

MID-CONNECTICUT PROJECT MUNICIPAL ADVISORY COUNCIL

The Mid-Connecticut Project Municipal Advisory Council (MAC) held its third meeting on Wednesday, March 3, 2010, at the Trash Museum in Hartford, Connecticut.

PARTICIPATING MUNICIPALITIES AND THEIR REPRESENTATIVES:

Town	First Name	Last Name	Title/Proxy
Avon	Richard	Barlow	Proxy for Town Manager Brandon Robertson
Barkhamsted	Donald	Stein	First Selectman
Bloomfield	Donald	Harris	Deputy Mayor
Canton	Richard	Barlow	First Selectman
East Granby	James	Hayden	First Selectman
East Hartford	Melody	Currey	Mayor
Farmington	Richard	Barlow	Proxy for Town Manager Kathleen Eagen
Glastonbury	Michael	Bisi	Proxy for Town Manager Richard Johnson
Goshen	Donald	Stein	Proxy for First Selectman Robert Valentine
Granby	John	Adams	First Selectman
Harwinton	Frank	Chiaramonte	First Selectman
Litchfield	Donald	Stein	Proxy for First Selectman Leo Paul
Naugatuck	Sheila	Baummer	Proxy for Mayor Robert Mezzo
Newington	John	Salomone	Town Manager
Norfolk	Donald	Stein	Proxy for First Selectman Susan Dyer
Old Lyme	Timothy	Griswold	First Selectman
Old Saybrook	Timothy	Griswold	Proxy for First Selectman Michael Pace
Simsbury	Thomas	Roy	Proxy for First Selectman Mary Glassman
Torrington	Ryan	Bingham	Mayor, CHAIRMAN
Waterbury	Timothy	Griswold	Proxy for Mayor Michael Jarjura
West Hartford	John	Phillips	Proxy for Town Manager Ronald Van Winkle
Wethersfield	Jeff	Bridges	Town Manager
Windsor Locks	Steven	Wawruck	First Selectman, VICE CHAIRMAN

CRRA MANAGEMENT ATTENDEES:

Thomas D. Kirk, President
James P. Bolduc, Chief Financial Officer
Mary Anne Bergenty, Field Manager
Marianne Carcio, Executive Assistant
Jeffrey Duvall, Manager of Budgets and Forecasting
Peter W. Egan, Director of Environmental Affairs & Development /
Acting Director of Operations
Thomas P. Gaffey, Director of Recycling & Enforcement
Paul Nonnenmacher, Director of Public Affairs
Rich Quelle, Senior Engineer
Virginia Raymond, Senior Operations Analyst
CRRA BOARD MEMBERS:
Raymond J. O'Brien

1. CALL TO ORDER

Municipal Advisory Committee Chairman Ryan Bingham called the meeting to order at 8:45 a.m.

2. PLEDGE OF ALLEGIANCE

All in attendance rose and recited the Pledge of Allegiance.

2. a. ROLL CALL

Upon request of **Chairman Bingham**, Mr. Nonnenmacher called the roll and reported that, including proxies, 21 votes were represented at the meeting, meaning a quorum was in attendance.

3. PUBLIC COMMENT

Chairman Bingham requested comments from the public in attendance. None requested to speak.

4. APPROVAL OF MINUTES OF NOVEMBER 18, 2009

Mr. Stein moved to approve the minutes. **Mr. Adams** seconded the motion, which passed unanimously.

5. UPDATE ON ACTIVITIES OF MID-CONNECTICUT PROJECT SPECIAL COMMITTEE

President Kirk announced that updates will be provided on the bio-energy initiative with Summit BioFuels which has a potential savings of \$1-2 per MSW ton.

Ms. Raymond discussed CRRA's investigation into a new technology for waste disposal proposed by Summit BioFuels. She said discussion with Summit BioFuels began in August and continues, but progress is slow and management needs a commitment which contains the correct balance of reward to risk for CRRA to continue this project. She explained there are two options being explored: an on-campus option where Summit BioFuels leases property from CRRA adjacent to the Mid-Connecticut Project facility, and the siting a facility elsewhere near the South Meadows property. A video about the new process is on CRRA's Web site at http://www.crra.org/pages/mid-comm_special_committee.htm.

President Kirk said during the pre-Enron and Enron days very little capital investment was made in the plant. He said CRRA has since made substantial capital investments to ensure acceptable levels of reliability, availability, and capacity utilization for proper disposal now and the future should towns renew with CRRA.

Mr. Quelle discussed the capital projects CRRA has undertaken to enhance the efficiency and reduce the costs of maintenance of the trash-to-energy plant, those projects totaling about \$12 million: about \$1.4 million for processing equipment, steel pan conveyor upgrades, building, floor and roof repairs and a new wheel loader at the Waste Processing Facility;

- about \$900,000 for drainage improvement and process improvements to increase availability and capacity in the boilers at the Power Block Facility;
- about \$3.3 million at the Energy Generating Facility for turbines, which have gone seven years without an overhaul;
- about \$1.5 million to replace the jet fuel tanks and to rebuild a jet engine and two power turbines;
- about \$5.4 million for landfill closure costs; and
- about \$260,000 for a new scale and repairs to the roof and floor at the recycling facility.

A PowerPoint presentation illustrating these projects is on CRRA's Web site at http://www.crra.org/documents/public_records/Mid-Conn_Special_Committee/Presentation_on_plant_condition_1-27-2010.pdf.

President Kirk said the unit capacity factors this fiscal year are below 90 percent, which is quite poor, and the reason for the capital spending. Waste flows have been managed to minimize exports due to boiler availability, which is the major source of the surplus the Project is running so far.

Mr. Barlow asked whether the money for these projects came from operating revenue or reserves. **President Kirk** replied the funds came from reserves established for capital projects. He said the lack of capital spending dating to the late 1990's was costly, and these capital costs are not unusual for maintaining such plants

Mr. Roy asked whether there is a timetable for completing projects to avoid exports. **President Kirk** said the Project is not exporting due to good waste flow management practice and the economy, which has depressed waste generation. He said a normal economy would generate about 10 percent more waste and would have made exporting necessary. President Kirk said CRRA does not expect to export after 2012 as the plant will no longer be oversubscribed.

Mr. O'Brien, Vice-Chairman of CRRA, said he believes that the CRRA Board of Directors and the Mid-Connecticut Project have a responsibility to maintain the facility in first-class order. Because of this, he supported this year's budget including most of the capital expenditures, but not a \$3 million project which would not have produced a sufficient return on investment. He said that one of the reasons turbine work had been deferred was to take \$3 million out of the budget and keep the tip fee down. He said the CRRA Board is very conscious of the economy and the Project's responsibility to the State for the condition of this plant.

6. MID-CONNECTICUT PROJECT UPDATE – CRRA MANAGEMENT

A. UPDATE ON EXPANSION OF PLASTICS RECYCLING

Mr. Gaffey explained the installation of equipment necessary for CRRA to begin accepting additional types of plastic for recycling will be completed in late April. He said single-stream processing has been going extremely well, and those towns which have switched to single-stream most likely have much happier customers which will increase with the light plastics collection.

President Kirk noted CRRA would update its recycling brochure with the latest information. **Mr. Gaffey** said the new items should be accepted by May 1.

Mr. Adams asked whether CRRA could provide a public-service announcement for local-access cable. **Mr. Nonnenmacher** said CRRA is working on a video about single-stream recycling that might be used for such a purpose. He said that in addition a radio campaign specifically about the plastics expansion will be launched shortly.

B. OPERATIONAL PERFORMANCE

- i. MSW DELIVERIES AND TRENDS**
- ii.. RECYCLABLES DELIVERIES AND TRENDS**
- iii. PLANT OPERATIONAL SUMMARIES**

Mr. Gaffey directed members' attention to detailed reports in the agenda package for all three items. He said that the plant has been doing extremely well and noted that the residue left after recycling is less than 3 percent, which, for a single-stream facility, is the best in the country.

Mr. Gaffey said MSW tonnage is down due to the economy, which has worked in the Project's favor as major boiler repairs decrease the amount of MSW required. Mr. Gaffey said deliveries have been steady.

iv. TRASH MUSEUM REPORT

Mr. Nonnenmacher directed members' attention to reports in the agenda package for this item. He said CRRA's education staff is conducting targeted recycling education programs in East Hartford schools under a grant CRRA secured specifically for that purpose. **Mayor Currey** asked for more information about that program and whether it would run long enough to dovetail with East Hartford's conversion to single-stream recycling in July. **Mr. Nonnenmacher** said he would provide that information.

C. FINANCIAL AND VARIANCE REPORT

President Kirk directed members' attention to financial reports contained in the agenda package. He said that the Project is currently running a surplus of about \$2 million, but that may change by the end of the fiscal year. He attributed the surplus mainly to reductions in administrative costs and waste transport, since reducing exports saves a substantial amount of money.

President Kirk said that Boiler 11 has been clad with Inconel, a metal coating which management hopes will minimize the corrosive effects of the gas. He said the new alloy is being used on an experimental basis and management is optimistic that it will result in a substantial capital savings.

President Kirk said CRRA is working on two renewal initiatives. He said the RFP to select post-2012 facilities operators is just about complete and will be released this spring. He said CRRA anticipates being able to offer the Project towns three options:

- a renewal option, essentially the same agreement but without full-faith-and-credit and put-or-pay obligations;
- a simple term contract which will include some tonnage commitment; and
- a spot-ton contract.

President Kirk said the renewal option will be available for review in April. He said CRRA will do what it can to streamline the renewal to accommodate towns' procurement procedures.

President Kirk said after 2012 the Mid-Connecticut system will operate

- with CRRA directly operating the system and paying a management fee to contractors;
- with CRRA's contractor providing capacity and using the remainder of the capacity for its own benefit;
- or a combination of the two. He said management would prefer to maintain CRRA's direct control over the facilities.

President Kirk said the tip fee will remain at \$69 for FY 2011, but due to high costs CRRA will charge \$45 a piece for mattresses delivered in loads of bulky waste. He encouraged the towns to look into options such as separating mattresses from the bulky loads, and that CRRA would consider reduced for segregated mattresses. He said management continues to explore other disposal options.

Vice-Chairman Wawruck urged CRRA to consider a reduced charge for separated mattresses and asked CRRA to provide alternatives for mattress disposal. **Mr. Egan** said the ultimate solution would be for CRRA to develop its own volume-reduction facility, but at present CRRA only has the mobile shredder it installed last year. He also said CRRA could develop a price for mattress-only loads within two or three weeks. **Mr. Egan** said that CRRA is doing the best it can with its current resources.

President Kirk said the mattress price is CRRA's cost, and in previous years it was socialized in the MSW fee.

Mr. Barlow asked how many tons of bulky waste the Mid-Connecticut Project receives. **Mr. Egan** said the Project receives about 15,000 tons each year from about 20 towns. **President Kirk** said CRRA's recommendation to the towns is to bring their construction and demolition material to a private facility.

President Kirk said the CRRA Executive Committee met with the CRCOG Solid Waste Working Group to discuss governance and other issues and a follow-up meeting is expected.

D. LEGAL UPDATE

President Kirk updated committee members on arbitration with the Metropolitan District, a lawsuit filed against CRRA by creditors of ONE/CHANE, the remaining legal actions against Enron-related defendants in federal bankruptcy court in Houston and enforcement-related suits against two haulers.

7. COMMENTS AND QUESTIONS FROM MUNICIPAL ADVISORY COMMITTEE MEMBERS

Mr. Adams moved to waive the rules for the purposes of adding two resolutions to the agenda: one regarding CRRA's use of the Freedom of Information Act, the other regarding changes in the CRRA Board of Directors. **Mr. Stein** seconded the motion, which passed unanimously.

With the items added to the agenda, **Mr. Adams** moved the following resolution:

RESOLUTION REGARDING USE OF THE FREEDOM OF INFORMATION ACT BY CRRA

Be it resolved that the Mid-Connecticut Project Municipal Advisory Committee requests that CRRA cease its retaliatory use of Freedom of Information requests to member towns and organizations representing those towns in their attempt to form the Central Connecticut Solid Waste Authority.

Mr. Stein seconded the motion.

Mr. Adams said a number of towns and the Capitol Region Council of Governments have been served with FOIA requests for schedules for the last year and a half, and subsequent to that an FOIA request to CRCOG regarding any contact CRCOG has had with MDC. He said he believes this is a clear effort on the part of CRRA to restrict the activities of the formation of the Central Connecticut Solid Waste Authority and the exploration of alternatives.

Mr. Griswold said that he would like the use of the word "retaliatory" in the resolution explained.

The resolution was approved by voice vote. Voting "no" were **Mr. Chiamonte**, **Ms. Baummer** and **Mr. Griswold**, who also voted proxies for **Mayor Jarjura** and **Mr. Pace**. **Mr. Phillips** abstained.

Mr. Adams then moved the following resolution:

RESOLUTION REGARDING EXPANSION OF THE CRRA BOARD OF DIRECTORS

Be it resolved that the Mid-Connecticut Project Municipal Advisory Committee supports the expansion of the CRRA Board to include Chief Elected Officials from all member towns.

Mr. Chiamonte seconded the motion.

Mr. Adams said he felt it was important to determine whether this group is supportive of changing CRRA's governance by expanding its Board of Directors to include CEOs from all Mid-Connecticut Project towns.

The committee then discussed the implications of the resolution, including the question of whether a 70-person board would be workable, and legislation introduced on behalf of the Capitol Region Council of Governments.

Mayor Currey said there was a huge misunderstanding. She said she wants to thank the present CRRA Board of Directors for all the directors have done to bring CRRA out of the Enron scandal and all the updates made to the plant. She said any claim that the Metropolitan District is involved in CRCOG's efforts couldn't be further from the truth. She said she declined the possibility of becoming a CRRA director because she is chairman of CRCOG, which is trying to put together a new regional solid waste authority, and serving on the CRRA board would not be appropriate.

Ms. Baummer agreed that a 70-member board would be unwieldy, and the committee went on to discuss the possibility that under a 70-member board CRRA could be governed by an executive committee of the board.

Chairman Bingham asked whether the proposed resolution is a recommendation to the legislature. **Mr. Adams** replied the resolution is an expression of desire.

The resolution was then approved by voice vote. Voting "no" were **Ms. Baummer** and **Mr. Griswold**, who also voted proxies for **Mayor Jarjura** and **Mr. Pace**. **Mr. Phillips** abstained.

There being no further business, **Chairman Bingham** called for a motion to adjourn. **Mr. Barlow** interrupted to say that, during approval of the minutes of the November 18, 2009, meeting, Canton was not listed as a participating municipality and he was present at the meeting. **Mr. Nonnenmacher** said he would make the necessary corrections.

8. ADJOURNMENT

Upon **Chairman Bingham's** request, **Mr. Adams** moved to adjourn. **Mayor Currey** seconded. The motion passed unanimously and the meeting was adjourned at 10:04 a.m.

Respectfully Submitted,

Moira Kenney
Board Secretary/Paralegal