



**CONNECTICUT RESOURCES RECOVERY  
AUTHORITY**

**REQUEST FOR QUALIFICATIONS ("RFQ")  
FOR  
INDEPENDENT AUDITING SERVICES**

**May 27, 2006**

# **Connecticut Resources Recovery Authority**

## **Request For Qualifications Independent Auditing Services**

**May 27, 2006**

**This Request for Qualifications includes the following:**

- Section I** Notice to Firms - Request For Qualifications
- Section II** Instructions To Auditing Firms
- Section III** Request For Qualifications Submission Form
- Section IV** Issues and Questions To Be Addressed
- Section V** Questions Concerning Affirmative Action, Small Business Contractors And Occupational Health And Safety
- Section VI** Affidavit Of Third Party Fees
- Section VII** Notice Of Award
- Section VIII** Attachments
  - Attachment A** Independent Auditing Services Agreement

## **SECTION I - NOTICE TO FIRMS - REQUEST FOR QUALIFICATIONS**

- 1. Introduction.** The Connecticut Resources Recovery Authority ("CRRA") is a quasi-public agency of the State of Connecticut (the "State") that is responsible for providing solid waste disposal and recycling services to more than 100 municipalities in the State. To that end, CRRA has developed, constructed and now operates an integrated system of four (4) resources recovery facilities, two (2) regional recycling centers, five (5) landfills and twelve (12) transfer stations. At present, CRRA accepts more than 75% of the municipal solid waste generated in the State. These facilities are operated by entities that are under contract with CRRA.

**CRRA is seeking proposals from qualified firms to perform independent auditing services for the period August 1, 2006 to March 31, 2009, in accordance with the terms and conditions of the Contract Documents.**

Proposals are due on **June 27, 2006, at 1:00 PM Eastern Time at CRRA headquarters located at 100 Constitution Plaza, 6<sup>th</sup> Floor, Hartford CT, 06103 (the "RFQ Submission Due Date")**. CRRA reserves the right to request additional information from firms responding to the RFQ and to request firms responding to this RFQ to make oral presentations. It is expected that any oral presentation will occur during the week of July 10, 2006. Firms requested to make oral presentation will be notified on or before July 6, 2006.

- 2. CRRA Contact.** Questions regarding this Request For Qualifications or requests for additional information should be directed to Ms. Bettina Bronisz at CRRA, 100 Constitution Plaza, 6<sup>th</sup> Floor, Hartford, Connecticut 06103, telephone no. (860) 757-7704 or email address [bbronisz@crra.org](mailto:bbronisz@crra.org). All Auditing Firms are prohibited from having any ex-parte communications, concerning this RFQ, with any CRRA staff member or CRRA Board member except Ms. Bettina Bronisz.

## SECTION II - INSTRUCTIONS TO AUDITING FIRMS

1. **Definitions.** As used in these Instructions To Auditing Firms and in other Contract Documents, the following terms shall have the meanings as set forth below:

**Addenda:** Written or graphic documents issued prior to the RFQ Submission Due Date, which clarify, correct or change any or all of the Contract Documents.

**Contract Documents:** The Independent Auditing Services Agreement (the "Agreement"), Notice To Firms - Request For Qualifications, Instructions to Auditing Firms, Addenda, Request For Qualifications Submission Form (including all documentation attached to or accompanying such submission, all other documentation submitted in connection with such submission, and all post-submission documentation submitted prior to the Notice Of Award), Issues And Questions To Be Addressed, Questions Concerning Affirmative Action, Small Business Contractors And Occupational Health And Safety, Affidavit Of Third Party Fees, Notice Of Award, and any written amendments to the Agreement issued pursuant to Paragraph 22 of the Agreement.

**Laws and Regulations:** Any and all applicable laws, rules, regulations, ordinances, codes, orders and permits of any and all federal, state and local governmental and quasi-governmental bodies, agencies, authorities and courts having jurisdiction.

**Notice Of Award:** Written notification from CRRA to the successful Auditing Firm, which states that CRRA has accepted such Auditing Firm's RFQ submission and sets forth the remaining conditions that must be fulfilled by such Auditing Firm before CRRA executes the Agreement.

Terms that are not defined and used in these Instructions to Auditing Firms shall have the same respective meanings assigned to such terms in the Agreement.

2. **Scope of Services.** The Services to be performed under the Agreement are more particularly described in **Exhibit A** of the Agreement. Specific instructions about how the Services are to be performed are included in the Agreement. Pursuant to the Connecticut General Statutes, CRRA is prohibited from retaining or hiring a lobbyist as defined in section 1-91 of the Connecticut General Statutes or paying a finder's fee for any Services provided to CRRA. Therefore, Auditing Firm shall not provide CRRA any lobbying services or receive, pay, or distribute any finder's fees under this Agreement. In addition to the Annual Audit Services detailed in **Exhibit A**, Requests for Services ("RFS") may be solicited from the selected Auditing Firm for specific work to be performed during the term of the Agreement. The term of the Agreement shall be for the period August 1, 2006 to March 31, 2009.
3. **RFQ Package Documents.** This RFQ package consists of the following documents:

- Notice to Firms - Request For Qualifications
- Instructions To Auditing Firms
- Request For Qualifications Submission Form
- Issues And Questions To Be Addressed
- Questions Concerning Affirmative Action, Small  
Business Contractors And Occupational Health And Safety
- Affidavit of Third Party Fees
- Notice Of Award
- Independent Auditing Services Agreement

Complete sets of the above documents may be obtained at CRRA's offices referenced in the Notice To Firms - Request For Qualifications.

4. **RFQ Procedures.** RFQ Submissions must be submitted no later than 1:00 PM, Eastern Time, on June 27, 2006, at the offices of CRRA, 100 Constitution Plaza, 6<sup>th</sup> Floor Hartford, Connecticut 06103, Attn: Ms. Bettina Bronisz. During the pendency of the RFQ submission process, Auditing Firms contemplating or preparing RFQ submissions shall be prohibited from contacting CRRA staff or CRRA Board of Director Members in any ex parte manner to discuss the RFQ submission process. An Auditing Firm's RFQ submission shall be rejected if any of the foregoing ex parte communications take place. CRRA reserves the right to reject RFQ submissions received after the above noted time and date.

All RFQ submissions shall be clearly marked "RFQ Submission For CRRA Independent Auditing Services." The entire RFQ submission shall not exceed sixty-five (65) pages. No joint RFQ submissions shall be accepted. Five (5) copies of each RFQ submission must be submitted.

Auditing Firm's RFQ submissions shall be submitted on forms provided by CRRA as part of this RFQ submission package, all of which forms must be completed with the appropriate information required and all blanks on such forms filled in. All RFQ submissions shall contain a completed Compensation Schedule that is **Exhibit B** of the Agreement. In addition, Auditing Firms shall submit a one page cover letter that is signed by an individual authorized to enter into the Agreement with CRRA. The cover letter should be addressed to: James Bolduc, Chief Financial Officer.

The three days after the RFQ Submission Due Date will be used by the Auditing Selection Committee (the "Selection Committee") to develop a shortlist of potential Auditing Firms. The Selection Committee reserves the right to interview the shortlist of potential Auditing Firms during the week of July 10, 2006.

RFQ submissions may be modified or withdrawn by an appropriate document duly executed and delivered or mailed via certified mail to CRRA Headquarters at any time

prior to the RFQ Submission Due Date.

CRRA will base its evaluation of the RFQ submissions on the following, which are not presented in order of importance: qualifications; familiarity with quasi-public agencies or resource recovery systems; demonstrated skill, ability and integrity of each Auditing Firm to perform the Services required by the Contract Documents; reputation; responsiveness in a timely manner to CRRA questions and work requests; price; and any other factor or criterion that CRRA deems or may deem relevant or pertinent for such evaluation. Such criteria shall include, but are not limited to, the following:

- Experience of the Auditing Firm in serving as auditor for clients, including governmental entities and resource recovery entities.
- In each category(s) of Services sought, qualifications of personnel including the experience and availability of the day-to-day auditing staff assigned to CRRA and the breadth and depth of other associates and other professionals available to provide services to CRRA.
- Team organization and approach including the ability of the firm to adequately staff and complete time-sensitive projects and transactions and to interact effectively with CRRA, and other professionals involved in CRRA's projects and transactions.
- Connecticut presence as evidenced by the number of offices and employees the firm maintains in Connecticut.

RFQ submissions will also be rated on the firm's demonstrated commitment to affirmative action. Regulations of Connecticut State Agencies Section 46a-68-1 to 46a-68-17 require CRRA to consider the following factors when awarding a contract that is subject to contract compliance requirements:

- a) the bidder's success in implementing an affirmative action plan;
- b) the bidder's success in developing an apprenticeship program complying with Section 46a-68-1 to 46a-68-17 of the Regulations of Connecticut State Agencies, inclusive;
- c) the bidder's promise to develop and implement a successful affirmative action plan;
- d) the bidder's submission of EEO-1 data indicating that the composition of its work force is at or near parity when compared to the racial and sexual composition of the work force in the relevant labor market area; and
- e) the bidder's promise to set aside a portion of the contract for legitimate minority business enterprises.

RFQ submissions will be opened privately by CRRA management on or after the RFQ Submission Due Date.

The award of the contract for the Services will be made, if at all, to the Auditing Firm

whose evaluation by CRRA results in CRRA determining that such award to such Auditing Firm is in the best interests of CRRA. However, the selection of an Auditing Firm and the award of such contract, while anticipated, is not guaranteed. Neither CRRA nor any of its directors, officers, employees or authorized agents shall be liable for any claims or damages resulting from the evaluation, selection, non-selection or rejection of any RFQ submission submitted for the Services. CRRA reserves the right to reject any or all of the RFQ submissions, or any part(s) thereof, and/or to waive any informality or informalities in any RFQ submission or the RFQ process.

If CRRA decides to award such contract, CRRA will issue a Notice of Award to the successful RFQ submitter within thirty (30) days after the RFQ Submission Due Date.

RFQ submissions shall remain open and subject to acceptance for forty five (45) days after the RFQ Submission Due Date.

### **RFQ and Projected Timeline**

<b>RFQ Formally Announced</b>	<b>May 27, 2006</b>
<b>Deadline For Written Questions</b>	<b>June 19, 2006</b>
<b>RFQ Submissions Due at CRRA</b>	<b>June 27, 2006</b>
<b>Interviews, if necessary</b>	<b>Week of July 10, 2006</b>
<b>Notice of Award Issued</b>	<b>July 27, 2006</b>
<b>Effective Date of Agreement</b>	<b>August 1, 2006</b>

CRRA reserves the right at its sole and absolute discretion to extend any of the actual or proposed dates in the above Projected Timeline applicable to all Auditing Firms, and further reserves the right to reject any and all submissions and republish this RFQ. CRRA also reserves the right at its sole and absolute discretion to terminate this RFQ process at any time prior to the execution of any Agreement. CRRA reserves the right to correct inaccurate awards resulting from its clerical errors. This may include, in extreme circumstances, revoking a Notice of Award already made to an Auditing Firm and subsequently awarding the Notice to Award to another Auditing Firm.

Such action by CRRA shall not constitute a breach of this RFQ by CRRA since the Notice of Award to the initial Auditing Firm is deemed to be void *ab initio* and of no effect as if no Agreement ever existed between CRRA and the initial bidder.

CRRA is an Equal Opportunity and Affirmative Action employer and does not discriminate in its hiring, employment, contracting, or business practices. CRRA is committed to complying with the Americans with Disability Act of 1990 (ADA) and does not discriminate on the basis of disability in admission to, access to, or operation of its programs, services, or activities.

- 5. Addenda and Interpretations.** CRRA may issue Addenda to this RFQ package,

which shall, upon issuance, become part of this package and binding upon all potential or actual RFQ submitters for the Services. Such Addenda may be issued in response to requests for interpretation or clarification received from potential Auditing Firms. **Any request for interpretation or clarification of any documents included in this RFQ package shall be submitted in writing** and addressed to Ms. Bettina Bronisz, CRRA, 100 Constitution Plaza, 6<sup>th</sup> Floor, Hartford, Connecticut, 06103. To be given consideration for any such request, the request must be received by CRRA by June 19, 2006. Addenda will be mailed to all persons who have obtained from CRRA a complete set of the RFQ package documents no later than three (3) business days before the RFQ Submission Due Date. Failure of any RFQ submitter to receive any such Addenda shall not relieve such submitter from any conditions stipulated in such Addenda. Only questions answered or issues addressed by formal written Addenda will be binding. All oral and other written responses, statements, interpretations or clarifications shall be without legal effect and shall not be binding upon CRRA.

**6. Examination of Contract Documents.**

- (a) It is the responsibility of each Auditing Firm before submitting a RFQ submission to:
- 1) examine thoroughly the Contract Documents;
  - 2) consider and review any and all Laws and Regulations that may affect cost, progress, performance, furnishing or completion of the Services;
  - 3) study and carefully correlate its knowledge and observations with the Contract Documents; and
  - 4) promptly notify CRRA of all conflicts, errors, ambiguities or discrepancies which it has discovered in the Contract Documents.
- (b) Submission of a RFQ submission will constitute an incontrovertible representation by the Auditing Firm that (i) the Auditing Firm has complied with every requirement of this Section 6; (ii) without exception the RFQ submission is premised upon performing, furnishing and completing the Services required by the Contract Documents and applying the specific means, methods, techniques, sequences or procedures of performance of the Services that may be shown, indicated or expressly required by the Contract Documents; (iii) the Auditing Firm has given CRRA written notice of all conflicts, errors, ambiguities and discrepancies that the Auditing Firm has discovered in the Contract Documents and the written resolutions thereof by CRRA are acceptable to the Auditing Firm; and (iv) the Contract Documents are generally sufficient to indicate and convey understanding by the Auditing Firm of all terms and conditions for performing, furnishing and completing the Services.



7. **Auditing Firm's Qualifications.** CRRA may make any investigation deemed necessary to determine the ability of any Auditing Firm to perform the Services required. Each Auditing Firm shall furnish CRRA with all such information as may be required for this purpose.
8. **State of Connecticut Taxes.** Auditor agrees that, pursuant to Connecticut General Statutes ("CGS") § 22a-270 (as the same may be amended or superseded from time to time), CRRA is exempt from all State of Connecticut taxes and assessments. Without limiting the generality of the preceding sentence, Auditor also agrees that, pursuant to CGS § 12-412(92) (as the same may be amended or superseded from time to time), "[t]he sales and use of any services or tangible personal property to be incorporated into or used or otherwise consumed in the operation of any project of [CRRA] . . . whether such purchases are made directly by [CRRA] or are reimbursed by [CRRA] to the lessee or operator of such project" is not subject to Connecticut Sales and Use Taxes. Accordingly, Auditor shall not charge CRRA any State of Connecticut taxes or assessments at any time in connection with Auditor's performance of this Agreement, nor shall Auditor include any State of Connecticut taxes or assessments in any rates, costs, prices or other charges to CRRA hereunder. The obligations of Auditor contained in the preceding sentence are absolute and shall apply notwithstanding any payment by Auditor of any State of Connecticut taxes or assessments in connection with its performance of this Agreement. Auditor represents and warrants that no State of Connecticut taxes or assessments were included in any rates, costs, prices or other charges presented to CRRA in its RFP or other submittal or proposal to CRRA in connection with this Agreement.
9. **Disclosure of Information.** Auditing Firms are hereby advised that any information contained in or submitted with or in connection with their respective RFQ submissions is subject to disclosure if required by law or otherwise. By submitting a RFQ submission, each Auditing Firm expressly waives any claim(s) that such Auditing Firm or any of its successors and/or assigns has or may have against CRRA or any of its directors, officers, employees or authorized agents as a result of any such disclosure.
10. **RFQ Submission Preparation and Other Costs.** Each Auditing Firm shall be solely responsible for all costs and expenses associated with the preparation and/or submission of its RFQ submission, or incurred in connection with any negotiations with CRRA, and CRRA shall have no responsibility or liability whatsoever for any such costs and expenses. Neither CRRA nor any of its directors, officers, employees or authorized agents shall be liable for any claims or damages resulting from the solicitation or collection of RFQ submissions. By submitting a RFQ submission, each Auditing Firm expressly waives: (i) any claim(s) for such costs and expenses, and (ii) any such claims or damages.
11. **Signing of Agreement.** If CRRA issues a Notice(s) Of Award to a successful Auditing Firm, it will be accompanied by the required number of unsigned

counterparts of the Agreement with all other necessary Contract Documents attached.

Each Auditing Firm understands that the terms and conditions of the Agreement, as attached, are non-negotiable and is willing and able to execute the Agreement, as attached. However, CRRA reserves the right to negotiate with the Auditing Firm over its rates for Services submitted in its Compensation Schedule in Exhibit B of the Agreement.

Within six (6) business days after such issuance, the successful Auditing Firm shall: (i) execute the required number of counterparts of the Agreement; (ii) deliver to CRRA such executed counterparts and attached Contract Documents along with any certificates of insurance required by the Contract Documents; and (iii) satisfy all other conditions of the Notice Of Award. Once CRRA has received such counterparts, Contract Documents and certificates and all requisite approvals to execute the Agreement, and provided the successful Auditing Firm has satisfied all such conditions within the foregoing ten (10) day period, CRRA shall deliver one (1) fully signed counterpart of the Agreement to the successful Auditing Firm. At the request of CRRA and if the successful Auditing Firm qualifies, the successful Auditing Firm shall apply with the State of Connecticut Department of Administrative Services, and do all that is necessary to make itself qualify, as a Small Contractor and/or Minority/Women/Disabled Person Business Enterprise in accordance with CGS Section 32-9e.

12. **Requests for Services.** Following the execution of the above-referenced Agreement and the satisfaction of all other conditions by the successful Auditing Firm, the successful Auditing Firm will perform the Annual Auditing Services as detailed in Section I of Exhibit A. In addition, the Auditing Firm selected to provide Services will be required to provide RFS Services as detailed in Section II of Exhibit A on an as-needed basis for specific projects occurring during the term of the Agreement. If CRRA chooses to have such Auditing Firm perform such RFS Services, such Auditing Firm will execute a Request in the form outlined in Exhibit D to the Agreement and be paid in accordance with the hourly rates submitted by the Auditing Firm in Section II of Exhibit B.

## SECTION III - REQUEST FOR QUALIFICATIONS SUBMISSION FORM

**CONTRACT NUMBER:** \_\_\_\_\_

**CONTRACT FOR:** Independent Auditing Services

**THIS RFQ SUBMITTED TO:**

Connecticut Resources Recovery Authority  
100 Constitution Plaza – 6<sup>th</sup> floor  
Hartford, Connecticut 06103

**1. Definitions.**

Unless otherwise defined herein, all terms that are not defined and used in this Submission Form shall have the same respective meanings assigned to such terms in the Contract Documents.

**2. Terms And Conditions.**

The undersigned (the "Auditing Firm") accepts and agrees to all terms and conditions of the Notice To Firms - Request For Qualifications, Instructions To Auditing Firms, the Agreement and any Addenda to any such documents. This Submission Form shall remain open and subject to acceptance by CRRA for forty five (45) days after the RFQ Submission Due Date. If CRRA issues a Notice Of Award to Auditing Firm, Auditing Firm shall within six (6) business days after the date thereof: (i) execute the required number of counterparts of the Agreement; (ii) deliver to CRRA such executed counterparts and all other Contract Documents attached to the Notice Of Award along with any certificates of insurance required by the Contract Documents; and (iii) satisfy all other conditions of the Notice Of Award. Each Auditing Firm understands that the terms and conditions of the Agreement, as attached, are non-negotiable and is willing and able to execute the Agreement, as attached. However, CRRA reserves the right to negotiate with Auditing Firm over its rates for Services submitted in its Compensation Schedule in Exhibit B of the Agreement.

**3. Auditing Firm's Obligations.**

The Auditing Firm agrees, if this RFQ submission is accepted by CRRA and CRRA issues it a Notice Of Award, to the following: (i) to enter into and execute the Agreement included in the Contract Documents and (ii) to perform, furnish and complete all the Services as specified or indicated in the Contract Documents for the applicable prices, rates and/or costs set forth in this RFQ submission and in accordance with the terms and conditions of the Contract Documents.

#### **4. Auditing Firm's Representations.**

In submitting this RFQ submission, Auditing Firm represents that:

- a. The Auditing Firm has examined and carefully studied the RFQ package documents and the following Addenda, receipt of which is hereby acknowledged (list Addenda by Addendum number and date).
- b. The Auditing Firm is fully informed and satisfied as to all Laws and Regulations that may affect cost, progress, performance, furnishing and/or completion of the Services.
- c. The Auditing Firm has correlated the information known to or obtained by Auditing Firm with the Contract Documents.
- d. The Auditing Firm has given CRRA written notice of all conflicts, errors, ambiguities, or discrepancies that Auditing Firm has discovered in the Contract Documents and the written resolutions thereof by CRRA are acceptable to Auditing Firm, and the Contract Documents are generally sufficient to indicate and convey understanding by Auditing Firm of all terms and conditions for performing, furnishing and completing the Services for which this RFQ submission is submitted.
- e. This Submission Form is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation (other than CRRA). The Auditing Firm has not directly or indirectly induced or solicited any other Auditing Firm to submit a false RFQ submission. The Auditing Firm has not solicited or induced any person, firm, corporation or business to refrain from submitting a RFQ submission and the Auditing Firm has not sought by collusion to obtain for itself any advantage over any other Auditing Firm for the Services.
- f. The Auditing Firm acknowledges and agrees that the terms and conditions of the Agreement (including all Exhibits thereto), as attached, are non-negotiable, and the Auditing Firm is willing to and shall, if CRRA accepts this RFQ submission for the Services and issues a Notice of Award to Auditing Firm, execute such Agreement.

#### **5. Attachments.**

The following documents are attached hereto and made a part of this RFQ Submission:

- (a) Issues And Questions To Be Addressed. Complete written answers, which

include the price(s), hourly rate(s) or other cost(s) for the Auditing Firm, must be provided to each of the questions, and each question and answer shall begin on a new page. The entire RFQ submission shall not exceed sixty-five (65) pages.

- (b) Questions Concerning Affirmative Action, Small Business Contractors and Occupational Safety and Health. This form must be completed in full by the Auditing Firm.
- (c) Affidavit Of Third Party Fees. This form must be completed in full by the Auditing Firm even if no third party fees will be payable during the course of the Auditing Firm's engagement. Kindly indicate this on the Affidavit.
- (d) Compensation Schedule. This form is located at Exhibit B of the Agreement.

**6. Notices.**

Communications concerning this RFQ Submission shall be addressed to the Auditing Firm at the address stated in Section 8 herein.

**7. Waiver.**

The Auditing Firm and all its affiliates and subsidiaries understand that by submitting a RFQ submission, it is acting at its and their own risk and it does for itself and all its affiliates, subsidiaries, successors and assigns hereby waive any rights it and/or any of them may have to receive any damages for any liability, claim, loss or injury resulting from: (i) any action or inaction on the part of CRRA or any of its directors, officers, employees or authorized agents with respect to the evaluation, selection, nonselection and/or rejection of any RFQ submission(s) by CRRA or any of its directors, officers, employees or authorized agents; (ii) any agreement entered into for the Services (or any part thereof) described in the Contract Documents; or (iii) or any award or non-award of a contract for the Services (or any part thereof).

**8. Additional Representations.**

The Auditing Firm hereby represents that: (i) the undersigned is duly authorized to submit this RFQ submission on behalf of the Auditing Firm; (ii) the price(s), hourly rate(s) or other cost(s) provided in this RFQ submission have been arrived at independently and without collusion, consultation, or communication in any way with any other Auditing Firm; (iii) the price(s), hourly rate(s) or other cost(s) provided herein have not been disclosed to any other person, firm, corporation or business; and (iv) no attempt has been made by the Auditing Firm to solicit or induce any other person, firm, corporation or business to submit an RFQ submission.

AGREED TO AND SUBMITTED ON \_\_\_\_\_, \_\_, 2006

Name of Auditing Firm: \_\_\_\_\_

Signature of Auditor: By \_\_\_\_\_

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

## SECTION IV - ISSUES AND QUESTIONS TO BE ADDRESSED

**Instructions:** Complete written answers must be provided to each of these questions and each question and answer must begin on a new page.

1. Please comment on your ability to commit to the following Audit Schedule.

### **FY06 Audit Schedule:**

- Commencement of audit fieldwork August 7, 2006
- Audit fieldwork completed Week of August 21, 2006
- Deliver draft Audit Report to Finance Chairman and CFO September 7, 2006
- Audit presentation to Finance Committee September 21, 2006
- Attend the Board of Directors meeting September 28, 2006
- Deliver Audit Report to State Comptroller October 2, 2006
- Management Letter and discussion with Finance Committee October 2006

### **FY07 and FY08 Audit Schedules:**

To be determined jointly by CRRA and Auditing Firm.

2. Provide a brief description of the background and experience of the individuals from your firm who would be assigned to work with CRRA. Please indicate their probable areas of responsibility and the percentage of their time which would be available to assist CRRA.
3. Provide the current hourly rates of the individuals identified in Question 2 by their standard rates and their CRRA discounted rates.
4. Provide a list of at least three (3) client references. Listed clients should be similar in nature to CRRA and the scope of the engagement should be similar to that outlined by CRRA. Include a contact name and phone number for each reference listed.
5. List and discuss your firm's experience in governmental, resource recovery entities, or similar auditing services during the past five (5) years.
6. Provide an outline of your firm's research and analytical capabilities.
7. Provide the following information on your firm's audit approach:
  - a. Proposed segmentation of the engagement.
  - b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
  - c. Extent of use of computer software in the engagement.

- d. Approach to be taken in determining laws and regulations that will be subject to audit test work.
  - e. Ability to meet required filings deadlines.
  - f. Ability to provide electronic versions of audited financial statements.
8. Describe your firm's affirmative action program and include your most recent EEO-1 data filing.
  9. Indicate what particular or special qualifications distinguish your firm.
  10. As a means of predicting and controlling costs, CRRA may negotiate task-specific service agreements for major projects which would establish a budget and an agreed-upon maximum for the cost of such project. The maximum could only be exceeded if unforeseen events significantly increase the cost of the services. Is your firm willing to enter into such agreements?
  11. If your firm has advised or been engaged by any of the organizations listed on the attached "CRRA Vendors FY 2005" (or their subsidiaries or affiliates), list the name of the organization and the matter(s) on which your firm represented the organization. Representation of these clients will not necessarily result in disqualification from work with CRRA. The nature and extent of the representation of such clients, appropriate conflict of interest rules and the nature and extent of proposed representation of CRRA will all be considered.
  12. Disclose and describe in detail any potential or actual conflicts of interest that your firm may or does have with CRRA.
  13. Provide a copy of your firm's up-to-date certificate of insurance showing all current insurance coverage.
  14. Provide a copy of your firm's latest Peer Review.



**FISCAL YEAR 2005 VENDORS PAID \$5,000 OR MORE**

A & J CONSTRUCTION, ALCAIDE INC DBA  
A J BELLIVEAU RAILROAD CONSTRUCTION INC  
AAF INTERNATIONAL  
ABM JANITORIAL NE INC  
ADECCO  
ADMIRAL MOVING AND STORAGE INC  
ADP INC  
ADT SECURITY SERVICES INC  
ALBREADA REFUSE & SWEEPING, LLC  
ALL SERVICES ELECTRIC INC  
ALL WASTE INC  
AMERICAN DISPUTE RESOLUTION CENTER INC  
AMERICAN INTERNATIONAL RECOVERY INC  
ANCHOR ENGINEERING SERVICES INC  
ANDERSON KILL & OLICK PC  
ANTHEM BCBS  
AQUARION WATER CO OF CT  
ASW CONSULTING GROUP, LLC  
B G MECHANICAL SERVICE INC  
BODE EQUIPMENT COMPANY  
BOTTICELLO INC  
BROWN RUDNICK BERLACK ISRAELS LLP  
CALYPSO COMMUNICATIONS LLC  
CAMP DRESSER AND MCKEE INC  
CAPITOL CLEANING CONTRACTORS INC  
CARLIN CHARRON & ROSEN LLP  
CAROUSEL INDUSTRIES OF NORTH AMERICA  
CDW GOVERNMENT INC  
CENTRAL CONSTRUCTION INDUSTRIES LLC  
CERIDIAN BENEFIT SERVICES  
CITICORP VENDOR FINANCE INC  
COHN BIRNBAUM & SHEA  
CONKLIN AND SOROKA INC  
CONN COMMUNITY PROVIDERS ASSOC  
CONN CONSTITUTION ASSOCIATES LLC  
CONN INTERLOCAL RISK MGMT AGCY  
CONN MILLWORK INC  
CONN NATURAL GAS CORPORATION  
CONNECTICUT BROADBAND  
CONNECTICUT VALLEY RUBBER, INC  
COVANTA MID-CONN INC  
COVANTA PROJECTS OF WALLINGFORD LP  
CUBITT JACOBS & PROSEK LLC  
CWPM LLC  
D W TRANSPORT AND LEASING INC  
DELL MARKETING LP  
DHL EXPRESS (USA) INC.  
DIVERSIFIED ENVIRONMENTAL SERVICES, INC  
DMJM+HARRIS INC  
DUTTON & JOHNSTON LLC  
EAC OPERATIONS INC  
EARTH TECHNOLOGY LLC  
EMCON/OWT INC  
ENVIROCYCLE INC

ENVIROGEN TECHNOLOGIES INC  
ENVIRONMENTAL CAPITAL LLC  
ENVIRONMENTAL RISK LIMITED  
ENVIRONMENTAL SERVICES INC  
EPICOR SOFTWARE CORPORATION  
EXCAVATION TECHNOLOGIES INC  
EXCELLUS BENEFIT SERVICES INC  
F B MATTSON CO INC  
FCR INC  
FIDELITY INVESTMENTS  
FINN DIXON & HERLING LLP  
FLEET BOSTON FINANCIAL  
FRANKSON FENCE COMPANY  
FRIEDMAN, KAPLAN, SEILER, & ADELMAN LLP  
FUREY DONOVAN TRACY & DALY PC  
FUSS AND ONEILL INC  
GARDNER ENGINEERING INC  
GERSHMAN BRICKNER BRATTON INC  
GRAINGER  
GZA GEOENVIRONMENTAL  
HALLORAN AND SAGE LLP  
HANDEX ENVIROMENTAL INC  
HARTFORD COURANT ADV LGL NTC  
HARTFORD SPRINKLER CO INC  
HDR ENGINEERING INC  
HENEGHAN KENNEDY & DOYLE LLC  
HERB HOLDEN TRUCKING INC  
HERITAGE PRINTERS  
HORTON INTERNATIONAL LLC  
HRP ASSOCIATES INC  
INFANTINOS PROPERTY SERVICES  
INFINITY CONSTRUCTORS, INC.  
INFORMATION SYSTEMS GROUP INC  
IRON MOUNTAIN INCORPORATED  
ISO NEW ENGLAND INC  
JACI CARROLL STAFFING SERVICES INC  
JACKSON LEWIS SCHNITZLER & KRUPMAN  
JOHN WATTS ASSOCIATES  
KAINEN ESCALERA & MCHALE PC  
KAY ELECTRIC LLC  
KINNEY/CENTRAL PARKING SYSTEM OF CT INC  
KNAPP ENGINEERING PC  
LANDFILL SERVICE CORPORATION  
LANDSEN CONSTRUCTION CORP  
LAVALLEE OVERHEAD DOOR INC  
LAW OFFICES OF MARK V. CONNOLLY LLC  
LEBON PRESS INC  
LINDA FREDRICKSON DESIGN  
LYNCH TRAUB KEEFE & ERRANTE PC  
M FRANK HIGGINS & CO, INC  
MAJOR MOTION TRANSPORT & LANDSCAPE  
MALCOLM PIRNIE INC  
MARSH USA INC  
MATRIX POWER SERVICES INC

**FISCAL YEAR 2005 VENDORS PAID \$5,000 OR MORE***(Continued)*

MCCARTER & ENGLISH LLP  
MDC  
METTLER TOLEDO INC  
MODERN SCALE CO  
MURPHY ROAD RECYCLING LLC  
NEW WASTE CONCEPTS, INC  
NEWINGTON ELECTRIC COMPANY INC  
NEXTEL COMMUNICATIONS INC  
NIRO LANDSCAPE CONTRACTORS INC  
NORTHEAST GENERATION SERVICES CO  
NORTHEAST GENERATOR OF CONNECTICUT INC  
NORTHEAST UTILITIES/CL&P  
NUTMEG GRAVEL & EXCAVATING INC  
NUZZO & ROBERTS, LLC  
OFFICEMAX - A BOISE COMPANY  
OVERHEAD DOOR COMPANY OF HARTFORD INC  
P HUG CONTRACTING  
PAINTING & DECORATING INC  
PALMER & DODGE LLP  
PAMELA F GARRY  
PARK TRUCKING AND CONTRACTING LLC  
PEPE & HAZARD LLP  
PERAKOS AND ZITSER PC  
PHILIP ANALYTICAL SERVICES  
PLM ELECTRIC POWER ENGINEERING LLC  
POND TECHNICAL SALES, INC  
PRIMARY LANDSCAPING, LLC  
PULLMAN AND COMLEY LLC  
R L ROGERS AND SONS INC  
R W BECK INC  
RECYCLE AMERICA ALLIANCE, LLC  
RED TECHNOLOGIES, LLC  
REEF INDUSTRIES, INC.  
REGIONAL REFUSE DISPOSAL DISTRICT ONE  
ROGIN NASSAU CAPLAN LASSMAN & HIRTLE  
RRT DESIGN & CONSTRUCTION  
RYAN BUSINESS SYSTEMS INC  
SANTARO DEVELOPMENT, LLC  
SBC  
SCS ENGINEERS PC  
SEBBENS LAWN SERVICE  
SENTRY SELECT INSURANCE COMPANY  
SIDLEY AUSTIN BROWN & WOOD LLP  
SONITROL  
SOUTHERN CONNECTICUT GAS CO  
SOUTHWEST CONNECTICUT REGIONAL  
SPARKS  
STANDARD INSURANCE COMPANY, THE  
STAPLES BUSINESS ADVANTAGE  
STORAGE SYSTEMS OF CT INC  
SUPERIOR CONTROLS, INC  
SUPERIOR PRODUCTS  
T & T CONCRETE & LANDSCAPES LLC  
TDI CONTRACTING LLC  
THE HACH COMPANY  
THE STANDARD INSURANCE CO  
TILCON CONNECTICUT INC  
TRC ENVIRONMENTAL CORP  
UBS FINANCIAL SERVICES, INC  
UNITED ILLUMINATING COMPANY  
UNITED INDUSTRIAL SERVICES  
URS CORPORATION  
US BANK  
US POSTAL SERVICE  
USA HAULING & RECYCLING  
USDA WILDLIFE SERVICES  
VALLEY SAND & GRAVEL CORP  
VAN HORST GENERAL CONTRACTORS LLC  
VANZELM HEYWOOD AND SHADFORD INC  
VERIZON WIRELESS  
VIDEO PRODUCTION ASSOCIATES  
WASTE MANAGEMENT OF CENTRAL MASS INC  
WASTE MANAGEMENT OF CONNECTICUT INC  
WASTE STREAM ENVIROMENTAL INC  
WASTE TECH LLC  
WASTEQUIP MANUFACTURING CO  
WEST GROUP  
WHEELABRATOR BRIDGEPORT LP  
WHEELABRATOR PUTNAM INC  
WTE RECYCLING INC  
XENELIS CONSTRUCTION CO INC



Because CRRA is a political subdivision of the State of Connecticut, it is required by various statutes and regulations to obtain background information on prospective contractors prior to entering into a contract. The questions below are designed to assist CRRA in procuring this information. Many of the questions are required to be asked by RCSA 46a-68j-31. For the purposes of this form, "Contractor" means Bidder or Proposer, as appropriate.

	Yes	No
<p>1. Is the Contractor an Individual?</p> <p><i>If you answered "Yes" to Question 1, skip to Question 2.</i></p> <p><i>If you answered "No" to Question 1, proceed to Question 1A and then to Question 2.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>1A. How many employees does the Contractor have? <input type="text"/></p>		
<p>2. Is the Contractor a Small Contractor based on the criteria in Schedule A?</p> <p><i>If you answered "Yes" to Question 2, proceed to Question 2A and then to Question 3.</i></p> <p><i>If you answered "No" to Question 2, skip to Question 3.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>2A. Is the Contractor registered with the DECD as a Certified Small Business?</p> <p><i>If you answered "Yes" to Question 2A, please provide a copy of your Set-Aside Certificate.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>3. Is the Contractor a MWDP Business Enterprise based on the criteria in Schedule B?</p> <p><i>If you answered "Yes" to Question 3, proceed to Question 3A and then to Question 4.</i></p> <p><i>If you answered "No" to Question 3, skip to Question 4.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>3A. Is the Contractor registered with DECD as a MWDP Small Business?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>4. Does the Contractor have an Affirmative Action Plan?</p> <p><i>If you answered "Yes" to Question 4, proceed to Question 4A and then to Question 5.</i></p> <p><i>If you answered "No" to Question 4, skip to Question 4B and then to Question 5.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>4A. Has the Affirmative Action Plan been approved by the CHRO?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>4B. Will the Contractor develop and implement an Affirmative Action Plan?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>5. Does the Contractor have an apprenticeship program complying with RCSA 46a-68-1 through 46a-68-17?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>6. Has the Contractor been cited for three or more willful or serious violations of any occupational safety and health act?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>7. Has the Contractor received one or more criminal convictions related to the injury or death of any employee in the three-year period preceding the Request For Proposals?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8. Has the Contractor been the recipient of one or more ethical violations from the State of Connecticut Ethics Commission during the three-year period preceding the issuance of this solicitation?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>9. Will subcontractors be involved?</p> <p><i>If you answered "Yes" to Question 9, proceed to Question 9A.</i></p> <p><i>If you answered "No" to Question 9, you are finished with the questionnaire.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>9A. How many subcontractors will be involved? <input type="text"/></p>		

## **LIST OF ACRONYMS**

- RCSA – Regulations of Connecticut State Agencies  
CHRO – State of Connecticut Commission on Human Rights and Opportunities  
DECD – State of Connecticut Department of Economic and Community Development  
MWDP – Minority/Women/Disabled Person

## **FOOTNOTE**

- <sup>1</sup> If the Contract is a "public works contract" (as defined in Section 46a-68b of the Connecticut General Statutes), the dollar amount exceeds \$50,000.00 in any fiscal year, and the Contractor has 50 or more employees, the Contractor, in accordance with the provisions of Section 46a-68c of the Connecticut General Statutes, shall develop and file an affirmative action plan with the Connecticut Commission on Human Rights and Opportunities.

## **SCHEDULE A CRITERIA FOR A SMALL CONTRACTOR**

Contractor must meet all of the following criteria to qualify as a Small Contractor:

- (1) Has been doing business and has maintained its principal place of business in the State for a period of at least one year immediately preceding the Request For Proposals;
- (2) Has had gross revenues not exceeding ten million dollars in the most recently completed fiscal year;
- (3) Is headquartered in Connecticut; and,
- (4) At least 51% of the ownership of the Contractor is held by a person or persons who are active in the daily affairs of the business and have the power to direct the management and policies of the business.

## **SCHEDULE B CRITERIA FOR A MINORITY/WOMAN/DISABLED PERSON BUSINESS ENTERPRISE**

Contractor must meet all of the following criteria to qualify as a

Minority/Woman/Disabled Person Business Enterprise:

Satisfies all of the criteria in Schedule A for a Small Contractor;

- (1) 51% or more of the business and/or its assets must be owned by a person or persons who are minorities as defined in Connecticut General Statutes Section 32-9n (please see below) or is an individual with a disability;
- (2) The Minority/Woman/Disabled Person must have the power to change policy and management of the business; and,
- (3) The Minority/Woman/Disabled Person must be active in the day-to-day affairs of the business.

## CONNECTICUT GENERAL STATUTES SECTION 32-9n

Sec. 32-9n. Office of Small Business Affairs. (a) There is established within the Department of Economic and Community Development an Office of Small Business Affairs. Such office shall aid and encourage small business enterprises, particularly those owned and operated by minorities and other socially or economically disadvantaged individuals in Connecticut. As used in this section, minority means: (1) Black Americans, including all persons having origins in any of the Black African racial groups not of Hispanic origin; (2) Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race; (3) all persons having origins in the Iberian Peninsula, including Portugal, regardless of race; (4) women; (5) Asian Pacific Americans and Pacific islanders; or (6) American Indians and persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.



**AFFIDAVIT OF THIRD PARTY FEES  
(Form A2)**

All Proposers must complete and properly execute this Affidavit of Third Party Fees. The purpose of this Affidavit is to ascertain if the Proposer has made or promised any payment to a third party attributable to this Agreement. If no such payment has been made or promised, Proposer should write "None" in the first box in the table and execute this Affidavit. For purposes of the Affidavit, Proposer's subcontractors, if any, are not considered third parties.

I, \_\_\_\_\_, a duly authorized officer and/or representative of \_\_\_\_\_ (firm name), being duly sworn, hereby depose and say that:

1. I am over eighteen (18) years of age and believe in the obligations of an oath;
2. \_\_\_\_\_ (firm name) seeks to enter into the [Enter name of agreement] (the "Agreement") with the Connecticut Resources Recovery Authority; and
3. All third party fees and agreements to pay third party fees attributable to the "Agreement" are as follows:

Name Of Payee	Dollar Amount Paid Or Value Of Non-Cash Compensation <u>AND</u> Date	Fee Arrangement	Specific Services Performed Or To Be Performed By Payee <sup>1</sup>

*(Attach additional copies of this page as necessary.)*

**NOTE:** For each third party fee arrangement described above (if any), complete the attached Form A2a.

The information set forth herein is true, complete and accurate to the best of my knowledge and belief under penalty of perjury.

Signed: \_\_\_\_\_

Name (Print): \_\_\_\_\_

Title: \_\_\_\_\_

Sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2006 \_\_\_\_\_

\_\_\_\_\_  
Notary Public/Commissioner of the Superior Court

<sup>1</sup> Please attach documents evidencing the terms of the fee arrangement and services.



**ADDENDUM TO  
AFFIDAVIT OF THIRD PARTY FEES  
(Form A2a)**

For each third party fee arrangement disclosed in the attached Affidavit, please explain whether and how each such payment falls within one or more of the following categories of compensation:

1. Compensation earned for the rendering of legal services when provided by an attorney while engaged in the ongoing practice of law;
2. Compensation earned for the rendering of investment services, other than legal services, when provided by an investment professional while engaged in the ongoing business of providing investment services;
3. Compensation for placement agent, due diligence or comparable tangible marketing services when paid to a person who is an investment professional (i) engaged in the ongoing business of representing providers of investment services, or (ii) in connection with the issuance of bonds, notes or other evidence of indebtedness by a public agency;
4. Compensation earned by a licensed real estate broker or real estate salesperson while engaging in the real estate business on an ongoing basis; or
5. Payments for client solicitation activities meeting the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940.

*Attach additional pages as necessary.*

**SECTION VII - NOTICE OF AWARD**

**TO:** \_\_\_\_\_

**CONTRACT NO.:** \_\_\_\_\_

**CONTRACT FOR:** Independent Auditing Services

The Connecticut Resources Recovery Authority ("CRRA") has considered the RFQ Submission submitted by you dated \_\_\_\_\_, 2006, for the above-referenced services, as described in the Independent Auditing Services Agreement (the "Agreement"), in response to CRRA's Notice to Firms - Request For Qualifications and Instructions to Auditing Firms.

You are hereby notified that your RFQ Submission has been accepted for performing the Services from time to time as the same may be requested by CRRA.

Within six (6) days from the date of this Notice Of Award you are required to: (i) execute the required number of the attached counterparts of the Independent Auditing Services Agreement; (ii) deliver to CRRA such executed counterparts and all other attached Contract Documents along with the requisite certificates of insurance; and (iii) satisfy all other conditions set forth herein. As you have agreed, the terms and conditions of the Independent Auditing Services Agreement, as attached, are non-negotiable.

If you fail within six (6) days from the date of this Notice Of Award to perform and complete any of your obligations set forth in items (i)-(iii) above, CRRA will be entitled to consider all your rights arising out of CRRA's acceptance of your RFQ Submission as abandoned and terminated. CRRA will also be entitled to such other rights and remedies as may be granted at law or in equity.

You are required to acknowledge your receipt of this Notice Of Award by signing below and returning the same to CRRA.



Dated this \_\_\_ day of \_\_\_\_\_, 2006.

CONNECTICUT RESOURCES  
RECOVERY AUTHORITY

By: \_\_\_\_\_

Its

Duly Authorized

ACCEPTANCE OF NOTICE

Receipt of this NOTICE OF AWARD is hereby acknowledged this  
\_\_ day of \_\_\_\_\_, 2006.

AUDITING FIRM

By: \_\_\_\_\_

Its

Duly Authorized

**ATTACHMENT A**

**INDEPENDENT AUDITING SERVICES AGREEMENT**

This INDEPENDENT AUDITING SERVICES AGREEMENT (this "Agreement") is made as of the 1<sup>st</sup> day of August , 2006 (the "Effective Date"), by and between the **CONNECTICUT RESOURCES RECOVERY AUTHORITY**, a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut, and having a principal place of business at 100 Constitution Plaza, Hartford, Connecticut 06103 ("CRRA") and \_\_\_\_\_, a \_\_\_\_\_, having a principal place of business at \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ ("Auditor").

**PRELIMINARY STATEMENT**

CRRA is the owner or lessee of certain pieces and parcels of real property located throughout the State of Connecticut (collectively, the "Properties") upon which Properties CRRA owns and operates various solid waste management and/or disposal facilities (collectively, the "Facilities"). CRRA now desires to enter into this Agreement in order to have Auditor render certain independent auditing services for CRRA in accordance with this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and representations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows.

**TERMS AND CONDITIONS**

**1. Independent Auditing Services.** CRRA retains Auditor to render certain independent auditing services as more particularly described in **Exhibit A** attached hereto and made a part hereof (collectively, the "Services"). CRRA may, where necessary or desired, provide Auditor with instructions, guidance and directions in connection with Auditor's performance of the Services hereunder. Auditor agrees to perform the Services as an independent contractor, consistent with: (i) any and all instructions, guidance and directions provided by CRRA to Auditor; (ii) the terms and conditions of this Agreement; (iii) the highest prevailing professional auditing procedures and practices; and (iv) any and all applicable laws, rules, regulations, ordinances, codes, orders and permits of any and all

federal, state and local governmental bodies, agencies, authorities and courts having jurisdiction (collectively, "Laws and Regulations") (hereinafter collectively referred to as the "Standards").

**2. Access.** In the event that Auditor requires access to any Facility or Property in order to perform any of the Services hereunder, CRRA shall grant to Auditor such access, provided that: (i) Auditor shall not interfere with any other operations or activities being conducted at such Facility or on such Property by either CRRA or any other person or entity; (ii) Auditor directly coordinates with an Authorized Representative of CRRA (as hereinafter defined) on such access; and (iii) Auditor is in compliance with all of the terms and conditions of this Agreement. CRRA reserves the right to revoke the access granted to Auditor herein if Auditor fails to comply with any of the foregoing conditions of access.

**3. Authorized Representative of CRRA.** Auditor will only perform Services upon request from an Authorized Representative of CRRA. For purposes of this Agreement, the terms "Authorized Representative of CRRA" or "Authorized Representative" shall mean CRRA's President (the "President"), CRRA's Chief Financial Officer, or any person designated in writing to Auditor by such President or the Finance Division Head. Any Services performed at the request of anyone who is not an Authorized Representative shall not be paid for by CRRA. CRRA and Auditor shall from time to time mutually agree on the method and manner of performing such Services.

**4. Compensation Schedule.** For the Services rendered under this Agreement, Auditor shall be paid by CRRA on the basis set forth in the annual compensation schedule in Exhibit B attached hereto and made a part hereof.

For the Annual Auditing Services rendered under this Agreement, as defined in Exhibit A, the Auditor shall be paid by CRRA a fixed fee for each fiscal year on the basis set forth in the annual compensation schedule in Part I of Exhibit B attached hereto and made a part hereof.

For the Request for Services rendered under this Agreement for the fiscal year (as hereinafter defined) 2006, Auditor shall be paid by CRRA on the basis set forth in Part II of Exhibit B attached hereto and made a part hereof. For the purposes of this Agreement, the term "fiscal year" shall mean the twelve (12) month period from July 1st through the following June 30<sup>th</sup>.

For fiscal year 2007, the rates set forth in Exhibit B may be modified by Auditor by the lesser of: (i) four (4%) percent, or (ii) the percentage change under the United States Consumer Price Index for All Urban Consumers (Cross Classification of Region and Population Size Class, Northeast Urban Index, All Items) (1982-84 = 100), series identification number CUUR0100SA0 as published by the Bureau of Labor Statistics, United States Department of Labor (the "Index"), which change shall be calculated as follows: the annual adjustment shall be calculated by adding to the rates payable for the immediately preceding fiscal year the amount obtained by multiplying such rates by the percentage change between the Index for June of the fiscal year immediately prior to such immediately preceding fiscal year and the Index for June of such immediately preceding fiscal year.

For each succeeding fiscal year, Auditor shall be paid by CRRA based upon the rates at which Auditor was paid by CRRA during the immediately preceding fiscal year; provided, however, that such rates may be modified by Auditor in the manner set forth in the paragraph above.

**5. Bill Format.** Auditor shall render an original and duplicate bill to the attention of the CRRA Accounting Department each month for all of the Services performed and all of the costs and expense incurred in the immediately preceding month pursuant to this Agreement. Each monthly bill shall contain at least the following information:

- a. Names of all persons performing Services for which payment is sought;
- b. A description of the Services performed by each person;
- c. The time spent by each person;
- d. Separate listing of all expenses incurred including copies of receipts;

**5. Bill Format.** Auditor shall render a bill to CRRA each month for all of the Services performed and all of the costs and expense incurred in the immediately preceding month pursuant to this Agreement. Each monthly bill shall contain at least the following information:

- a. Names of all persons performing Services for which payment is sought;
- b. A description of the Services performed by each person;
- c. The time spent by each person;
- d. Separate listing of all expenses incurred including copies of receipts or subcontractor invoices;

- e. e. The project name and number to be charged;
- f. The purchase order number (to be provided by CRRA);
- g. f. The contract number for this Agreement (to be provided by CRRA); and
- h. g. The request for services identification number, if appropriate.

**Exhibit C**, attached hereto and made a part hereof, is the format for all monthly bills. Auditor shall not be compensated for any time spent preparing any billing documentation or related materials. If CRRA determines in its sole discretion that the Services for which Auditor is requesting payment have been properly performed and completed in conformance with the Standards, Auditor is not in default hereunder, CRRA does not dispute the amount of the payment requested and the bill contains all of the information required hereunder, then CRRA shall pay the amount requested within thirty (30) calendar days after its receipt of such bill. If, however, (i) CRRA determines that any of the Services for which Auditor has requested payment is not in conformance with the Standards, (ii) such bill does not contain all the requisite information, or (iii) Auditor is in default hereunder, then CRRA may in its sole and absolute discretion withhold all or a portion of the payment requested by Auditor, and Auditor shall, if requested by CRRA, immediately take, at Auditor's sole cost and expense, all action necessary to render such Services and/or bill in conformance with the Standards, or to cure such default. CRRA shall have no obligation under this Agreement to pay for any Services that CRRA determines have not been performed and/or completed in conformance with the Standards, and CRRA shall have no obligation to pay Auditor any amount due Auditor under this Agreement if Auditor is in default hereunder. If CRRA disputes the amount in any written request for payment submitted by Auditor, CRRA shall have the right to withhold the disputed amount until the dispute is settled. CRRA shall notify Auditor of any disputed amount and the reason(s) for disputing such amount.

**6. Term of Agreement.** The term of this Agreement shall commence upon the Effective Date and shall terminate, unless otherwise terminated in accordance with the terms hereof, on March 31, 2009. This Agreement may be terminated by either CRRA or Auditor upon at least thirty (30) days' advance written notice except that Auditor shall have no right to terminate until all Services have been completed to the satisfaction of CRRA. Upon receipt of such written notice from CRRA, Auditor shall immediately cease work on any and all CRRA matters, unless otherwise directed in writing by the Authorized Representative. Upon termination of this Agreement pursuant to this Section 6,

(a) CRRA shall pay Auditor for all Services performed by Auditor prior to the termination date, provided: (i) such Services have been performed by Auditor in accordance with the Standards, (ii) payment for such Services has not been previously made or is not disputed by CRRA, (iii) Auditor is not in default hereunder and (iv) Auditor has performed all its obligations under this Section 6 to CRRA's satisfaction; and (b) CRRA shall have no further liability hereunder. Except for the payment that may be required pursuant to the preceding sentence, CRRA shall not be liable to Auditor in any other manner whatsoever in the event CRRA exercises its right to terminate this Agreement. Auditor shall transmit to CRRA originals or copies of any and all material prepared, developed or obtained under this Agreement in Auditor's possession within thirty (30) days of receipt of the written notice of termination unless otherwise directed by the Authorized Representative. Auditor shall retain and maintain accurate records and documents relating to the performance of Services under this Agreement for a minimum of three (3) years after final payment by CRRA and shall make them available for inspection and audit by CRRA. Auditor's obligations under this Section 6 shall survive the termination or expiration of this Agreement.

**7. Governing Law.** This Agreement shall be governed by, and construed, interpreted and enforced in accordance with the laws of the State of Connecticut as such laws are applied to contracts between Connecticut residents entered into and to be performed entirely in Connecticut.

**8. Restrictions on Parties.** This Agreement shall not be construed to restrict either CRRA or Auditor from entering into other consulting agreements similar to this one with other parties, provided however Auditor shall not render services to another which would either be in conflict with the interests of CRRA or prevent Auditor from performing hereunder. Auditor shall not assign this Agreement or subcontract any of the Services to be performed hereunder without the prior written consent of the Authorized Representative.

**9. Confidential Work Product.** Auditor shall not use, publish, distribute, sell or divulge any information obtained from CRRA by virtue of this Agreement for its own purposes or for the benefit of any person, firm, corporation or other entity without the prior written consent of CRRA. Any report or other work product prepared by Auditor while performing Services under this Agreement shall be owned solely and exclusively by CRRA and cannot be used by Auditor for any purpose beyond the scope of this Agreement without the prior written consent of CRRA. Any material designated by CRRA in accordance

with applicable law as confidential shall not be disclosed to any third parties without the prior written consent of CRRA.

**10. Indemnification.** Auditor shall at all times protect, defend, indemnify and hold harmless CRRA and its board of directors, officers, agents and employees from and against any and all liabilities, actions, claims, damages, losses, judgments, workers' compensation payments, costs and expenses (including but not limited to attorneys' fees) arising out of injuries to the person (including death), damage to property or other damages alleged to have been sustained by: (a) CRRA or any of its directors, officers, agents or employees, or (b) Auditor or any of its directors, officers, employees, agents or subcontractors, or (c) any other person, to the extent any such injuries, damage or damages are caused or alleged to have been caused in whole or in part by the acts, omissions or negligence of Auditor or any of its directors, officers, employees, agents or subcontractors. Auditor further undertakes to reimburse CRRA for damage to property of CRRA caused by Auditor or any of its directors, officers, employees, agents or subcontractors. The existence of insurance shall in no way limit the scope of this indemnification. Auditor's obligations under this Section 10 shall survive the termination or expiration of this Agreement.

**11. Required Insurance.** Auditor shall procure and maintain, at its own cost and expense, throughout the term of this Agreement, and any extension thereof, the following insurance, including any required endorsements thereto and amendments thereof:

- a. Commercial general liability (CGL) insurance, alone or in combination with, Commercial Umbrella insurance with a limit of one million (\$1,000,000.00) dollars each occurrence covering liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insurance contract (including the tort liability of another assumed in a business contract).
- b. Business automobile liability insurance alone or in combination with Commercial Umbrella insurance covering any auto (including owned, hired, and non-owned autos), with a limit of one million (\$1,000,000.00) dollars each accident.
- c. Workers' Compensation insurance with statutory limits and Employers' Liability insurance limits of not less



than five hundred thousand (\$500,000.00) dollars each accident for bodily injury by accident or five hundred thousand (\$500,000.00) dollars for each employee for bodily injury by disease.

4. Professional liability insurance with a limit of not less than one million (\$1,000,000.00) dollars.

**12. Certificates.** Upon Auditor's execution of this Agreement, Auditor shall submit to CRRA a certificate or certificates for each required insurance referenced in Section 11 above certifying that such insurance is in full force and effect and setting forth the information required by Section 13 below. Additionally, Auditor shall furnish to CRRA within thirty (30) days before the expiration date of the coverage of each required insurance set forth in Section 11 above, a certificate or certificates containing the information required by Section 13 below and certifying that such insurance has been renewed and remains in full force and effect.

**13. Specific Requirements.** All policies for each insurance required hereunder shall: (i) name CRRA as an additional insured (this requirement shall not apply to workers' compensation insurance, employers' liability or professional liability insurance); (ii) include a standard severability of interest clause; (iii) provide for not less than thirty (30) days' prior written notice to CRRA by registered or certified mail of any cancellation, restrictive amendment, non-renewal or change in coverage; (iv) hold CRRA free and harmless from all subrogation rights of the insurer; and (v) provide that such required insurance hereunder is the primary insurance and that any other similar insurance that CRRA may have shall be deemed in excess of such primary insurance.

**14. Issuance Companies.** All policies for each insurance required hereunder shall be issued by insurance companies that are either licensed by the State of Connecticut and have a Best's Key Rating Guide of A- VII or better, or otherwise deemed acceptable by CRRA in its sole discretion.

**15. Umbrella Insurance Liability Coverage.** Auditor may submit to CRRA documentation evidencing the existence of umbrella liability insurance coverage in order to satisfy the limits of coverage required hereunder for commercial general liability insurance and employers' liability insurance.

**16. No Limitation On Damages.** None of the provisions contained in Sections 11 through 17 inclusive shall be construed

or deemed to limit Auditor's obligations under this Agreement to pay damages or other costs and expenses.

**17. No Liability Incurred.** CRRA shall not, because of accepting, rejecting, approving, or receiving any certificate of insurance required hereunder, incur any liability for: (i) the existence, non-existence, form or legal sufficiency of the insurance described on such certificate, (ii) the solvency of any insurer, or (iii) the payment of losses.

**18. Non-Discrimination.** Auditor agrees to the following: (1) Auditor agrees and warrants that in the performance of the Services for CRRA, Auditor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by Auditor that such disability prevents performance of the Services involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. Auditor further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, sexual orientation, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by Auditor that such disability prevents performance of the Services involved; (2) Auditor agrees, in all solicitations or advertisements for employees placed by or on behalf of Auditor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Connecticut Commission on Human Rights and Opportunities (the "Commission"); (3) Auditor agrees to provide each labor union or representative of workers with which Auditor has a collective bargaining agreement or other contract or understanding and each vendor with which Auditor has a contract or understanding, a notice to be provided by the Commission, advising the labor union, workers' representative and vendor of Auditor's commitments under Sections 4a-60 and 4a-60a of the Connecticut General Statutes and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) Auditor agrees to comply with each applicable provision of Sections 4a-60, 4a-60a, 46a-68e, and 46a-68f, inclusive, of the Connecticut General Statutes and with each regulation or relevant order issued by the Commission pursuant to Sections 46a-56, 46a-68e, and 46a-68f of the Connecticut General Statutes; and (5) Auditor agrees to provide the Commission with such information

requested by the Commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of Auditor as related to the applicable provisions of Sections 4a-60, 4a-60a and 46a-56 of the Connecticut General Statutes.

If this Agreement is a public works contract, Auditor agrees and warrants that it will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials in such public works project.

**19. Time Is Of Essence.** CRRA and Auditor hereby acknowledge and agree that time is of the essence with respect to Auditor's performance of the Services hereunder. Accordingly, Auditor shall immediately commence performance of the Services requested and continue to perform the same during the term of this Agreement in order to complete all of the Services requested by the completion date set forth in such Request, if any.

**20. Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties hereto and concerning the subject matter hereof, and supersedes any previous agreements, written or oral, between the parties hereto and concerning the subject matter hereof.

**21. No Waiver.** Failure to enforce any provision of this Agreement or to require at any time performance of any provision hereof shall not be construed to be a waiver of such provision, or to affect the validity of this Agreement or the right of any party to enforce each and every provision in accordance with the terms hereof. No waiver of any provision of this Agreement shall affect the right of CRRA or Auditor thereafter to enforce such provision or to exercise any right or remedy available to it in the event of any other default involving such provision or any other provision. Making payment or performing pursuant to this Agreement during the existence of a dispute shall not be deemed to and shall not constitute a waiver of any claims or defenses of the party so paying or performing.

**22. Amendments.** This Agreement may not be amended, modified, or supplemented except by a writing signed by the parties hereto that specifically refers to this Agreement. Any oral representations or letters by the parties or accommodations shall not create a pattern or practice or course of dealing contrary to the written terms of this agreement unless this Agreement is formally amended, modified, or supplemented.

**23. Notices.** All notices, requests, demands and other

communications hereunder shall be in writing and shall be deemed to have been duly given if mailed via certified first class mail return receipt requested postage prepaid or overnight express mail service to the pertinent address below:

(a) If to CRRA:

Connecticut Resources Recovery Authority  
100 Constitution Plaza, 6<sup>th</sup> Floor  
Hartford, Connecticut 06103  
Attention: Chief Financial Officer

With a copy to:

Connecticut Resources Recovery Authority  
100 Constitution Plaza, 6<sup>th</sup> Floor  
Hartford, Connecticut 06103  
Attention: President

(b) If to Auditor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

**24. Benefit And Burden.** This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

**25. Severability.** CRRA and Auditor hereby understand and agree that if any part, term or provision of this Agreement is held by any court to be invalid, illegal or in conflict with any applicable law, the validity of the remaining portions of this Agreement shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular part, term or provision held to be invalid, illegal or in conflict with any applicable law.

**26. Usage.** Wherever nouns or pronouns are used in this Agreement, the singular shall mean the plural, the plural shall mean the singular and any gender shall mean all genders or any other gender, as the context may require. The words "herein", "hereof" and "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular Section or Subsection unless the particular Section or Subsection is specifically referenced.

**27. Counterparts.** This Agreement may be executed in any number of counterparts by the parties hereto. Each such counterpart so executed shall be deemed to be an original and all such executed counterparts shall constitute but one and the same instrument.

**28. Assignment.** This Agreement may not be assigned in whole or in part by either party without the prior written consent of the other party or such assignment shall be void.

**29. Small Contractors Application.** At the request of CRRA and if Auditor qualifies, Auditor shall apply with the State of Connecticut Department of Administrative Services, and do all that is necessary to make itself qualify, as a Small Contractor and/or Minority/Women/Disabled Person Business Enterprise in accordance with Connecticut General Statutes Section 32-9e.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the date and year first above written.

CONNECTICUT RESOURCES  
RECOVERY AUTHORITY

By: \_\_\_\_\_  
Thomas D. Kirk  
Its President  
Duly Authorized

AUDITOR

By: \_\_\_\_\_  
Its  
Duly Authorized

**EXHIBIT A**

**SCOPE OF SERVICES**

**I. ANNUAL AUDITING SERVICES:**

1. General

Auditor shall conduct annual audits of CRRA's basic financial statements for the fiscal years ending June 30, 2006, June 30, 2007 and June 30, 2008.

The Auditor must demonstrate that they are in compliance with the United States General Accounting Office ("GAO") Government Auditing Standards (the "Yellow Book") on Independence Criteria. For further information, please refer to the following website [www.gao.gov](http://www.gao.gov).

2. Reports to be Issued

Following the completion of the audit of each fiscal year's financial statements, Auditor shall issue the following reports:

- a. An audit of the basic financial statements of the CRRA conducted in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States, resulting in the expression of an opinion that the basic financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles and that the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.
- b. The Auditor shall communicate in a letter to the CRRA Board of Directors any reportable condition found during the audit or absence thereof. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

- c. Prepare and provide the annual "Accountant's Certificate" as required by the Mid-Connecticut Bond Resolution to be delivered to the bond trustee along with the annual financial audit. The Accountant's Certificate must state that an examination of the financial statements of the Mid-Connecticut System has been conducted in accordance with generally accepted accounting principles, whether the financial statements fairly present the financial position and whether or not the CRRA is in default with respect to any of the bond covenants, agreements or conditions contained in the Bond Resolution.
3. The Auditor shall review the following reports:
  - a. Review of and comment on CRRA's annual MD&A which is prepared by CRRA as part of its annual financial report. The Auditor is not required to audit the MD&A.
  - b. The CRRA prepares a Comprehensive Annual Financial Report (CAFR) for submission to the Government Finance Officers Association (GFOA) for consideration for a Certificate of Achievement for Excellence in Financial Reporting. The CAFR is submitted to GFOA by December 31<sup>st</sup> of each year. The CAFR includes the basic financial statements and the auditor's report. The Auditor will be required to review and comment on this report in its entirety. The Auditor is not required to audit the statistical section of the CAFR.
  - c. The CRRA prepares the quarterly unaudited financial statements and MD&A. The Auditor is required to review and comment on the quarterly unaudited financial statements including the MD&A. The Auditor shall discuss with the Chief Financial Officer and the Director of Accounting his/her comments concerning the quarterly report. The Auditor is not required to audit the quarterly financial report.

## **II. RFS SERVICES ON AN AS NEEDED BASIS:**

1. Auditor will be required on an as-needed basis to provide Request For Services ("RFS") Services that CRRA requests of the Auditor to provide for specific projects occurring during the term of the Agreement. CRRA does not guarantee

any quantity of RFS Services under this Agreement. If CRRA chooses to have Auditor perform such RFS Services, Auditor will execute a RFS Form that is outlined in **Exhibit D** of this Agreement.

2. Auditor shall perform necessary services on Bond Issues during the period where the most current financial and compliance audits of the Fund are applicable and relied upon for bond issuance and compliance. This includes performing the agreed upon procedures for any related CRRA bond issues.
3. The CRRA currently may prepare one or more official statements in connection with the sale of debt securities which will contain the general purpose and the combining financial statements and the Auditor's report thereon or extracts from them. The Auditor shall be required, if requested by the CRRA to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."



**EXHIBIT B**

**COMPENSATION SCHEDULE**

Auditor shall be paid by CRRA for Services rendered as follows:

**I. ANNUAL AUDITING SERVICES:**

<b>Fiscal Year</b>	<b>Period to be Audited</b>	<b>Fixed Price</b>
2006	July 1, 2005 – June 30, 2006	\$
2007	July 1, 2006 – June 30, 2007	\$
2008	July 1, 2007 – June 30, 2008	\$

**II. RFS SERVICES ON AN AS NEEDED BASIS:**  
**FISCAL YEAR 2006 PRICING**

<b>Title / Position</b>	<b>CRRA Hourly Bid Rate</b>	<b>Standard Hourly Rate</b>
	\$	\$
	\$	\$
	\$	\$
	\$	\$



EXHIBIT D

RFS FORM

Dear \_\_\_\_\_:

Subject: Independent Auditing Services Agreement - Request for Services

This Request will authorize you to provide the Services described below in accordance with the terms and conditions of the Independent Auditing Services Agreement, dated August 1, 2006 between CRRA and you.

The Scope of Services, Estimated Time of Performance and Estimated Costs set forth below will become a part of the above-referenced Agreement and will be incorporated therein, as an amendment, upon your acceptance of this Request, to be indicated below. The Scope of Services is the product of consultation between CRRA and you and the Estimated Time of Performance and Estimated Costs have been provided by you and deemed acceptable by CRRA.

Item I Scope of Services (provide details)

Item II Estimated Time of Performance (per Auditor)

Item III Estimated Costs (per Auditor)

These costs are not to be exceeded without CRRA's prior written consent. CRRA shall not pay for any services rendered or expenses incurred by Auditor in excess of those included in this Request unless specifically authorized in advance and in writing by CRRA.

Very truly yours,

CONNECTICUT RESOURCES RECOVERY AUTHORITY

By: \_\_\_\_\_

Title:

Accepted under the terms  
of the Independent Auditing Services  
Agreement dated August 1, 2006:

AUDITOR

By: \_\_\_\_\_

Title:

Duly Authorized