor in an effort to reduce the cost of odor monitoring. Mr. Kirk stated that management went back to the vendor and was able to reduce the monitoring cost from \$56,000 down to \$43,000. Management also reviewed different options that might be utilized. Mr. Kirk stated that management is recommending that the monitoring process currently being used be continued. Mr. Kirk added that the most important aspect of this monitoring is the third-party participation.

Vice-Chairman Martland stated that with the pending siting of a new ash landfill, this service would be even more critical. Director Savitsky agreed that this is a relatively low cost for a service that is very valuable in terms of public relations.

The motion previously made and seconded was approved unanimously.

5. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING FIRST AMENDMENT FOR METALS RECOVERY AND MARKETING SERVICES WITH wTe RECYCLING, INC.**

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

RESOLVED: The President is authorized to enter into the First Amendment with wTe Recycling, Inc. for the transportation, processing and marketing of metals generated at the Mid-Connecticut Resources Recovery Facility and the Hartford Landfill substantially in accordance with the terms and conditions discussed at this meeting.

Director Savitsky seconded the motion.

Ms. Hunt explained that this amendment (a 3-month extension) was being requested because the expiration date of the contract had been listed incorrectly on a manual contract tracking sheet. The tracking sheet had the contract expiring in 2008, not 2007 and this three-month extension will allow management enough time to go out to bid for these services. Mr. Gent noted that, in the meantime, CRRRA feels this is still a very good price for this service.

Chairman O'Brien asked that the project revenues and related expenses for the three-month term be included in the information to the Board.

A brief discussion ensued regarding how the ferrous metals are removed from the waste stream and the responsibilities of the vendor.

The motion previously made and seconded was approved unanimously.

6. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION AUTHORIZING RETENTION OF A HOST COMMUNITY LIAISON**

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

RESOLVED: That the President is hereby authorized to amend its agreement with Attorney Thomas Ritter to serve as CRRA's liaison with its host communities and pertinent or related groups and organizations as presented and discussed at this meeting.

Vice-Chairman Martland seconded the motion.

Vice-Chairman Martland asked how effective Attorney Ritter has been as a Host Community Liaison. Mr. Kirk responded that he thinks CRRA would not have come to an agreement with the City of Hartford or have completed the permitting and opening of the new recycling center without Attorney Ritter's valuable assistance. Chairman O'Brien asked what activities were anticipated to be undertaken over the next few months to justify the cost. Mr. Kirk stated that the primary focus over the next few months is the development of the new landfill and added that the continuity is also important for CRRA.

Director Savitsky asked if management is comfortable that there are no conflicts of interests with his clients at the law firm. Mr. Kirk stated that the government services group at Attorney Ritter's firm, Brown Rudnick Berlack Israels, is very careful about monitoring for conflicts and making CRRA aware of any potential conflicts. Mr. Kirk said that he does not foresee any potential conflicts with the specific projects Attorney Ritter will be working on over the next couple of months. Mr. Kirk noted that, even though there have not been any problems with conflicts to date, he would like to have a "stable" of Host Community Liaisons available to CRRA, which would be accomplished with a Request for Qualifications.

The motion previously made and seconded was approved unanimously.

7. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THE INSTALLATION OF A LANDFILL CAP OVER A PORTION OF THE PHASE 1 ASH AREA**

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

RESOLVED: That the President is hereby authorized to execute an agreement with E. T. & L. Corp. to install a landfill cap over approximately 7.2 acres of the Phase 1 Ash Area at the Hartford Landfill, substantially as presented and discussed at this meeting.

Director Savitsky seconded the motion.

Mr. Egan explained that this matter involves the 16 acre ash residue area at the Hartford Landfill. CRRA is obligated to close the landfill when it is full, which will be in approximately

18 months. The western side, however, is just about filled to capacity and can be closed. Mr. Egan stated that temporary liners are used to fulfill CRRA's responsibility to prevent storm water from entering the 16 acres. Since the western 7.2 acres are ready to be closed, CRRA would like to move forward with installing the permanent cap on that area rather than spending resources on a temporary liner until the rest of the landfill is filled to capacity. Mr. Egan explained that an engineering firm was engaged several months ago to assist CRRA with this process and the goal is to start and complete this portion of the project during this construction season so vegetation can be planted this year.

Vice-Chairman Martland said that he is content that the bidders all bid in the same price range, which means that the specs of the bid were very clear. Chairman O'Brien agreed and stated that he would like to see the breakdown of how much of the cost is materials and how much is for labor. Mr. Bodendorf explained that almost fifty percent of the final cost of the project was related to the procurement and placement of the cover materials on top of the state-of-the-art membrane.

Chairman O'Brien asked what the timeframe for this project would be assuming the Board approved it at the June meeting. Mr. Bodendorf responded that the Notice of Award would be issued immediately following the Board meeting and it was his hope that contracts would be completely executed in mid-July with work on this phase completed by October.

The motion previously made and seconded was approved unanimously.

8. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING TRANSFER STATION HOST COMMUNITY AGREEMENT – MID-CONNECTICUT PROJECT**

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

RESOLVED: The President is authorized to execute the Transfer Station Host Community Agreement for the Town of Watertown, substantially as presented and discussed at this meeting.

Vice-Chairman Martland seconded the motion.

Mr. Kirk explained that CRRA has not been paying a pilot payment to the host communities of the transfer stations in the Mid-Connecticut Project and management is recommending a move in that direction. Mr. Kirk stated that CRRA is trying to reach an agreement with Watertown that is fair to the participating municipalities and recognizes the obligations to the host community. Mr. Kirk stated that when an agreement is reached with Watertown, that agreement would be used as a model for similar agreements with the remaining transfer station host communities in the Mid-Connecticut Project.

Mr. Kirk noted that the towns, with the pilot payments, will be accepting some responsibilities such as cooperating with CRRA on zoning issues and permit renewals. Mr. Egan and Mr. Gent gave a brief background on past experiences with the host towns on such matters

and further explained the motivation for this initiative. Chairman O'Brien stated that he would like CRRA to act quickly in settling agreements with the other host communities once the Watertown agreement is finalized.

Chairman O'Brien noted that he is accustomed to seeing a regional CPI adjustment on contracts, but this agreement does not use that formula and said that he thinks it should be rounded to either the nearest cent or mill. Director Savitsky asked if there was a cap on the CPI increase. Mr. Gent responded that there is a three percent annual cap on the CPI increase.

Vice-Chairman O'Brien stated that he feels that the host communities deserve this benefit and asked how a ten year agreement would be affected if the project was not extended for ten more years. Mr. Gent stated that the agreement has a termination provision if the transfer station is sold or other circumstances change. Vice-Chairman O'Brien also agreed that this should be offered to the other host towns in an expeditious fashion after the Watertown model is finalized.

Director Savitsky informed the Committee that her husband is on the Essex Solid Waste Commission. Director Savitsky stated that she would like that noted for the record because she will not vote on the Essex contract because it is likely that the matter will be brought before that Commission for discussion and approval. Director Savitsky said that she would vote on this, but would abstain on approval of the Essex contract.

The motion previously made and seconded was approved unanimously.

9. DISCUSSION

Strategy for Procuring Ash Disposal

Mr. Egan explained that CRRA is in the process of trying to develop an ash residue landfill in Connecticut. Mr. Egan stated that CRRA has an estimated cost on development and operation of that landfill depending on where it is sited, and that cost is less than what it would cost for that ash to be shipped to an out-of-state landfill. What CRRA does not know, however, is how much it would cost to deliver the ash to the private landfill in Preston. CRRA met with Wheelabrator, the operator of that landfill, to get a firm price for acceptance of ash residue.

Mr. Egan stated that CRRA already has a contract in place for Wheelabrator to accept waste from Hartford, which expires in 2008. CRRA believes it can extend that existing contract if a long-term price can be negotiated with the operator. Mr. Egan explained that Wheelabrator is reluctant to give CRRA a firm price, because they are worried that they will give CRRA a price and that price will be used to shop around out-of-state. Mr. Egan said that CRRA is considering negotiating a price with Wheelabrator under a confidentiality agreement so that price cannot be made public. If the CRRA Board feels that CRRA should still test the market with a formal bid process, Wheelabrator's price would remain confidential. Mr. Egan stated that there is a benefit to working through this process in this matter because if Wheelabrator's price is low enough and is willing to sign a long-term agreement, this could be an acceptable alternative to siting an ash residue landfill in Connecticut.

Mr. Egan pointed out that the Hartford Landfill will be closing in 2008 and a new landfill will not be sited and operating by that time. Therefore, even if CRRA is successful in siting and developing the new landfill, CRRA will still have a need for an interim disposal site for the ash residue.

Vice-Chairman Martland stated that, even if CRRA decides to use a confidentiality agreement, he feels that CRRA has to go through a public solicitation process. Director Savitsky agreed and said that, in light of the public scrutiny that public organizations are under, a public bid process, possibly a Request for Qualifications, should be completed first and then CRRA can negotiate price with the lowest and most qualified bidder(s). Mr. Kirk stated that one concern with the public bidding process is that as soon as the bids are in, the prices are often requested under the Freedom of Information Act. This could prevent Wheelabrator from offering their lowest price because they know exactly what other prices were offered. Mr. Kirk also noted that he would think Wheelabrator would want to give CRRA a very competitive price to prevent the development of competitive options in the state. However, if Wheelabrator knows that it can charge more, CRRA thinks they will.

Mr. Kirk said that he agrees with the Committee, and is usually uncomfortable with a sole-source, but this is a unique situation where a sole-source may provide a financial advantage for the towns. Mr. Kirk said that if the negotiations with Wheelabrator do not result in a substantial discount from market prices, CRRA can do a public solicitation and has not lost anything.

Chairman O'Brien said that he sees merit in the approach, but CRRA has to evaluate the needs for the interim solution and also the long-term need for ash disposal in the state. Mr. Gent pointed out that there may be more factors involved in a long-term negotiation with Wheelabrator because CRRA is also negotiating with the same company for the Bridgeport Project.

Director Savitsky recommended starting the process with a Request for Qualifications to see who meets the qualifications of being able to provide this service to CRRA. Then CRRA can negotiate price with the most qualified bidder or bidders, and a competitive process has been used. Director Savitsky said that she feels the qualifications are just as important as pricing in this process.

Chairman O'Brien stated that he agreed that the short-term contract should be solicited publicly, but management should be allowed to engage in concurrent negotiations with Wheelabrator for the long-term contract because transportation is such a major aspect of this project. Chairman O'Brien said that, for example, even if a landfill operator in Ohio is qualified to accept the ash, the transportation costs would be so astronomical that the long-term contract would not be feasible. Chairman O'Brien added that Wheelabrator's desire to keep CRRA from siting a new in-state landfill could also have a large impact on the price. A lengthy discussion ensued regarding the options for both the short and long-term contracts. Mr. Egan noted that the discussions with Wheelabrator would address both the short and long-term solutions. Director Savitsky stated that she would prefer that a Request for Qualifications for the interim contract be done with a provision that allows CRRA to negotiate a long-term agreement, if that is appropriate. Director Savitsky said that what she is looking for is a public process that will stand

up to scrutiny and still give management the flexibility it needs to negotiate the best price. After a lengthy discussion, the Committee agreed.

10. EXECUTIVE SESSION

Chairman O'Brien requested a motion to enter into Executive Session to discuss pending litigation with appropriate staff. The motion made by Director Savitsky was seconded by Vice-Chairman Martland. Chairman O'Brien requested that the following people be invited to the Executive Session in addition to the Directors:

Tom Kirk
Peter Egan
Floyd Gent
Laurie Hunt, Esq.

The Executive Session began at 11:30 a.m. and concluded at 12:45 p.m. Chairman O'Brien noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:45 p.m.

ADJOURNMENT

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

The meeting was adjourned at 12:45 p.m.

Respectfully submitted,

Kristen B. Greig
Secretary to the Board/Paralegal