

**Policies & Procurement Committee
July 9, Draft Meeting**

Draft Minutes

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

CRRA Staff Present: Tom Kirk, President
Peter Egan, Director of Environmental Affairs (present by telephone)
Tom Gaffey, Director of Recycling and Enforcement
Laurie Hunt, Director of Legal Services
Rich Kowalski, Operations Engineer
Virginia Raymond, Senior Operations Analyst
Mike Tracey, Director of Operations
Moirra Kenney, Secretary to the Board/Paralegal

Members of the Public: John Pizzitmenti, USA Hauling

Chairman O'Brien called the meeting to order at 9:30 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.

There were at le

1. **APPROVAL OF MINUTES OF THE JUNE 4, 2009, POLICIES & PROCUREMENT COMMITTEE MEETING**

Chairman O'Brien requested a motion to accept the minutes of the June 4, 2009, Policies & Procurement Committee meeting. The motion was made by Director Damer and seconded by Vice-Chairman Martland.

The minutes were approved as amended and discussed by roll call.

2. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING EMERGENCY PROCUREMENTS FOR WASTE EXPORTS**

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

RESOLVED: That the CRRA Board of Directors ratifies the Emergency procurement as substantially presented and discussed at this meeting.

Director Damer asked for an explanation as to why this item constitutes an emergency. He acknowledged that it did save some money in the long run but he had questions about its qualifications under the emergency procurements definition. Mr. Tracey said that Complete Disposal was not under contract with CRRA. He said that in order to use their services as dictated by the Procurement Procedures a contract was necessary.

Mr. Kirk explained that management had concerns whether the vendors under contract could handle the unplanned outage which had resulted in a substantial amount of waste pile-up. He said that normally another vendor would not have been used.

Chairman O'Brien said that he was in agreement with Director Damer. He also questioned why this issue constituted an emergency. He said management should have been better prepared to deal with this problem.

Mr. Tracey said that Chairman O'Brien is correct. He noted that subsequent to these emergency procedures management did go out for pricing for export contractors and that a recommended contractor is included in the next resolution to come before the Committee.

Chairman O'Brien asked when problems with Waste Management first came about. He said the CRRA Board must be open and transparent in all dealings and that any questions or concerns which arise concerning contractors must be documented along with efforts to mitigate those issues for the benefit of the public.

Director Damer asked if Waste Management had stated that they could not handle the amount of waste within the required time frame. Mr. Kirk said that he did not believe so. He said the substantial savings associated with this emergency export were also a motivator in the decision to export the waste. Mr. Kirk said it may have been possible to push Waste Management to take care of the waste and noted that there was a savings of tens of thousands of dollars under this scenario which was a factor.

Vice-Chairman Martland asked if the contractor must use a specific location to bring the waste to. Mr. Kirk said that CRRA must be aware of where the waste is going and that the location must be a certified disposal site. He said that most contractors have a private deal with a disposal outfit and would utilize locked up capacity.

Director Damer said that he thinks it is great that management is using cost saving opportunities but the fact that there was no clear indication from the vendor and contractor that they could not do the work is necessary for this to be an emergency according to CRRA's policies and procedures.

Chairman O'Brien said that the fact remains that the CRRA Board operates under what he believes is an unrealistic constraint of a necessary 8 member vote to approve a contract over \$50,000. He said emergency procedures can not be used to circumvent that requirement. He said that the vendor should have been approached and asked to address managements' concerns and if in that case they were unable to perform an alternative may have been used.

Mr. Gaffey said that in the past CRRA has always had a stable of haulers which could be called on for pricing for exporting to other projects. He said when the Waste Management contact was

developed it was done so for ash and bypass waste in addition to export. He said it was his understanding that CRRA was not obligated to use Waste Management for waste export.

Mr. Gaffey said that there was a major water wall tube leak which led to boiler shut downs and forced management into moving nearly 2,000 tons a week out of the project. He explained that Mr. Romano had Complete Disposal Co. ready, willing and able to export the waste at \$65.00 a ton; he said CRRA did not have a lot of time to deal with this matter. Mr. Gaffey suggested having more than one vendor available at all times in the future in order to get the best price and maximum flexibility to respond and move the waste as quickly as possible.

Director Damer asked that there be two separate resolutions for clarification purposes.

Mr. Kirk explained that this situation occurred when he was out of the office. He said that Ms. Bergenty called him to inform him that hauler lines were out in the streets and waste was piling up and could not be moved quickly enough. He explained there happened to be an enforcement officer in Hadley, CT checking on missing waste who was able to provide an okay to move the piling waste to that location.

Mr. Kirk said that management will review this situation to explore possible options in the future.

After substantial discussion the Committee agreed that the legitimate concerns about the ability of Waste Management to handle the waste by both Mr. Kirk and Mr. Gaffey allows for this resolution to be permitted under the Emergency Procurement requirements. Chairman O'Brien said to place the last page in the write-up in front of the memos to make it clear that there are two separate emergency procurements.

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

3. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING WASTE EXPORT AND DISPOSAL AGREEMENT**

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 execute an agreement with Complete Disposal Co. Inc., for the export and disposal of municipal solid waste from the Mid-Connecticut Project on an as needed basis, substantially as presented and discussed at this meeting.

Chairman O'Brien said that by his calculation this contract will allow for less than 28,000 tons for the rest of the year, not including the 455 from the emergency procedure.

Ms. Raymond said historically there is a pool of haulers capable of moving export waste in a stable with varying prices. She said there is a pool of money in the budget for export services which is not guaranteed to a certain hauler.

Chairman O'Brien asked what management is looking at for as far as planned and unplanned removal of waste from the system.

Ms. Raymond said there should be a number in the assumptions as to what the \$2.2 million is based on. She said that there are accommodations in the budget this fiscal year to move 34,000 tons.

Chairman O'Brien said that a big portion of those funds is for the Wallingford Project and Southeast Project, which only allows for 17,000 tons to go out of state. He said that is fine if management is able to stick to that. Mr. Tracey said this will depend on plant performance especially considering it is summer and the plant is at the height of its waste reception. Mr. Tracey said that management will monitor the plants' performance and report back to the Board if necessary.

Chairman O'Brien asked that the second paragraph of the write-up be clarified.

Chairman O'Brien said he is assuming that the disposal facility used by Complete Disposal is an acceptable disposal location.

Mr. Kirk said the environmental department certifies those locations. He said it is a privately operated, municipally owned landfill in South Hadley.

Director Damer asked if it is a correct assumption to say that the budget may stretch because there are more tons than what was used to put the budget together. Mr. Tracey said that was correct. He asked if management is still expecting the same amount of tons of this kind of waste to be handled under that original budget number. Ms. Raymond said that is unknown and difficult to predict.

Vice-Chairman Martland asked if that conversely cuts the electric income. Mr. Kirk said that is correct.

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

4. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING DOZER COMPACTION SERVICES FOR THE MID-CONNECTICUT WASTE PROCESSING FACILITY**

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

RESOLVED: That the Board of Directors hereby adopts the revisions to the Mid-Connecticut "Permitting, Disposal and Billing Procedures," substantially as discussed and presented at this meeting.

Mr. Tracey said that in the past an outside vendor has done dozer compaction services at the WPF. He said upon closure of the Hartford Landfill there was a dozer available to come to the WPF to replace in part this outside service. Mr. Tracey explained the Board authorized \$175,000 to retrofit the dozer which has since been completed. He said the dozer became available in the first part of June and that an operator for the dozer is now required.

Mr. Tracey said that originally the MDC was using existing personnel to operate the dozer. He said MDC has since approached CRRA management and stated that the services will need to be performed by another employee which needs to be added to the roster. Mr. Tracey explained that management responded in the negative to this request.

Chairman O'Brien asked that the information concerning why an outside contractor is being utilized be documented.

Mr. Kowalski said that in addition to MDC's request to add someone to the head count the MDC is also dealing with a union issue which is prohibiting it from providing employees at the proper grade. He explained that the position payment rate is currently at a class 11 for the dozer. He said that currently on the district operation side every operator is at a class 9. Mr. Kowalski said if there was a class 9 on the WPF side some 64 people would have to be bumped to a class 11. He said that there have been multiple conversations with the union and the MDC has not come to a resolution as of yet. Mr. Kowalski said that as this is a temporary contract the MDC has asked that that a temporary operator be used for this dozer.

Vice Chairman Martland said that information should be documented as it offers evidence as to why a temporary operator is being recommended by management.

Chairman O'Brien asked that Mr. Tracey create a memo documenting this information and to run it by Chairman Pace and MDC representatives before its inclusion in the Board package.

Director Damer asked that the MPV analysis be updated and included in the write-up as well.

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

5. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING THE ADOPTION OF THE REVISED MID-CONNECTICUT PERMITTING, DISPOSAL AND BILLING PROCEDURES**

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

RESOLVED: That the Board of Directors hereby adopts the revisions to the Mid-Connecticut "Permitting, Disposal and Billing Procedures" that adds procedures for single stream recycling, that add procedures for white metals, scrap/light weight metals and mattresses, box springs, sofas and couches, that updated the billing procedures to reflect current practice and that make other editorial and minor changes, substantially as discussed and presented at this meeting.

Mr. Kirk said that there a number of recommended changes to the Mid-Connecticut billing procedures the majority of which are more or less editorial. He said that on page 14 three paragraphs have been added concerning a better definition of the delivery of solid waste. Mr. Kirk said that page 17 also contains a substantial change concerning the safety profile at the plant. He said that page A2 contains changes to the single stream delivery process and that the remaining changes are largely editorial.

Chairman O'Brien asked that a summary page be placed before this write-up stating what these edits are supposed to accomplish.

Vice-Chairman Martland asked how mattresses are disposed of. Mr. Kirk said that mattress disposal is a continuing problem for CRRA. Mr. Kirk said that mattress disposal is extremely costly. Mr. Kowalski said that CRRA is reiterating the importance of mattress and bulky items being separated out of the MSW stream for easier and more efficient disposal.

Chairman O'Brien suggested holding a recycling drive for collection and disposal of mattress using a mobile shredder. Mr. Kirk said that management is exploring the concept of drives for a multitude of recyclable items such as paper shredding.

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

6. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING ENGINEERING AND ENVIRONMENTAL CONSULTING SERVICES TO SUPPORT DEVELOPMENT OF AN ASH RESIDUE LANDFILL**

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 Request for Services with TRC Environmental Corporation to provide engineering and environmental consulting support services associated with development of an ash residue landfill, substantially as discussed and presented at this meeting, and

FURTHER RESOLVED: That the President is hereby authorized to expend funds from the Landfill Development Reserve Account for such engineering and environmental consulting services, in accordance with CRRA's Procurement Policies & Procedures.

Mr. Egan explained that this resolution concerns the third phase of the ash landfill development project and will take CRRA to the finish line in terms of submitting a final permit application to the CT DEP. He said to date \$1.1 million has been spent. Mr. Egan said activity stopped in late spring of 2008 and in the last twelve months a variety of field investigations have taken place in particular examining for three potential fatal flaws.

Mr. Egan said that these areas include threatened, endangered and special concerned species, potential anthropological and cultural artifacts which may be found on the site, and the potential the aquifer under the site has to serve as a high yield drinking water source.

Mr. Egan said that during last year investigations for threatened and endangered species were conducted and that the findings were determined to not be a fatal flaw. He said one individual wood turtle was identified but not in an area associated with the landfill footprint and subsequently will not stop issuance of a permit for the landfill.

Mr. Egan said that the cultural and anthropological aspect is also not a fatal flaw. He explained it was also explored last summer and that the site has not shown any evidence of either.

Mr. Egan provided a lengthy discussion of the groundwater pump test that was recently completed, and stated that preliminary results from the pump test indicate that the aquifer underneath the proposed site cannot yield a quantity that would qualify this aquifer as a high or moderate yield aquifer.

Chairman O'Brien asked if there was sufficient flow in the aquifer to take away any leachate that went through the liner. He asked if that has been established and if the CT DEP has reviewed that data and if so has it made any comments.

Mr. Egan stated that results of the pump test would be shared with DEP very soon. He said that CRRA has not yet performed the leachate transport modeling yet. He said based on what has been learned about the aquifer at this point management does not believe this will be a fatal flaw, however it will be analyzed and investigated over the next couple of months.

Chairman O'Brien asked that the term "fatal flaw" be re-worded as to avoid confusion with potential issues concerning the landfill. He said that he was concerned that the potential exists for an attempt to override the Governor's veto. Chairman O'Brien said that management has to move quickly but must still be cautious of renewed legislation in opposition of the Franklin landfill.

Mr. Kirk noted that any steps that management takes in moving forward with landfill related activities can be stopped quickly if necessary. He said if the veto is overridden money will not be spent.

Chairman O'Brien said that it is important that CRRA's contractors also understand that work may be stopped at any time. Mr. Egan said that fact is understood and the conditions exist in the contract.

Director Damer noted that Mr. Egan's tables are incorrectly labeled. Mr. Egan noted that will be clarified for the Board meeting. The Committee discussed the steps necessary prior to submitting the final permit application to the CT DEP.

Director Damer asked if there was an estimate for costs for the period following the permit application submittal but prior to final issuance of the permit (if issued). Mr. Egan stated that there will be costs for TRC support after submittal of permits; for example to attend meetings with DEP during the application review, and to provide testimony at a the public hearing that would be associated with the permit. Mr. Egan stated that these activities have been contemplated by CRRA and have been budgeted generally, but the budget is not yet developed to the detail as is in the current request.

Chairman O'Brien asked that the window of time that management expects to be able to reach the permit application period be included in the write-up for the benefit of the full Board.

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

7. **REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING PROJECTED LEGAL EXPENDITURES**

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

WHEREAS, CRRA has entered into Legal Service 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 2010 projected legal fees; and

WHEREAS, CRRA expects to incur greater than authorized legal expenses in connection with its development of a new ash landfill;

NOW THEREFORE, it is RESOLVED: That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2010:

<u>Firm:</u>	<u>Amount:</u>
Brown Rudnick	\$300,000

Further RESOLVED: That the President be authorized to expend up to \$300,000 from the Landfill Development Reserve Account for payment for legal fees incurred in fiscal year 2010 in connection with the Authority's development of a new ash landfill in the State of Connecticut

Chairman O'Brien said that the resolution before the Committee is straight forward. Mr. Kirk said that virtually none of this money will be spent if the veto is overridden. Director Damer asked if this amount is for the entire fiscal year. Mr. Egan said that he will have that confirmed by the Board meeting. He said he believes it will take CRRA past the permit filings into meetings with CT DEP.

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

8. INFORMATIONAL

Chairman O'Brien said that there were no comments on the informational section of the package and noted that the Committee had thoroughly reviewed the material.

Director Damer asked that clarification on the labeling of the exception to non-competitive purchases be provided.

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 Director Damer and seconded by Vice-Chairman Martland 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 11:08 a.m. and concluded at 11:27 a.m. Chairman O'Brien noted that no votes were taken.

The meeting was reconvened at 11:27 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 Vice-Chairman Martland and seconded by Director Damer was approved unanimously by roll call.

The meeting was adjourned at 11:28 a.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal