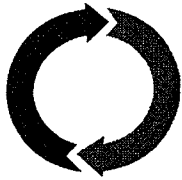


**CRRA
BOARD MEETING
Dec. 22, 2011**



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
Fax (860)757-7745**

MEMORANDUM

TO: CRRA Board of Directors
FROM: Moira Benacquista, Secretary to the Board/Paralegal
DATE: Dec. 16, 2011
RE: Notice of Regular Board Meeting

There will be a Regular Board Meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, Dec. 22, 2011 at 9:30 a.m. The meeting will be held in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, CT 06103.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Connecticut Resources Recovery Authority
Special Board of Directors Meeting

Agenda
Dec. 22, 2011
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Minutes

1. Board Action will be sought for the Approval of the Regular Nov. 17, 2011, Board Meeting Minutes (Attachment 1).

1.a Action Items

IV. Board Committee Reports

A. Finance Committee Reports

1. Board Action will be sought Regarding Approval of the Authority Operating Budget (Attachment 2).
2. Board Action will be sought Regarding Approval of the Recycling Division (South Unit) Budget (Attachment 3).

B. Policies & Procurement Committee

1. Board Action will be sought Regarding Municipal Government Liaison Services Agreement (Attachment 4).
2. Board Action will be sought for the Resolution Regarding the Purchase of Two Secondary Shredder 1250 HP Motors for the Mid-Connecticut Waste Processing Facility (Attachment 5).
3. Discussion - Power Purchase Solicitations.

C. Organizational Synergy & Human Resources Committee Report

V. Chairman and President's Reports

VI. Executive Session

An Executive Session will be held to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations.

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED TWENTY-FIFTH

NOV. 17, 2011

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Nov. 17, 2011, in the Board Room at 100 Constitution Plaza, Hartford, CT 06103. Those present were:

Directors: Vice-Chairman Jarjura (present by telephone beginning 10:33 a.m. - 11:10 a.m.)
Louis J. Auletta, Jr. (present by telephone beginning 10:22 a.m. - 11:10 a.m.)
Ryan Bingham
David Damer
Timothy Griswold
Dot Kelly
Theodore Martland
Donald Stein
Steve Edwards, Bridgeport Project Ad-Hoc
Robert Painter, Mid-Connecticut Project Ad-Hoc
Mark Tillinger, Bridgeport Project Ad-Hoc
Steven Wawruck, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Jeff Duvall, Director of Budgets and Forecasting
Laurie Hunt, Director of Legal Service
Paul Nonnenmacher, Director of Public Affairs
Eric Womack, Human Resources Manager
Moira Benacquista, Board Secretary/Paralegal

Others present: Dick Barlow, First Selectman of Canton, CT; Kurtis Dennison, R.C. Knox & Company; John Pizzimenti, USA Hauling; Jim Sandler, Sandler & Mara; Cheryl Thibeault, Covanta.

Director Griswold called the meeting to order at 9:35 a.m. and said a quorum was present.

VOTE TO MAKE DIRECTOR GRISWOLD TEMPORARY CHAIR

Director Kelly made a motion to elect Director Griswold as temporary Chairman of the CRRA Board meeting. Director Wawruck seconded the motion.

The motion previously made and seconded was approved by roll call. Director Bingham, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Stein, Director Tillinger and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

PUBLIC PORTION

Director Griswold said that the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

As there were no members of the public present wishing to speak, Director Griswold proceeded with the meeting agenda.

APPROVAL OF THE MINUTES OF THE OCT. 27, 2011, SPECIAL BOARD MEETING

Director Griswold requested a motion to approve the minutes of the Oct. 27, 2011, Special Board Meeting. Director Damer made a motion to approve the minutes, which was seconded by Director Martland.

The motion previously made and seconded was approved by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Stein, Director Tillinger and Director Wawruck voted yes. Director Edwards abstained.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

FINANCE COMMITTEE

RESOLUTION REGARDING ADOPTION OF THE FISCAL YEAR 2013 SOUTHEAST PROJECT OPERATING AND CAPITAL BUDGETS

Director Griswold requested a motion on the above referenced item. The motion was made by Director Martland and seconded by Director Damer.

RESOLVED: That the fiscal year 2013 Connecticut Resources Recovery Authority Southeast Project Operating and Capital Budgets be adopted subject to the Southeastern Connecticut Regional Resource Recovery Authority's ("SCRRRA") approval of this budget and as substantially presented and discussed at this meeting.

Director Martland said that the Southeastern Connecticut Regional Resource Recovery Authority (hereinafter referred to as "SCRRRA") is independent of CRRA, which essentially blesses the SCRRRA budget. He said SCRRRA enjoys an excellent electricity rate.

Mr. Bolduc said CRRA provides services to SCRRRA including preparing a large portion of its budget to which the SCRRRA administrative budget is added. He said due to the bond structure and contractual relationship between CRRA and SCRRRA the CRRA Board adopts its portion of the budget, which is then approved by the SCRRRA Board which then establishes the tip fee.

Mr. Bolduc said management has already reviewed this budget with the SCRRRA Board. He said the budget is fairly straight forward and many of the calculations are driven by indexes. Mr. Bolduc directed the Board to several highlights of the budget. He said the SCRRRA Board enjoys a very lucrative electric contract. He referred the Board to pg. 8 and noted the average rate is a little over 24 cents in a market where the average is closer to 5 cents.

Director Edwards asked how long the contract runs for. Mr. Bolduc replied the contract with CL&P runs through 2015; however it has two one year extensions. Director Kelly asked how that extension works. Mr. Bolduc replied the initial contract with what is now Covanta is co-terminus with 2015 when the bonds are paid off, and then there are two year one extensions. He said at that point the SCRRRA plant will be in a position similar to that of the Wallingford Towns. Mr. Bolduc said SCRRRA is currently examining its future options. He said the electric revenue is the dominate revenue generator. Mr. Bolduc said the tip fee is an important part of the budget, but not the main driver.

Mr. Bolduc said the other item of note in the SCRRRA budget includes a benchmark of the amount of trash that the towns have to deliver under their contractual arrangement. He said if the towns do not meet the minimums the operator, in this case Covanta, needs to source the spot market. Mr. Bolduc said making up the spot waste has an impact on the State as the loss needs to be made up by the operator, which then saturates the market, and as result the spot purchasing is in the \$35 range.

Director Edwards asked where most of that tonnage comes from. Mr. Bolduc said management believes some of the waste is being improperly taken from the Mid-Conn facility and some from Massachusetts. Mr. Kirk said other waste is from as far away as Stamford, CT.

Mr. Bolduc said similar to the Mid-Conn Project, SCRRA has ash disposal contracts with Wheelabrator in Putnam, CT. He said in terms of operating costs the disposal and the operator are the two big drivers. Mr. Bolduc said the other big item on the balance sheet is the contribution to the future needs reserves of about \$4 million. He said SCRRA has elected to hold the tip fee at \$60 and the additional monies are put away for the future expectation of a drop in electricity revenues.

Mr. Bolduc said the refinancing from the previous December and the \$2.5-3 million in savings is reflected in the budget. He said the debt service in FY'11 was not on a normalized basis because the financing occurred half way through. He said that line is now zero and that money will go into the future use reserve.

Director Kelly asked if management feels SCRRA has made an effort to evaluate organic based waste streams which it could accept. Mr. Bolduc said SCRRA is in a prime zone for organic composting. He said SCRRA has looked into organics extensively but has not been able to make it work due to the capital costs and environmental issues. Mr. Bolduc said SCRRA looked very seriously into a proposed hydroponics greenhouse in an adjacent property it owns. He said until the developer pulled out the proposed operation was going to grow vegetables with the excess steam.

Director Kelly said she was thinking more along the lines of waste water treatment sludge, which is fairly high in organics. She said it seems like SCRRA does not have the amount of tons needed to hit their minimum. Mr. Bolduc said that has not been the case historically; however the economy has hit the Southeastern part of the State very hard. Director Damer asked how the Southeastern state's recycling rates are. Mr. Bolduc said they are fairly strong and they do utilize single stream.

The motion previously made and seconded was approved by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein and voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

POLICIES & PROCUREMENT COMMITTEE

RESOLUTION REGARDING THREE YEAR PUBLIC RELATIONS SERVICES AGREEMENTS

Director Griswold requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Kelly.

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Public Relations Services Agreements as were substantially set forth in the Request for Qualifications dated September 26, 2011, for a period of three years commencing on January 1, 2012, and terminating on December 31, 2014, with the firms listed below. All firms will provide services “on call.”

Strategic Persuasion Group LLC

Connecticut Economic Resource Center, Inc.

Coursey & Company

Duby McDowell Communications, LLC

Director Stein asked why the four agreements do not contain dollar values, hourly rates, or a definition of scope. Mr. Nonnenmacher said that was an oversight on his part, he said he could provide the prepared additional information momentarily. Director Damer noted that this agreement is for preparing the stable and the actual agreements will come to the Board afterwards.

MOTION TO TABLE THE RESOLUTION REGARDING THREE YEAR PUBLIC RELATIONS SERVICES AGREEMENTS

Director Martland made a motion to table the above referenced resolution. Director Kelly seconded the motion.

The motion to table was approved unanimously by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein and voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING A CONTRACT WITH THE DT DEEP FOR REIMBURSEMENT OF COSTS ASSOCIATED WITH ANNUAL STACK TESTING AT THE MID-CT RRF FOR CALENDAR YEARS 2012

Director Griswold requested a motion on the above referenced item. The motion was made by Director Martland and seconded by Director Stein.

RESOLVED: That the President is hereby authorized to enter into a contract with the Connecticut Department of Energy and Environmental Protection for reimbursement of costs associated with the annual stack testing at the Mid-Connecticut RRF for calendar year 2012, substantially as discussed and presented at this meeting.

Director Damer said this resolution was discussed during the Policies & Procurement Committee meeting. He said CRRA is required to perform annual stack testing. Director Damer said the Connecticut Department of Energy and Environmental Protection (hereinafter referred to as "CT DEEP") collects a \$1.50 per ton Solid Waste Assessment levied on each of the waste-to-energy facilities for each ton that is processed by the facility. He explained providing the testing does not exceed \$89,177.00 for the one year period the CT DEEP reimburses CRRA for the testing costs.

Director Griswold asked if CRRA is paying about \$1.2 million for the Solid Waste Assessment over the year for 750,000 tons. Mr. Kirk said that was about correct. He said CRRA pays about \$1.2 million and is reimbursed about \$90,000 for the testing. Director Griswold asked why the Board is required to vote on this resolution as it involves incoming revenue. Ms. Hunt replied that the CT DEEP requires that she certify that the CRRA Board has authorized the President to execute the agreement.

Mr. Kirk said in the future management expects to exercise CRRA's statutory right to be exempt from taxes. He said although historically CRRA has paid the dioxin tax management believes the statute is very clear that CRRA should not be paying taxes. Mr. Kirk said management has elected not to pursue a change until the end of the project, but in the future the dioxin testing, a permit requirement, will be a cost to the Project however; the dioxin tax will no longer be included due to the statutory language which exempts CRRA from paying taxes.

Mr. Kirk said he expects this to be an issue with the Department of Revenues and the Board will weigh in on this issue. Director Stein asked if the \$1.50 is the tax he is referring to. Mr. Kirk replied yes. He said it is called a dioxin tax but is actually officially titled as a Solid Waste Assessment. Mr. Kirk said ironically it is only assessed on trash which is combusted in the state. He said contrary to the Solid Waste Management Plan tons which exit the state are exempt from that tax.

Director Edwards said this \$1.50 is in the existing tip fee. He asked if CRRA will leave the \$1.50 in the tip fee when it challenges the legality of the tax. Mr. Kirk said that is a decision the Board will have to make. Director Edwards said it is his concern that if the tax is still in the tip fee and the State does not receive those funds that they will hit CRRA with some other tax in order to make up that lost revenue. He said the municipalities would be paying that tip fee twice by paying CRRA and through some other option the CT DEEP will be looking for. Director Edwards suggested leaving those funds where they are.

Mr. Kirk said when the FY'13 budget comes to the Board it is assumed that CRRA will provide a net cost of operations budget which does not include this tax. He explained if the Board elects to add this tax the tip fee will be \$1.50 higher. Mr. Kirk said Director Edwards' concern that the towns will be required to provide those funds one way or another is valid. He said however; it is difficult to provide the tax through CRRA as it has a blanket exemption from taxes and fees. Mr. Kirk said CRRA has suggested to the CT DEEP that there are methods of drumming up that revenue by supporting the Solid Waste Management Plan, such as taxing those tons which go out of state.

The motion previously made and seconded was approved unanimously by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

DISCUSSION REGARDING MUNICIPAL GOVERNMENT LIAISON SERVICES

Mr. Kirk said this is a discussion item for which management would welcome input from the Board. He explained this issue became a concern for management and the Board in August when an RFP was done a year early to test the market again for municipal liaison services. Mr. Kirk said questions were raised regarding the character of that scope of services and the potential for getting close to lobbying, an activity which is prohibited by the statutes.

Mr. Kirk said as a result of the Board's concerns management posed two questions to the Ethics Committee. He said management confirmed that use of a municipal liaison from a company which also employs a lobbyist is proper. Mr. Kirk said this still leaves the question of whether the Board is inclined to continue using a municipal liaison services. He said CRRA is currently in a three year agreement with Brown Rudnick, a law firm which also provides environmental law services for CRRA. Mr. Kirk said Brown Rudnick also has a lobbying group, he said most of the law firms CRRA utilizes have lobbying groups.

Mr. Kirk said the question the Board should decide on is whether or not management should engage the third year option for municipal government liaison services. He said an RFP is not needed and under normal circumstances he would be authorized by the Board to engage the final year based on

the original vote. Mr. Kirk said due to questions and concerns by the Board the agreement has not been extended and provides for CRRA to exit with thirty days' notice for any reason.

Mr. Kirk said the scope of services is included in the package. He said management is confident that the agreement is comfortably on the right side of the lobbying prohibition. Mr. Kirk said the question the Board seems to be considering is one of perception.

Director Stein asked if there is a deadline by which the final year agreement needs to be acted on. Mr. Nonnenmacher said the deadline was October 31, 2011, however Brown Rudnick has extended the timeline as they are aware of the Board's concerns.

Director Stein said there was a paragraph in the letter enclosed in the package which merits consideration and reads "that the Authority should be mindful that any municipal services may not include the solicitation of others". He said that does not refer to direct lobbying but refers to influencing municipalities to then encourage the legislature to act in a certain direction. Director Stein said he believes before this is taken on by the full Board it should be discussed at the Policy & Procedures Committee level.

MOTION TO TABLE THE MUNICIPAL GOVERNMENT LIAISON SERVICES DISCUSSION TO THE POLICIES & PROCUREMENT COMMITTEE

Director Stein made a motion to table this item for discussion at the Policies & Procurement Committee. Director Bingham seconded the motion to table.

The motion previously made and seconded to table was approved by roll call. Director Bingham, Director Damer, Director Kelly, and Director Stein voted yes. Director Griswold and Director Martland voted no.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold		X	
Dot Kelly	X		
Ted Martland		X	
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

PRESIDENT'S REPORT

Mr. Kirk said all CRRA facilities and contracted facilities operated safely and without environmental or health impact this period. He said first quarter financial numbers are in. Mr. Kirk said

the Mid-Conn reports shows a non-substantial surplus for the year end but cautioned that it is still rather early in the year. He said revenue notables include below budget electric revenues due to extended turbine outages. Mr. Kirk said operational performances continue to exceed last years despite higher operational costs. He said CRRA is behind budget for the pilot due to two issues; more tons have been processed, and the assumption of a COLA which turned out to be insufficient.

Mr. Kirk said as expected the Southeast first quarter projections show a modest surplus with favorable numbers throughout. Mr. Kirk said recycling financials are favorable for the quarter although that will be changing in the coming months. Mr. Kirk explained commodities recycling markets have crashed with tonnage dropping from \$155 a ton to about \$110 a ton almost overnight, similar to what happened in 2008. He said this is not unexpected and is due to dramatic changes in the Chinese market.

Mr. Kirk said processing tonnage is still below historical levels due to the sluggish economy. He said member deliveries are down as discounted and low priced spot continues. He said processing is favorable at Mid-Conn due to improved plant performance. Mr. Kirk said there is just barely an unfavorable electric production however; capacity utilization and reliability is up.

Mr. Kirk said that recycling deliveries growth has been pretty flat. He said the increase in the month to month annual growth in recycling may have flattened out as single stream has been up and running for some time. Mr. Kirk said the Southeast numbers are similar and SWEROC numbers are way down. He noted the SWEROC numbers are reduced due to the exit of several member towns from the project. Director Edwards asked if the tables which show that tonnage have been updated to reflect the towns which have exited the project. Mr. Kirk said he would ensure that change was made. Director Edwards said in actuality there is a 17% increase although the table shows a 29% decrease over all.

Mr. Kirk said concerning the MSA update there are a number of towns which are still in the process of evaluating the MSA. He said management has requested that those towns complete their evaluation by December 31, 2011, after which a decision about what will be available to the towns will be considered. Mr. Kirk said management expects to be able to offer Tier 1 after that date, so if there are late providers it is likely CRRA will be able to accommodate them. He said several towns in Massachusetts have expressed interest in coming to the plant; however management has let them know that consideration will not be taken until after December 31, 2011.

Mr. Kirk said transition is continuing at the Mid-Conn plant and CRRA is pleased with the improvement in its relationship with MDC. He said 33 employees elected to come over from MDC to work with CRRA's new contractor NEAS. Mr. Kirk said the vacancies which occurred as a result of some MDC employees electing not to work for NAES are currently being filled and CRRA expects to be fully staffed and ready to go on December 31, 2011.

Director Painter asked how many vacancies there are. Mr. Kirk replied about 25. He said the plan for staffing is less than the budget plan used by MDC by about 10 people. Mr. Kirk noted that MDC frequently ran the plant with half a dozen vacancies. He said that number is a target and may need to be adjusted up or downwards over time.

Mr. Kirk said CRRA's PPA is moving right along. He said wholesale electric prices are very soft currently as they are tied to gas prices. He noted the tentative date for the Special January Board meeting

to agree to the PPA agreement is January 19, 2012. Mr. Kirk said that date is 24 hours after the auction which is currently scheduled for January 18, 2012. Mr. Kirk said management is hopeful for an increase in pricing by the meeting date.

Director Griswold asked if there is any possibility of selling the electricity to a City such as Hartford. Mr. Kirk replied that the load curve of a municipality and CRRA's supply curve match very poorly. He said CRRA's supply curve is essentially flat while Hartford's use spikes during the day.

Director Stein asked what the drop in the recycling commodities market does to the proposed recycling rebate. Mr. Kirk said management looked at this from a best and worst possible angle before setting the floor. He said management assumes it will be about a \$6.00 rebate in a market such as this however they are very volatile prices.

Director Painter said he would like to know how much tonnage is shipped out of state and how much it costs CRRA. Mr. Kirk said the tonnage which is diverted from the plant is shipped to a number of pre-approved locations based on the lowest possible price for transportation and disposal. He said 120,000 tons of process residue routinely goes out of state under a long term contract for a favorable disposal price. Mr. Kirk said CRRA avoids exporting as much as possible by utilizing a pit management scheme which allows CRRA to take waste when it expects it to be generated and by keeping capacity utilization and the reliability of the boilers and plant up to be able to process quickly. He said during long outages CRRA typically steers the waste out of the transfer stations. Mr. Kirk said management will send Director Painter that information.

RESOLUTION REGARDING THREE YEAR PUBLIC RELATIONS SERVICES AGREEMENTS

Director Griswold requested a motion to place the above captioned item back on the table for discussion. Director Stein made the following motion which was seconded by Director Bingham.

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Public Relations Services Agreements as were substantially set forth in the Request for Qualifications dated September 26, 2011, for a period of three years commencing on January 1, 2012, and terminating on December 31, 2014, with the firms listed below. All firms will provide services "on call."

Strategic Persuasion Group LLC

Connecticut Economic Resource Center, Inc.

Coursey & Company

Duby McDowell Communications, LLC

The motion to put this item on the table for discussion was approved unanimously by roll call. Director Auletta, Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein and voted yes.

Directors	Aye	Nay	Abstain
Louis J. Auletta	X		
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

Mr. Nonnenmacher said the contracts before the Board are for no dollar value. He said CRRA has limited budgets on services such as these, which are used judiciously. Mr. Nonnenmacher said CRRA has services under three year contracts per its standard procedure. He said three firms have been under contract since January 1, 2009. Mr. Nonnenmacher said with those contracts coming to an end CRRA put out an RFQ earlier this year. He said after evaluating the responses to the RFP management is recommending that contracts be signed with four vendors.

Mr. Nonnenmacher said the vendors which are being recommended were selected because each has a specific expertise which may be of use to CRRA in the next three years. He said Strategic Persuasion Group LLC, has been under contract with CRRA for a number of years due to its expertise in NIMBY (not in my backyard), issue management, and web and graphic design services.

Mr. Nonnenmacher said Coursey & Company also has a substantial practice in NIMBY issues and is well versed in local issues in Connecticut. He said Duby McDowell Communications, LLC has expertise in media relations and media training.

MOTION TO TABLE THE MUNICIPAL GOVERNMENT LIAISON SERVICES DISCUSSION TO THE POLICIES & PROCUREMENT COMMITTEE

Director Griswold requested a motion to table the above captioned item. Director Bingham made the motion to table which was seconded by Director Kelly.

The motion previously made and seconded to table this item again was approved by roll call. Vice-Chairman Jarjura, Director Auletta, Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Vice-Chairman Jarjura	X		
Louis J. Auletta	X		
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING NERC ELECTRIC RELIABILITY STANDARDS COMPLIANCE SUPPORT SERVICES AGREEMENT

Director Griswold requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Director Stein.

RESOLVED: That the President is hereby authorized to increase, in the amount of \$8,000, the contract with SAIC Energy, Environmental & Infrastructures, LLC for professional services supporting CRRA’s compliance activities associated with the NERC Bulk Electric Reliability Standards, substantially as presented and discussed at this meeting.

Mr. Kirk said the North American Electric Reliability Corporation (hereinafter referred to as “NERC”) is the National Corporation charged with insuring and addressing reliability concerns as to how different generators, transmission operators, regional operators and consumers work together to manage the electric system such that reliability is a paramount goal and initiative.

Mr. Kirk said management is coming back to the Board for an additional \$8,000 on top of the previous approval for \$10,000 for SAIC energy and environmental infrastructure corporation which is CRRA’s consultant. He said SAIC assists CRRA in wading through the immense complicated, detailed, administrative burden of participating as a generator in a NERC system. Mr. Kirk said if CRRA wants to sell its power this compliance is required. He said CRRA does not have the capabilities to deal with the complexity of these standards in house.

Mr. Kirk said new reliability standards were introduced which changed the scope of work and added additional items for CRRA to perform. He said this is critically important so CRRA does not have interruptions in its reliability. Mr. Kirk said without NERC’s approval CRRA will not be able to sell its power or connect to the power grid.

Director Kelly asked management if this is an item which NAES be able to handle in the future. Mr. Kirk replied potentially. He NAES provides this service for many of its customers. Mr. Kirk said

management is investigating and evaluating using NAES for this, as well as for several other small projects. Mr. Kirk said this contract is on a billable hour's basis.

The motion previously made and seconded was approved unanimously by roll call. Vice-Chairman Jarjura, Director Auletta, Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Vice-Chairman Jarjura	X		
Louis J. Auletta	X		
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING RENEWAL OF HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE PROGRAMS

Director Griswold requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Vice-Chairman Jarjura.

RESOLVED: That the Board of Directors authorized the renewal of the employee health insurance benefit plans with Connecticare (medical), Ameritas (vision), MetLife (dental) and Lincoln Financial (life and disability), for the period of January 1, 2012 through December 31, 2012 for an estimated net combined premium of \$754,190.

Mr. Kirk introduced CRRA's consultant Kurtis Dennison of R.C. Knox. He said management is not recommending going out to bid for these services. Mr. Kirk said the negotiations by Mr. Dennison resulted in favorable results on the low end of what average increases are.

Director Stein said as municipal leaders he and Director Wawruck would be happy to get these rates. He said they have been paying 20-30-% a year. Director Stein said two years ago the rate was 35% and last year it was about 15%.

Mr. Bolduc said the Organizational Synergy & Human Resources Committee reviewed this subject at length and the contracts expire January 1, 2012, prior to which CRRA needs to hold open enrollment for its employees. Mr. Bolduc said management does its best to normalize the figures as the insurance carriers operate on a calendar year and CRRA operates on a fiscal year budget. Mr. Bolduc

said CRRA has fixed fee arrangements with its outside broker R.C. Knox. He said the carriers quote with commission which management then separates out.

Mr. Dennison said the renewal process is typically started 90-120 days prior to the renewal date. He said the initial renewal from Connecticare was for slightly over 9% in terms of total rate action for the coming year. Mr. Dennison said 9% falls right in the middle to the high end of trends for renewals. He said the benefits have been marketed for the last two years. He said the first year, based on the market findings with Connecticare, a savings of a couple of points were negotiated off that year's renewal. Mr. Dennison said last year the benefits were also marketed and a majority of the carriers were unwilling to provide CRRA with a competitive bid. He said this happens for two reasons, when the current plan is priced aggressively, and when the market gets the impression that a company is only looking for savings and is not interested in establishing a relationship with the carrier.

Mr. Dennison said marketing on an annual basis does not make sense as the carriers often do not typically start to realize any earning on that account until the second or third year. He said as the insurance programs are priced competitively within the market it was decided this year not to market the insurance. Mr. Dennison said he was able to negotiate the renewal prices down approximately 2.5% which is a very aggressive pricing point.

Director Kelly asked if the Organizational Synergy Human Resources Committee has reviewed the plan options to ensure they are offering what they should. Mr. Dennison replied yes. He said two years ago the Committee made some plan changes to help combat some of the rate changes while keeping in mind that the program needs to be competitive with its peers to attract and retain employees. Mr. Dennison said the benefit programs currently include three plan options with different pricing points from which the employees can select.

Director Griswold noted that Mr. Dennison switched from a commission basis to a fee basis this year which offered additional savings to CRRA. Mr. Kirk noted the Board had indicated a preference for a fee basis versus a commission bases for its insurance broker, a change Mr. Dennison was comfortable making.

Mr. Kirk said CRRA had made several plan changes two years ago in an effort to save premium costs for CRRA. He said benefits were trimmed, and there was some negative feedback from CRRA employees; however that is the reality of the market and the plan is both current and solid.

Mr. Dennison said the lines of coverage were also examined. He said CRRA switched to Met Life the year prior for a premium savings of 15%. Mr. Dennison said the numbers from Met Life were very aggressive last year as CRRA's employees substantially utilized the dental plan. He said the plan ultimately ran at a 120% loss ratio last year and as a result Met Life came back to CRRA for more than the trend increase, a 5-6% average. Mr. Dennison explained Met Life requested a 14.5% increase and was eventually negotiated down to 12.5%. He said this plan was also not marketed as this was a first year renewal with Met life and CRRA understands the plan is running over the projected loss ratio.

Mr. Dennison said the Committee found there was only one CRRA employee with total claims over \$2,000 in coverage. He said the current plan includes \$2,500 in coverage and most of the employees fall way beneath that figure in terms of coverage. Mr. Dennison said he worked with Met

Life to reduce that annual maximum down to \$1,750 per employee, or \$800 less than what it is in place, and in doing so an additional 4 points of premiums savings was achieved for a total premium renewal of 8.5%.

Mr. Bolduc said the challenge CRRA faces is that it does not fit a typical high end curve. He said due to high end contract administration more experienced and senior people are typically hired, who tend to require a different level of insurance. Mr. Bolduc said this leads to a challenge in marketing these insurance products.

The motion previously made and seconded was approved unanimously by roll call. Vice-Chairman Jarjura, Director Auletta, Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Vice-Chairman Jarjura	X		
Louis J. Auletta	X		
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING THREE YEAR PUBLIC RELATIONS SERVICES AGREEMENTS

Director Griswold requested a motion to place the above captioned item back on the table for consideration. Director Damer made the following motion which was seconded by Director Bingham.

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Public Relations Services Agreements as were substantially set forth in the Request for Qualifications dated September 26, 2011, for a period of three years commencing on January 1, 2012, and terminating on December 31, 2014, with the firms listed below. All firms will provide services “on call.”

Strategic Persuasion Group LLC

Connecticut Economic Resource Center, Inc.

Coursey & Company

Duby McDowell Communications, LLC

The motion to put this item on the table for discussion was approved unanimously by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein and voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

VOTE ON THE RESOLUTION REGARDING THREE YEAR PUBLIC RELATIONS SERVICES AGREEMENTS

Director Griswold requested a motion on the above captioned item. Director Damer made the following motion which was seconded by Director Bingham.

RESOLVED: That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Public Relations Services Agreements as were substantially set forth in the Request for Qualifications dated September 26, 2011, for a period of three years commencing on January 1, 2012, and terminating on December 31, 2014, with the firms listed below. All firms will provide services “on call.”

Strategic Persuasion Group LLC

Connecticut Economic Resource Center, Inc.

Coursey & Company

Duby McDowell Communications, LLC

Mr. Nonnenmacher said the vendors recommended by management were selected because each has a specific expertise which may be of use to CRRA in the next three years. He said everything these firms do for CRRA is on an RFS basis and is monitored strictly by management. Mr. Nonnenmacher said these services are used very judiciously. Director Damer asked Mr. Nonnenmacher to describe some typical services which have been provided in the past.

Mr. Nonnenmacher said there have been a couple of big projects that CRRA has used these services for. He said one large item was for the Franklin Ash Landfill Initiative. Mr. Nonnenmacher said from the perspective of a communication professional the lack of success with that initiative cannot be attributed to anything CRRA did. He said the other major initiative CRRA's public relations services has worked on is the advertising campaign with regard to recycling and single stream recycling which CRRA has been running for the last three to four years. Mr. Nonnenmacher said there has been a substantial increase in recycling tonnage during that time period due to single stream recycling education, marketing, and advertising public awareness efforts by CRRA.

Director Bingham asked for the total expenses for these services over the last few years. Mr. Nonnenmacher said he would provide him with those figures and placed the rough estimate at \$100,000-\$150,000 each year. Mr. Kirk said use of these services is typically under budget. Director Bingham asked where in the budget those figures were contained. Mr. Nonnenmacher said the large budget driver for public relations includes a communication services line in the CRRA and Mid-Conn budget.

Mr. Bolduc said there are different pieces of the public relations budget. He said there is \$75,000 for communications in the overall CRRA budget, \$50,000 within the Mid-Conn budget for communications, \$100,000 for recycling and education, and \$50,000 for the museum and education.

Director Damer asked if there are any upcoming substantial public relations projects which management expects a significant amount of time and funds to be devoted to. Mr. Kirk said he assumes a composting project will be developed using a communications plan much like the Franklin communications plan. He said despite efforts by opposition the Franklin initiative was successful in many ways.

Director Kelly said she wanted to be sure that CRRA utilizes these firms for their expertise but stays well in line in terms of not communicating directly or soliciting others to communicate with any official or staff in the legislative or executive branch of government. She said CRRA is a quasi-public agency for the purpose of influencing any legislative or administrative action. Mr. Nonnenmacher said that was a good point. He said any communication to the public is done by CRRA.

Director Stein asked how the work is authorized for these services once the firms are placed in the CRRA stable. Mr. Nonnenmacher said if there is an RFS for services which total more than \$50,000 or more, Board approval is required. He said if a contract or a series of RFS's are issued during the year, the RFS which puts that aggregate total for the year at \$50,000 has to come to the Board for approval.

Director Tillinger reminded the Board of a recent discussion on doing a better job of proactively positioning CRRA's value proportionate to the member towns and the public. He encouraged CRRA to design a strategy of how to achieve that goal and to create a project to utilize that expertise to allow CRRA to articulate what it does well and why its value proposition is compelling.

Mr. Bolduc said this resolution will establish a stable of qualified experts which CRRA can engage. He said the actual engagement is down the road and will follow the normal Board prescribed policy and procedures and will go through the appropriate committee. Mr. Bolduc said management does not spend any funds without going through the normal procurement process.

Director Stein asked for clarification on the monetary threshold for contractors within this stable. Ms. Hunt said CRRA's normal competitive procurement does not require Board approval for contracts under \$50,000. Ms. Hunt said anything over \$50,000 has to come to the Board for approval.

Director Stein asked if management had a project, whether under contract or not, would a competitive RFS be issued. Mr. Nonnenmacher said by having these contracts vetted now CRRA is obviating the need to repeat the competitive process. Director Stein asked if he was correct in saying if the firms were not under contract, management would have to go out to bid. Mr. Kirk said that was correct. He explained if it were under \$50,000 a firm could be used provided it had gone through the Board approved vetted process. He noted that often when CRRA gets a substantial project management may do a further internal RFP to get prices down even further. Director Stein asked if that was done on a task order basis or a time and material basis. Mr. Nonnenmacher said these types of services are typically time and expertise.

Director Griswold asked if Pita Communications is in the stable. Mr. Nonnenmacher replied no. He said CRRA has had the Pita Group under contract for six years however; in the last three to four years Pita has grown substantially and is seeking larger projects in a broader area than just Connecticut. Mr. Nonnenmacher said CRRA owns whatever work the communication companies do for items such as a website, mascot, and the accompanying rights.

Director Damer said the actual agreement which CRRA would sign for these services does contain a prohibition against lobbying services. Director Kelly said that she supports management's belief that CRRA may do well with image awareness efforts.

The motion previously made and seconded was approved unanimously by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein and voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

EXECUTIVE SESSION

Director Griswold requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and

evaluations with appropriate staff. The motion, made by Director Kelly and seconded by Director Bingham, was approved unanimously. Director Griswold asked the following people join the Directors in the Executive Session:

- Tom Kirk
- Jim Bolduc
- Laurie Hunt

The motion to move into Executive Session previously made and seconded was approved unanimously by roll call. Director Bingham, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Stein and voted yes.

Directors	Aye	Nay	Abstain
Ryan Bingham	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

The Executive Session began at 11:25 a.m. and concluded at 11:45 a.m. Director Griswold noted that no votes were taken in Executive Session.

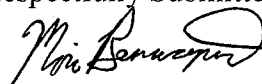
The meeting was reconvened at 11:45 a.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

ADJOURNMENT

Director Griswold requested a motion to adjourn the meeting. The motion to adjourn was made by Director Kelly and seconded by Director Damer and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 11:46 a.m.

Respectfully Submitted,



Moira Benacquista
Board Secretary/Paralegal

TAB 2

**REGARDING THE ADOPTION OF
THE FISCAL YEAR 2013 AUTHORITY
OPERATING AND CAPITAL BUDGETS**

RESOLVED: That the fiscal year 2013 Authority Operating and Capital Budgets be approved substantially in the form as presented and discussed at this meeting.

Proposed Fiscal Year 2013 The Authority Operating and Capital Budgets

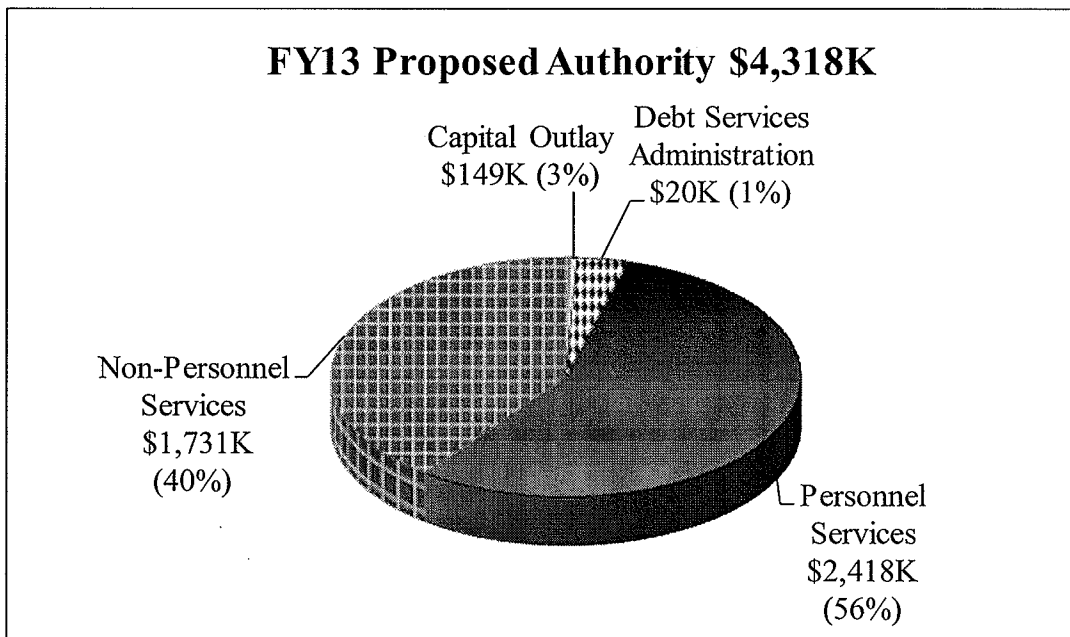
December 22, 2011

Attached are the proposed fiscal year 2013 Authority operating and capital budgets and a five year capital improvement plan.

EXECUTIVE SUMMARY

- The fiscal year 2013 proposed operating budget totals \$4.318M, reflecting an increase of \$17K or 0.4% from fiscal year 2012 adopted budget primarily due to an increase in Personnel Services related to a change in the allocation methodology for direct labor and benefits charges and anticipated increases in salaries and benefits.

Expenditures	Adopted		Proposed		Increase / Decrease	
	FY12	FY13	FY12	FY13	\$	%
Personnel Services	\$ 2,280,000	\$ 2,418,000	\$ 2,280,000	\$ 2,418,000	\$ 138,000	6.1%
Non-Personnel Services	\$ 1,783,000	\$ 1,731,000	\$ 1,783,000	\$ 1,731,000	\$ (52,000)	-2.9%
Debt Services Administration	\$ 98,000	\$ 20,000	\$ 98,000	\$ 20,000	\$ (78,000)	-79.6%
Capital Outlay	\$ 140,000	\$ 149,000	\$ 140,000	\$ 149,000	\$ 9,000	6.4%
TOTAL	\$ 4,301,000	\$ 4,318,000	\$ 4,301,000	\$ 4,318,000	\$ 17,000	0.4%



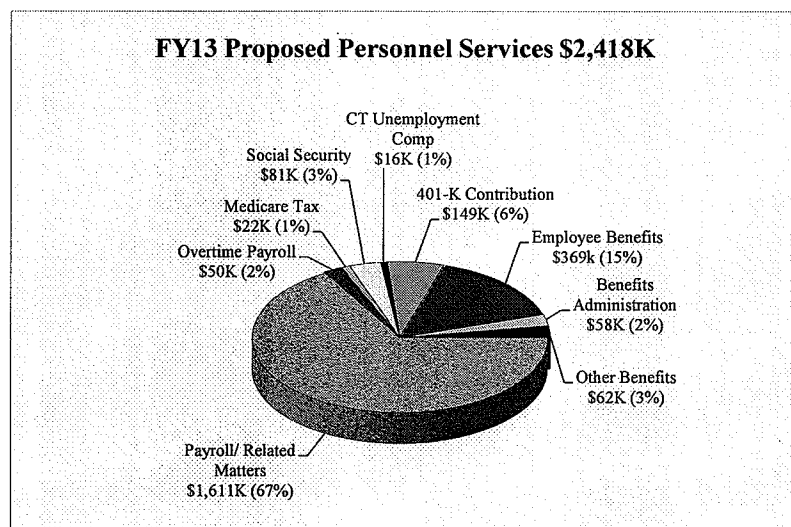
- The fiscal year 2013 proposed capital budget totals \$149K, reflecting an increase of \$9K or 6% from fiscal year 2012 adopted capital budget.

Capital Outlay (in \$000s)	Adopted		Proposed		Increase/Decrease	
	FY12	FY13	FY12	FY13	\$	%
Vehicles	\$ 25	\$ 25	\$ 25	\$ 25	\$ -	0%
Office Furniture	\$ 9	\$ -	\$ -	\$ -	\$ (9)	-100%
Computer Hardware	\$ 86	\$ 86	\$ 86	\$ 86	\$ -	0%
Computer Software	\$ 20	\$ 18	\$ 18	\$ 18	\$ (2)	-10%
Contingency	\$ -	\$ 20	\$ 20	\$ 20	\$ 20	0%
TOTAL	\$ 140	\$ 149	\$ 149	\$ 149	\$ 9	6%

I. PERSONNEL SERVICES

The fiscal year 2013 proposed Personnel Services is higher than fiscal year 2012 adopted budget by \$138K or 6% due to a refinement in the allocation methodology and anticipated increases in salaries and benefits.

Personnel Services (in \$000s)	Adopted		Proposed		Increase/Decrease	
	FY12	FY13	FY12	FY13	\$	%
Payroll/ Related Matters	\$ 1,494	\$ 1,611	\$ 1,494	\$ 1,611	\$ 117	8%
Overtime Payroll	\$ 51	\$ 50	\$ 50	\$ 50	\$ (1)	-2%
Medicare Tax	\$ 27	\$ 22	\$ 22	\$ 22	\$ (5)	-19%
Social Security	\$ 99	\$ 81	\$ 81	\$ 81	\$ (18)	-18%
CT Unemployment Comp	\$ 25	\$ 16	\$ 16	\$ 16	\$ (9)	-36%
401-K Contribution	\$ 149	\$ 149	\$ 149	\$ 149	\$ -	0%
Employee Benefits	\$ 318	\$ 369	\$ 369	\$ 369	\$ 51	16%
Benefits Administration	\$ 53	\$ 58	\$ 58	\$ 58	\$ 5	9%
Other Benefits	\$ 64	\$ 62	\$ 62	\$ 62	\$ (2)	-3%
TOTAL	\$ 2,280	\$ 2,418	\$ 2,418	\$ 2,418	\$ 138	6%



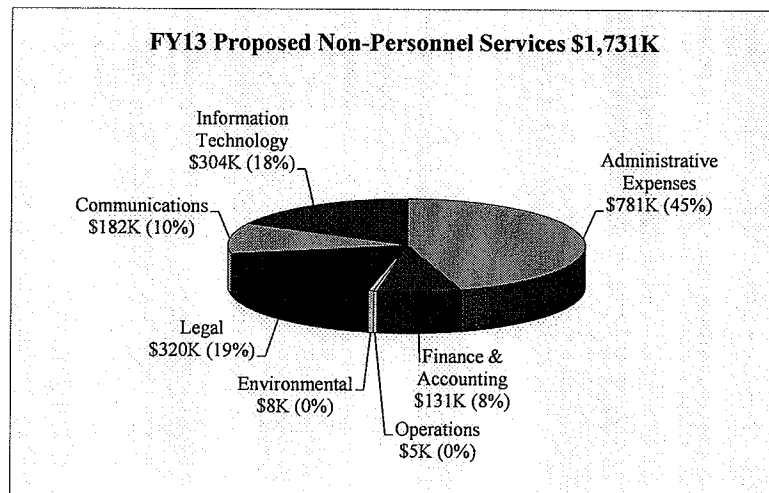
- Direct costs associated with payroll, 401K contribution, and employee benefits are allocated directly to projects/cost centers.

II. NON-PERSONNEL SERVICES

Non-Personnel Services budget is lower than fiscal year 2012 adopted budget by \$52K or 3% primarily due to a decrease in Information Technology.

Non-Personnel Services include both non-departmental and departmental items.

Non-Personnel Services in (\$000s)	Adopted	Proposed	Increase/(Decrease)	
	FY12	FY13	\$	%
Non-Personnel Administrative Expenses	\$ 782	\$ 781	\$ (1)	0%
Finance & Accounting	\$ 137	\$ 131	\$ (6)	-4%
Operations	\$ 8	\$ 5	\$ (3)	-38%
Environmental	\$ 10	\$ 8	\$ (2)	-20%
Legal	\$ 318	\$ 320	\$ 2	1%
Communications	\$ 179	\$ 182	\$ 3	2%
Information Technology	\$ 349	\$ 304	\$ (45)	-13%
Total	\$ 1,783	\$ 1,731	\$ (52)	-3%



- None-Personnel Administrative budget is relatively flat to fiscal year 2012 adopted budget.
- Finance & Accounting budget is lower than fiscal year 2012 adopted budget by \$6K or 4% primarily due to a decrease in training.
- Operations budget is lower than fiscal year 2012 adopted budget by \$3K or 38% primarily due to decreases in subscription/reference material and training.
- Environmental budget is relatively flat to fiscal year 2012 adopted budget.
- Legal budget is relatively flat to fiscal year 2012 adopted budget.
- Communications budget is higher than fiscal year 2012 adopted budget by \$3K or 2% due to increases in subscription/reference material and business meetings and travel.

- Information Technology budget is lower than fiscal year 2012 adopted budget by \$45K or 13% due to decreases in telecommunications, copier, and consulting services.

III. DEBT SERVICE / ADMINISTRATION

Debt Service/Administration refers to the Authority's debt service payments for relocating its headquarters to 100 Constitution Plaza.

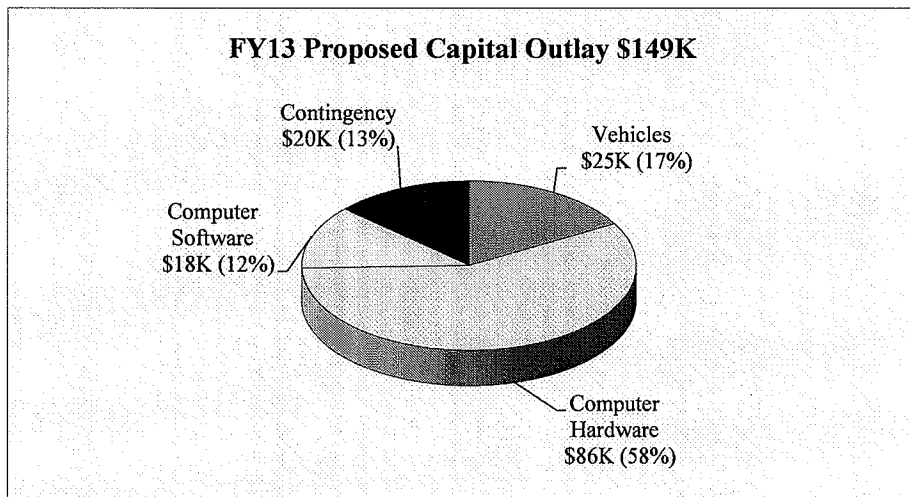
Debt Service in (\$000s)	Adopted		Proposed		Increase/(Decrease)	
	FY12	FY13	\$	%		
Note Repayment	\$ 82	\$ -	\$ (82)	-100%		
Interest - Loan	\$ 2	\$ -	\$ (2)	-100%		
Trustee / Bank Fees	\$ 15	\$ 20	\$ 5	33%		
TOTAL	\$ 98	\$ 20	\$ (78)	-80%		

- Loan will be fully-paid in March 2012.
- Trustee / Bank Fees is higher than fiscal year 2012 adopted budget by \$5k or 33% due to continued depressed market earnings rate, resulting in higher bank fees.

IV. CAPITAL BUDGET

Capital Outlay includes the purchase/maintenance of new vehicles and the upgrade/maintenance of computer hardware and software.

Capital Outlay is higher than fiscal year 2012 adopted budget by \$9K or 6% primarily due to an increase in Contingency.



- Vehicles remain flat to fiscal year 2012 adopted budget.
- Computer Hardware remains flat to fiscal year 2012 adopted budget.
- Computer Software is lower than fiscal year 2012 adopted budget by \$2K or 10% due to a decrease in software upgrade.

The table below shows the proposed Five-Year Capital Outlay.

Capital Budget	Actual FY11	Adopted FY12	Proposed FY13	Projected FY14	Projected FY15	Projected FY16	Projected FY17
Trucks	\$ -	\$ 25	\$ 25	\$ 25	\$ 50	\$ 50	\$ 50
Cars	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Vehicles	\$ 18	\$ 25	\$ 25	\$ 25	\$ 50	\$ 50	\$ 50
Personal Computers / Laptops	\$ 8	\$ 52	\$ 52	\$ 35	\$ 8	\$ 8	\$ 54
Servers	\$ 30	\$ 8	\$ 8	\$ 4	\$ 12	\$ 6	\$ 6
Routers / Switches	\$ 10	\$ 2	\$ 2	\$ -	\$ 25	\$ 1	\$ 1
Miscellaneous Hardware	\$ 21	\$ 25	\$ 25	\$ 50	\$ 21	\$ 23	\$ 23
Subtotal Computer Hardware	\$ 69	\$ 86	\$ 86	\$ 89	\$ 66	\$ 37	\$ 83
Desktop Software	\$ 25	\$ 3	\$ -	\$ 2	\$ 18	\$ 2	\$ 2
Server Software	\$ 20	\$ 8	\$ 8	\$ 15	\$ 5	\$ 5	\$ 5
Miscellaneous Software	\$ 25	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
Subtotal Computer Software	\$ 70	\$ 20	\$ 18	\$ 27	\$ 33	\$ 17	\$ 17
Contingency	\$ -	\$ -	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Subtotal Contingency	\$ -	\$ -	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Total Expenditures	\$ 157	\$ 131	\$ 149	\$ 161	\$ 169	\$ 124	\$ 170
Funding Source *	\$ 157	\$ 131	\$ 149	\$ 161	\$ 169	\$ 124	\$ 170
Additional Funding Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
* Operating budget							

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURE AND ALLOCATION SUMMARY

EXPENDITURES

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
01-001-501-xxxxx	Personnel Services	\$ 2,418,163	\$ 2,280,000	\$ 2,418,000
	Non-Personnel Administrative Expenses	\$ 742,757	\$ 782,000	\$ 781,000
	Finance & Accounting	\$ 117,143	\$ 137,000	\$ 131,000
	Operations	\$ 5,329	\$ 8,000	\$ 5,000
	Environmental	\$ 5,019	\$ 10,000	\$ 8,000
	Legal	\$ 232,193	\$ 318,000	\$ 320,000
	Communications	\$ 27,060	\$ 179,000	\$ 182,000
	Information Technology	\$ 203,443	\$ 349,000	\$ 304,000
01-001-xxx-xxxxx	Subtotal	\$ 1,332,944	\$ 1,783,000	\$ 1,731,000
01-001-501-xxxxx	Debt Service/Administration	\$ 129,322	\$ 98,000	\$ 20,000
01-001-501-xxxxx	Capital Outlay	\$ 55,498	\$ 140,000	\$ 149,000
	Total Expenditures	\$ 3,935,927	\$ 4,301,000	\$ 4,318,000 0.40%

REVENUE REQUIREMENTS ALLOCATION

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
01-001-000-48101	Mid-Connecticut (July 12-November 15, 12)	\$ 2,941,614	\$ 3,106,000	\$ 1,285,000
01-001-000-xxxxx	CSWS (November 16, 2012- June 2013)	\$ -	\$ -	\$ 2,114,000
01-001-000-48102	Bridgeport	\$ 21,823	(A)	(A)
01-001-000-48103	Wallingford	\$ 106,253	\$ 110,000	(B)
01-001-000-48104	Southeast	\$ 89,794	\$ 55,000	\$ 60,000
01-001-000-48105	Jets	\$ 42,082	\$ 37,000	\$ 48,000
01-001-000-48106	Southwest Division	\$ 535,615	\$ 386,000	\$ 420,500
01-001-000-48107	Trash Museum	\$ -	\$ 44,000	\$ -
01-001-000-48108	Recycling Division	\$ 55,497	\$ 222,000	\$ 111,000
01-001-000-48109	Landfill Division	\$ 31,876	\$ 34,000	\$ 43,000
01-001-000-48110	Property Division	\$ 110,104	\$ 294,000	\$ 235,000
01-001-000-48111	Garbage Museum	\$ -	\$ 10,000	(C)
01-001-000-46101	Interest Income	\$ 1,269	\$ 3,000	\$ 1,500
	Total Allocations	\$ 3,935,927	\$ 4,301,000	\$ 4,318,000
	Balance	\$ -	\$ -	\$ -

(A) Project ended 12/31/08; FY11 Actual reflects residual costs.

(B) Project ended 06/30/10.

(C) Project ended 06/30/11.

n/a = Not Applicable

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURES DETAIL

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
PERSONNEL SERVICES				
01-001-501-51110	Payroll/ Related Matters	\$ 1,811,487	\$ 1,494,000	\$ 1,611,000
01-001-501-51120	Overtime Payroll	\$ 80,141	\$ 51,000	\$ 50,000
01-001-501-51220	Medicare Tax	\$ 20,632	\$ 27,000	\$ 22,000
01-001-501-51221	Social Security	\$ 79,326	\$ 99,000	\$ 81,000
01-001-501-51222	CT Unemployment Comp	\$ 7,427	\$ 25,000	\$ 16,000
01-001-501-51223	401-K Contribution	\$ 131,933	\$ 149,000	\$ 149,000
01-001-501-51227	Employee Benefits	\$ 232,059	\$ 318,000	\$ 369,000
01-001-501-51235	Benefits Administration	\$ 22,812	\$ 53,000	\$ 58,000
01-001-501-51250	Other Benefits	\$ 32,346	\$ 64,000	\$ 62,000
	Subtotal Personnel Services	\$ 2,418,163	\$ 2,280,000	\$ 2,418,000

n/a = Not Applicable

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
NON-PERSONNEL SERVICES - SUMMARY				
01-001-xxx-52101	Postage and Delivery Fees	\$ 11,892	\$ 22,000	\$ 18,000
01-001-xxx-52104	Telecommunications	\$ 73,406	\$ 106,000	\$ 91,000
01-001-xxx-52106	Copier	\$ 15,365	\$ 20,000	\$ 14,000
01-001-xxx-52108	Printing Services	\$ 5,225	\$ 7,000	\$ 7,000
01-001-xxx-52115	Advertising / Legal Notices	\$ 18,681	\$ 15,000	\$ 19,500
01-001-xxx-52118	Communications Services	\$ 19,971	\$ 75,000	\$ 75,000
01-001-xxx-52202	Office Supplies	\$ 22,265	\$ 30,000	\$ 30,000
01-001-xxx-52211	Protect Clothing/Safety Equipment	\$ 4,284	(D)	(D)
01-001-xxx-52302	Miscellaneous Services	\$ 8,458	\$ 13,000	\$ 13,000
01-001-xxx-52303	Subscript/Publ/Ref. Material	\$ 20,895	\$ 23,200	\$ 26,400
01-001-xxx-52304	Dues-Professional Organizations	\$ 5,651	\$ 9,200	\$ 8,500
01-001-xxx-52305	Business Meetings and Travel	\$ 4,989	\$ 10,100	\$ 9,600
01-001-xxx-52306	Training	\$ 5,001	\$ 39,500	\$ 31,500
01-001-501-52310	Payroll Software Services	\$ 11,921	\$ 15,000	\$ 15,500
01-001-501-52315	Record Retention	\$ 13,447	\$ 12,000	\$ 14,000
01-001-xxx-52355	Mileage Reimbursement	\$ 5,166	\$ 11,100	\$ 9,800
01-001-xxx-52401	Vehicle Repair/Maintenance	\$ 671	\$ 3,000	\$ 3,300
01-001-xxx-52403	Office Equipment Service	\$ 2,666	\$ 2,000	\$ 3,000
01-001-xxx-52404	Building Operations	\$ 11,881	\$ 20,000	\$ 20,500
01-001-xxx-52505	Claims/Losses	\$ 2,795	\$ 2,000	\$ 3,000
01-001-xxx-52604	Rental/Lease	\$ 334,075	\$ 363,000	\$ 371,700
01-001-xxx-52612	Fuel	\$ 2,815	\$ 10,000	\$ 3,000
01-001-xxx-52615	Temporary Agency Services	\$ 104,706	\$ 123,950	\$ 127,500
01-001-xxx-52640	Insurance Premiums	\$ 149,006	\$ 75,000	\$ 80,000
01-001-xxx-52853	Information Technology - Consult	\$ 47,380	\$ 55,000	\$ 55,000
01-001-xxx-52854	Information Technology - Maint	\$ 58,248	\$ 81,700	\$ 82,700
01-001-xxx-52856	Legal	\$ 219,814	\$ 300,000	\$ 300,000
01-001-xxx-52863	Operational Auditing	\$ 87,361	\$ 79,000	\$ 79,000
01-001-xxx-52875	Insurance Consulting and Brokerage Services	\$ 9,000	\$ 8,000	\$ 9,000
01-001-xxx-52899	Engineering & Technology Consulting Services	\$ 55,909	\$ 227,500	\$ 202,500
01-001-xxx-55585	Bank/Trustee Fees	\$ -	\$ -	\$ -
01-001-xxx-58001	Contingency	\$ -	\$ 24,750	\$ 8,000
Subtotal		\$ 1,332,944	\$ 1,783,000	\$ 1,731,000

(D) Revised to be charged directly to MC project.

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
NON-PERSONNEL SERVICES - ADMINISTRATIVE EXPENSES				
01-001-501-52101	Postage and Delivery Fees	\$ 11,892	\$ 22,000	\$ 18,000
01-001-501-52108	Printing Services	\$ 3,660	\$ 5,000	\$ 5,000
01-001-501-52115	Advertising/Legal Notices	\$ 17,619	\$ 10,000	\$ 12,500
01-001-501-52202	Office Supplies	\$ 22,265	\$ 30,000	\$ 30,000
01-001-501-52302	Miscellaneous Services	\$ 8,458	\$ 13,000	\$ 13,000
01-001-501-52305	Business Meetings and Travel	\$ 1,511	\$ 2,000	\$ 2,000
01-001-501-52310	Payroll Software Services	\$ 11,921	\$ 15,000	\$ 15,500
01-001-501-52315	Record Retention	\$ 13,447	\$ 12,000	\$ 14,000
01-001-501-52355	Mileage Reimbursement	\$ 3,076	\$ 6,500	\$ 5,000
01-001-501-52401	Vehicle Repair/Maintenance	\$ 671	\$ 3,000	\$ 3,300
01-001-501-52403	Office Equipment Service	\$ 2,666	\$ 2,000	\$ 3,000
01-001-501-52404	Building Operations (includes Parking)	\$ 11,881	\$ 20,000	\$ 20,500
01-001-501-52505	Claims/Losses	\$ 2,795	\$ 2,000	\$ 3,000
01-001-501-52604	Rental/Lease	\$ 334,075	\$ 363,000	\$ 371,700
01-001-501-52612	Fuel for Vehicles	\$ 2,815	\$ 10,000	\$ 3,000
01-001-501-52615	Temporary Agency Services	\$ 104,706	\$ 123,950	\$ 127,500
01-001-501-52640	Insurance Premiums	\$ 149,006	\$ 75,000	\$ 80,000
01-001-501-52875	Insurance Consulting and Brokerage Services	\$ 9,000	\$ 8,000	\$ 9,000
01-001-501-52899	Engineering & Technology Consulting Services	\$ 31,293	\$ 40,000	\$ 40,000
01-001-501-58001	Contingency	\$ -	\$ 19,550	\$ 5,000
	Subtotal Administrative Expenses	\$ 742,757	\$ 782,000	\$ 781,000
NON-PERSONNEL SERVICES - FINANCE & ACCOUNTING				
01-001-510-52108	Printing Services	\$ 1,565	\$ 2,000	\$ 2,000
01-001-510-52115	Advertising - Recruitment	\$ 1,062	\$ 5,000	\$ 7,000
01-001-510-52303	Subscript/Publ/Ref. Material	\$ 6,212	\$ 8,000	\$ 9,000
01-001-510-52304	Dues-Professional Organizations	\$ 2,858	\$ 3,000	\$ 3,000
01-001-510-52305	Business Meetings and Travel	\$ 428	\$ 2,000	\$ 1,000
01-001-510-52306	Training	\$ 800	\$ 14,500	\$ 7,500
01-001-510-52355	Mileage Reimbursement	\$ 1,312	\$ 1,500	\$ 1,500
01-001-510-52863	Auditing Services	\$ 87,361	\$ 79,000	\$ 79,000
01-001-510-52899	Engineering & Technology Consulting Services	\$ 15,545	\$ 20,000	\$ 20,000
01-001-510-58001	Contingency	\$ -	\$ 2,000	\$ 1,000
	Subtotal Finance & Accounting	\$ 117,143	\$ 137,000	\$ 131,000

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
NON-PERSONNEL SERVICES - OPERATIONS				
01-001-511-52211	Protect Clothing/Safety Equipment	\$ 4,284	(D)	(D)
01-001-511-52303	Subscript/Publ/Ref. Material	\$ 175	\$ 1,100	\$ 300
01-001-511-52304	Dues-Professional Organizations	\$ 870	\$ 1,200	\$ 1,000
01-001-511-52305	Business Meetings and Travel	\$ -	\$ 1,000	\$ 1,000
01-001-511-52306	Training	\$ -	\$ 3,000	\$ 2,000
01-001-511-52355	Mileage Reimbursement	\$ -	\$ 500	\$ 200
01-001-511-58001	Contingency	\$ -	\$ 1,200	\$ 500
	Subtotal Operations	\$ 5,329	\$ 8,000	\$ 5,000
NON-PERSONNEL SERVICES - ENVIRONMENTAL				
01-001-512-52303	Subscript/Publ/Ref. Material	\$ 1,799	\$ 2,000	\$ 2,000
01-001-512-52304	Dues-Professional Organizations	\$ 1,328	\$ 2,500	\$ 2,000
01-001-512-52305	Business Meetings and Travel	\$ 227	\$ 2,000	\$ 1,000
01-001-512-52306	Training	\$ 1,595	\$ 2,000	\$ 2,000
01-001-512-52355	Mileage Reimbursement	\$ 70	\$ 500	\$ 500
01-001-512-58001	Contingency	\$ -	\$ 1,000	\$ 500
	Subtotal Environmental	\$ 5,019	\$ 10,000	\$ 8,000
NON-PERSONNEL SERVICES - LEGAL				
01-001-513-52303	Subscript/Publ/Ref. Material	\$ 11,689	\$ 10,000	\$ 12,000
01-001-513-52304	Dues-Professional Organizations	\$ 260	\$ 1,500	\$ 1,500
01-001-513-52305	Business Meetings and Travel	\$ 322	\$ 500	\$ 1,000
01-001-513-52306	Training	\$ -	\$ 5,000	\$ 5,000
01-001-513-52355	Mileage Reimbursement	\$ 108	\$ 1,000	\$ 500
01-001-513-52856	Legal	\$ 219,814	\$ 300,000	\$ 300,000
	Subtotal Legal	\$ 232,193	\$ 318,000	\$ 320,000

(D) Revised to be charged directly to MC project.

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
NON-PERSONNEL SERVICES - COMMUNICATIONS				
01-001-514-52118	Communications Services	\$ 19,971	\$ 75,000	\$ 75,000
01-001-514-52303	Subscript/Publ/Ref. Material	\$ 1,020	\$ 2,000	\$ 3,000
01-001-514-52304	Dues-Professional Organizations	\$ 335	\$ 1,000	\$ 1,000
01-001-514-52305	Business Meetings and Travel	\$ 2,501	\$ 2,500	\$ 3,500
01-001-514-52306	Training	\$ 139	\$ 5,000	\$ 5,000
01-001-514-52355	Mileage Reimbursement	\$ 600	\$ 1,000	\$ 2,000
01-001-514-52899	Other Consulting Services	\$ 2,494	\$ 91,500	\$ 91,500
01-001-514-58001	Contingency	\$ -	\$ 1,000	\$ 1,000
	Subtotal Communications	\$ 27,060	\$ 179,000	\$ 182,000
NON-PERSONNEL SERVICES - INFORMATION TECHNOLOGY				
01-001-515-52104	Telecommunications	\$ 73,406	\$ 106,000	\$ 91,000
01-001-515-52106	Copier	\$ 15,365	\$ 20,000	\$ 14,000
01-001-515-52303	Subscript/Publ/Ref. Material	\$ -	\$ 100	\$ 100
01-001-515-52305	Business Meetings and Travel	\$ -	\$ 100	\$ 100
01-001-515-52306	Training	\$ 2,467	\$ 10,000	\$ 10,000
01-001-515-52355	Mileage Reimbursement	\$ -	\$ 100	\$ 100
01-001-515-52853	Information Technology - Consultant	\$ 47,380	\$ 55,000	\$ 55,000
01-001-515-52854	Information Technology - Maintenance	\$ 58,248	\$ 81,700	\$ 82,700
01-001-515-52899	Engineering & Technology Consulting Services	\$ 6,577	\$ 76,000	\$ 51,000
	Subtotal Information Technology	\$ 203,443	\$ 349,000	\$ 304,000

THE AUTHORITY OPERATING & CAPITAL BUDGETS

EXPENDITURES DETAIL, CONTINUED

Account	Description	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
CAPITAL OUTLAY				
01-001-501-54426	Vehicles	\$ 18,499	\$ 25,000	\$ 25,000
01-001-501-54481	Office Furniture	\$ -	\$ 9,000	\$ -
01-001-501-54482	Computer Hardware	\$ 28,612	\$ 86,000	\$ 86,000
01-001-501-54483	Computer Software	\$ 8,387	\$ 20,000	\$ 18,000
01-001-501-58001	Contingency	\$ -	\$ -	\$ 20,000
	Subtotal Capital Outlay	\$ 55,498	\$ 140,000	\$ 149,000
DEBT SERVICE / ADMINISTRATION				
01-001-501-55559	Note Repayment (E)	\$ 107,500	\$ 81,500	\$ -
01-001-501-55590	Interest - Loan (E)	\$ 314	\$ 1,500	\$ -
01-001-501-55585	Trustee / Bank Fees	\$ 21,508	\$ 15,000	\$ 20,000
	Subtotal Debt Service/Administration	\$ 129,322	\$ 98,000	\$ 20,000
	Total Expenditures	\$ 3,935,927	\$ 4,301,000	\$ 4,318,000

(E) Loan for second office relocation from 17 & 18 floors to 5th & 6th floors at 100 Constitution Plaza.
Loan will be fully-paid in March 2012.

TAB 3

**REGARDING THE ADOPTION OF
THE FISCAL YEAR 2013 RECYCLING DIVISION
OPERATING BUDGET**

RESOLVED: That the fiscal year 2013 Recycling Division Operating Budget be adopted substantially in the form as presented and discussed at this meeting.

Proposed Fiscal Year 2013 Recycling Division Operating Budget

December 15, 2011

EXECUTIVE SUMMARY

Attached is the fiscal year 2013 proposed operating budget of \$1,061k, reflecting an increase of \$180k (20%) from fiscal year 2012 adopted budget.

- The proposed budget assumes approximately 23k tons of recyclables.
- The proposed hauling fee includes anticipated fuel surcharge of \$1.20 per ton.

REVENUE ASSUMPTIONS

The fiscal year 2013 proposed budget revenue is higher than fiscal year 2012 adopted budget primarily due to an increase in the Use of Prior Year's Surplus.

Revenues (in \$000s)	Adopted	Proposed	Increase / Decrease	
	FY12	FY13	\$	%
Recycling Sales	\$ 698	\$ 704	\$ 6	1%
Use of Prior Year's Surplus	\$ 127	\$ 357	\$ 230	181%
Use of Board Designated Reserve	\$ 56	\$ -	\$ (56)	-100%
TOTAL	\$ 881	\$ 1,061	\$ 180	20%

- Recycling Sales (Increase of \$6k or 1%)
The proposed Recycling Sales revenue is higher than fiscal year 2012 adopted budget due to an increase in per ton revenue share.
- Use of Prior Year's Surplus (Increase of \$230k or 100%+)
The proposed Use of Prior Year's Surplus reflects the use of fiscal year 2011 operating surplus.

EXPENDITURE ASSUMPTIONS

The fiscal year 2013 proposed budget expenditure is higher than fiscal year 2012 adopted budget due to increases in temporary agency services, contract hauling, and salaries/labor and benefits allocation.

Expenditures (in \$000s)	Adopted	Proposed	Increase / Decrease	
	FY12	FY13	\$	%
Telecommunications	\$ 3	\$ 3	\$ -	0%
Mileage Reimbursement	\$ -	\$ 1	\$ 1	100%
Building Operations	\$ 30	\$ 30	\$ -	0%
Other Repairs and Maintenance	\$ 20	\$ 20	\$ -	0%
Grounds Maintenance	\$ 2	\$ 2	\$ -	0%
Fees/Licenses/Permits	\$ 5	\$ 5	\$ -	0%
Temporary Agency Services	\$ -	\$ 50	\$ 50	100%
Insurance Premium	\$ 13	\$ 14	\$ 1	8%
PILOT	\$ 10	\$ 10	\$ -	0%
Contract Operating Charges	\$ 270	\$ 278	\$ 8	3%
Contract Hauling-Other	\$ 270	\$ 320	\$ 50	19%
Electricity	\$ 20	\$ 44	\$ 24	120%
Other Utilities	\$ 4	\$ 5	\$ 1	25%
Local Administration	\$ 10	\$ 10	\$ -	0%
Indirect Salaries/Labor & Benefits	\$ 59	\$ 114	\$ 55	93%
Direct Salaries/Labor - Administration	\$ 35	\$ 52	\$ 17	49%
Direct Salaries/Labor & Benefits & Overhead	\$ 130	\$ 103	\$ (27)	-21%
TOTAL	\$ 881	\$ 1,061	\$ 180	20%

- Temporary Agency Services (\$50k or 100%)
The proposed Temporary Agency Services cover cost for a temporary employee to operate the scale.
- Contract Hauling (Increase of \$50k or 19%)
The proposed Contract Hauling is higher than fiscal year 2012 due to an increase in transportation fee based on contract escalator and anticipated fuel surcharge.

RECYCLING DIVISION

MEMBER TIP FEE

		ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
Tip Fees	Member Recyclables	\$ -	\$ -	\$ -

BUDGET ASSUMPTIONS

		ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
Delivery/Processing	CRRA Member Recyclables	33,680	22,700	22,700
Recycling Sales	Per Ton Revenue Sharing	\$ 53.34	\$ 30.75	\$ 31.00
Operating Charges	Operator Payment (per ton)	\$ 42.19	\$ -	\$ -
	Hauling (per ton)	\$ -	\$ 11.88	\$ 14.11

REVENUE & EXPENDITURE SUMMARY

ACCOUNT	DESCRIPTION	ACTUAL FY11	ADOPTED FY12	PROPOSED FY13
REVENUES				
61-001-000-42101	Recycling Sales	\$ 1,796,669	\$ 698,000	\$ 704,000
61-001-000-45101	Rental Income	\$ 534,115	\$ -	\$ -
61-001-000-48201	Use of Prior Year's Surplus	\$ -	\$ 127,000	\$ 357,000
61-001-000-48401	Use of Board Designated Reserve	\$ -	\$ 56,000	\$ -
	Total Revenues	\$ 2,330,784	\$ 881,000	\$ 1,061,000
ADMINISTRATIVE EXPENSES				
61-001-506-57871	Indirect Salaries/Labor & Benefits	(a) \$	59,000	\$ 114,000
61-001-506-xxxxx	Direct Salaries/Labor & Benefits - Administration	(a) \$	35,000	\$ 52,000
	Subtotal Administrative Expenses	\$ -	\$ 94,000	\$ 166,000
OPERATIONAL EXPENSES				
61-001-506-52104	Telecommunications	\$ 2,962	\$ 3,000	\$ 3,000
61-001-506-52105	Advertising	\$ 10,835	\$ -	\$ -
61-001-506-52355	Mileage Reimbursement	\$ 216	\$ -	\$ 1,000
61-001-506-52404	Building Operations	\$ 26,141	\$ 30,000	\$ 30,000
61-001-506-52409	Other Repairs and Maintenance	\$ -	\$ 20,000	\$ 20,000
61-001-506-52415	Grounds Maintenance	\$ -	\$ 2,000	\$ 2,000
61-001-506-52502	Fees/Licenses/Permits	\$ 3,750	\$ 5,000	\$ 5,000
61-001-506-52615	Temporary Agency Services	\$ -	\$ -	\$ 50,000
61-001-506-52640	Insurance Premium (b)	\$ 8,126	\$ 13,000	\$ 14,000
61-001-506-52507	PILOT (c)	\$ -	\$ 10,000	\$ 10,000
61-001-506-52701	Contract Operating Charges	\$ 1,619,283	\$ 270,000	\$ 278,000
61-001-506-52707	Contract Hauling-Other	\$ -	\$ 270,000	\$ 320,000
61-001-506-52710	Disposal Fees-Solid Waste	\$ 58,968	\$ -	\$ -
61-001-506-53304	Electricity	\$ 19,802	\$ 20,000	\$ 44,000
61-001-506-53309	Other Utilities	\$ 10,217	\$ 4,000	\$ 5,000
61-001-506-54482	Computer Hardware	\$ 1,480	\$ -	\$ -
61-001-506-57820	Local Administration	\$ 59,331	\$ 10,000	\$ 10,000
61-001-506-xxxxx	Direct Salaries/Labor & Benefits & Overhead	\$ 120,643	\$ 130,000	\$ 103,000
	Subtotal Operational Expenses	\$ 1,941,754	\$ 787,000	\$ 895,000
	Total Expenditures	\$ 1,941,754	\$ 881,000	\$ 1,061,000
	SURPLUS/(DEFICIT)	\$ 389,030	\$ -	\$ -

(a) Included in the Operational Expenses.

(b) Includes insurance for the exhibits \$750.00

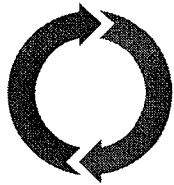
(c) PILOT has not been negotiated with the host city. Currently approximately \$120,000 is paid in taxes to the city by FCR for the entire site. CRRA's normal transfer station PILOT is \$0.50 per ton.

TAB 4

DRAFT RESOLUTION FOR CRRRA BOARD OF DIRECTORS

RESOLUTION REGARDING EXTENSION OF MUNICIPAL GOVERNMENT LIAISON SERVICES AGREEMENT

RESOLVED: That the President is hereby authorized to exercise the Authority's option to extend an agreement for municipal government liaison services with Brown Rudnick LLP for the period from January 1, 2012, through October 31, 2012, substantially as presented and discussed at this meeting.



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

CONNECTICUT'S RECYCLING LEADER

100 Constitution Plaza, 6th Floor
Hartford, CT 06103
Telephone: 860-757-7771 Fax: 860-727-4141

**PAUL NONNENMACHER
DIRECTOR OF PUBLIC AFFAIRS**

MEMORANDUM

To: CRRA Board of Directors

From: Paul Nonnenmacher

Date: December 14, 2011

Re: Municipal Government Liaison Services Agreement

At the CRRA Board meeting of November 17, 2011, the above-referenced contract was brought up for discussion, and at that time the Board asked that the matter be placed on the agenda of the Policies & Procurement Committee's December meeting for further consideration. The Policies & Procurement Committee discussed the matter at its meeting of December 8, 2011, and referred it to the full Board of Directors without any recommendation.

Recently there was some confusion over our solicitation for these services. This summer, operating under the assumption that our current contract for these services was about to expire, we issued a Request for Proposals to provide these services, and, after thoroughly evaluating the two responses to this RFP we received, recommended the awarding of a new contract for same. The technical evaluation of these two submittals is attached. It should be noted that while our present contractor did not seek an increase in its 2009 fee while the unsuccessful bidder proposed an annual fee 35 percent higher than that proposed by our present contractor.

Prior to seeking the Board's approval for this new contract, as required in the CRRA Procurement Policies & Procedures, we discovered that our original assumption was wrong and CRRA held an option to extend the agreement for another year, and management withdrew its request for Board action on this contract.

As you know, Connecticut General Statutes Section 1-101bb prohibits state and quasi-public agencies including CRRA from retaining a lobbyist. The Board therefore expressed concerns regarding the propriety of CRRA's contracting for any services from a firm that employs registered lobbyists.

While it is true that the firm that holds the existing contract to provide these services does employ registered lobbyists, and it is true that management was recommending the new contract be awarded to the same firm, management has taken careful steps to ensure that this contract leads to no actual or even implicit violation of Section 1-101bb:

- The Scope of Services in the existing contract and in the RFP includes this language: **"Since Connecticut statutes prohibit CRRA from retaining contract lobbyists, Consultant would be strictly prohibited from performing any legislative lobbying on CRRA's behalf."**
- Management sought the advice of the Office of State Ethics as to whether Section 1-101bb precludes the contracting of Municipal Government Liaison Services (letter attached). OSE's response (attached) affirmed CRRA's ability to award this contract, stating

- “§ 1-101bb does not preclude the Authority from contracting for municipal services with a law firm which provides lobbying services to other clients (but not to the Authority)” and
- “this office has previously provided general guidance in a staff opinion concluding that § 1-101bb does not prohibit a state or quasi-public agency from hiring an individual who happens to be a communicator lobbyist for other entities to perform non-lobbying services.”
- In any and all consultations with the contractor on any matter that may involve legislative action, both CRRA and the contractor are constantly mindful of the statutory prohibition and vigilant about ensuring that none of the services provided even approaches said prohibition. Both management and the contractor are jealous of their public perceptions and zealous in guarding them.

From time to time, CRRA has been questioned about its using these services to organize lobbying campaigns. While the contractor does communicate directly with the leaders of some cities and towns, **in no way does the contractor attempt, nor does management ask the contractor to attempt, to solicit municipal officials to lobby the General Assembly or the Executive Branch on CRRA’s behalf.**

In general, management is loath to spend money unless it is necessary. Managing relationships with the 96 cities and towns that contract with CRRA to dispose of their trash and recyclables, and in particular the communities that host CRRA facilities, is a challenge in even the best of circumstances. Despite the great strides CRRA has made in its relationships with its cities and towns – progress in which the Municipal Government Liaison Services contractor has been critical – some of our municipal relationships are still fractious. For these reasons, management believes contracting for Municipal Government Liaison Services is essential and respectfully requests the Board approve the exercising of our option to extend the existing contract for these services for one year.

**Connecticut Resources Recovery Authority
Contract Summary for Extension of Contract Entitled**

MUNICIPAL GOVERNMENT LIAISON SERVICES AGREEMENT

Presented to the CRRA Board on: December 22, 2011

Vendor/Contractor: Brown Rudnick LLP

Effective date: January 1, 2012

Term: January 1, 2012, through October 31, 2012

Contract type/subject matter: Agreement to provide municipal government liaison services

Facilities affected: All

Original contracts: November 1, 2009, through October 31, 2010; extended by CRRA at CRRA's option from November 1, 2010, through October 31, 2011

Contract extension dollar value: \$70,000 @ rate of \$7,000 per month

Source of funding: Funding is available in budget line 01-001-514-52899 (Authority Communications Engineering & Technology Consulting Services)

Scope of services: Provide insight and outreach related to CRRA's interactions with municipalities; act as a community liaison for CRRA to current and/or potential host communities; recommend ways to improve outreach to current and/or potential host communities; provide counsel to CRRA in meeting its critical goals related to host communities.

Other pertinent provisions: Since Connecticut statutes prohibit CRRA from retaining contract lobbyists, Consultant is strictly prohibited from performing any lobbying on CRRA's behalf.

TAB 5

**RESOLUTION REGARDING THE PURCHASE OF TWO
NEW SECONDARY SHREDDER 1250 HP MOTORS FOR
THE MID-CONNECTICUT WASTE PROCESSING
FACILITY**

RESOLVED: That the President is hereby authorized to execute an agreement with Associated Electro-Mechanics Inc. to purchase two new 1250 horsepower secondary shredder motors to be located at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Contract Entitled

Agreement to Purchase Two New Secondary Shredder Motors Rated to 1250 Horsepower

Presented to the CRRA Board on:	December 22, 2011
Vendor/ Contractor(s):	Associated Electro-Mechanics, Inc.
Effective date:	Upon Execution
Contract Type/Subject matter:	Equipment Supply
Facility (ies) Affected:	Mid-CT Waste Processing Facility
Original Contract:	NA
Term:	Upon acceptance of motor; approximately 240 days from Notice to Proceed
Contract Dollar Value:	\$440,800.00
Amendment(s):	NA
Term Extensions:	N/A
Scope of Services:	Purchase of two new secondary shredder 1250 HP motors for the Waste Processing Facility.
Budget Status	This purchase will be funded from the Mid-Connecticut Facility Modification Reserve in FY 2012. Although only one motor purchase was specifically contemplated as a FY 2012 Facility Modification purchase, there are sufficient funds to undertake purchase of the additional motor.
Other Pertinent Provisions:	None

**Connecticut Resources Recovery Authority
Mid-Connecticut Project-Waste Processing Facility
Purchase of Two New Secondary Shredder 1250HP
Motors**

December 22, 2011

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into an agreement with Associated Electro-Mechanics Inc. (AEM), to purchase two additional newly designed 1250 horsepower secondary shredder motors for use at the Mid-Connecticut Waste Processing Facility.

Discussion

Prior to August 2011, operating in each of the Waste Processing Facility's (WPF) two separate processing lines were two Williams Patent Crusher Company 680 hammer mills (secondary shredders) each of which are powered by 1250 HP motors from American Rotor Corporation/Woods Engineering (upgraded from 1000 horsepower (HP) in fall 2008). The secondary shredders are high maintenance items due to their function of breaking down the refuse in the processing lines. These 1250 HP motors (a total of four) that drive the secondary shredders have experienced a number of failures over the last four years of service. The failures have been from rotor bar cracks or stator winding failures. By 2010 it had become evident that these converted 1250 HP motors will not provide a better life expectancy than the original 1000 HP motors did.

Although the converted 1250 HP motors resulted in an increase to processing rates at the WPF (85-90 tons per available hour per line), which allow operations at the WPF to stay at or under the designed processing day of sixteen hours and provide the maintenance shift the valuable remaining eight hours to undertake its activities, the motors had become a reliability issue due to failing prematurely. The failures were analyzed and were attributed to overheating issues (producing more horsepower out of a smaller frame motor, which means less internal circulation of cooling air) and quality control issues during the conversion process several years ago (problems associated with resistive thermal devices, and balance of rotor magnetic center inside stator).

In early 2010 CRRA's operations group began to actively seek a better solution that would maintain the performance of the 1250 HP motors, while eliminating the issues of poor performance. The intent was to stay with the 1250 HP motor size, which

comfortably maintained the WPF's processing rate, and which enabled the other processing upgrades to be completed in a timely manner. (The WPF capital upgrade projects that have been completed as planned and on schedule during the past several years have eliminated impacts on Power Block Facility operations and have helped improve waste delivery acceptance, minimizing delivery lines and associated hauler customer complaints.)

CRRA's operations group's investigation of 1250 HP motor alternatives identified a factory authorized motor repair/dealer, AEM, which can provide completely new 1250 HP motors that can fit in CRRA's application on the secondary shredders. Three large motor manufacturers (General Electric Company, WEG Electric Motor Corporation, and Teco-Westinghouse Company) provided to AEM specifications on 1250 HP frames that could possibly fit CRRA's application. (Note that only one of these motors – the WEG motor - is a direct replacement for the existing converted 1250 HP motor frame.) By using a new, larger framed motor designed for 1250 HP, the limited internal circulation of cooling air was remedied; additionally, the internal quality control program in place at AEM ensured that the quality control issues that were experienced with American Rotor Corporation/Woods Engineering, which provided the rebuilt motors four years ago, will not be repeated.

Based on discussions with AEM and the large motor manufacturer's engineering entities it was determined that the Teco-Westinghouse Company and General Electric Company motors dimensions would not adequately fit CRRA's application and would need a transition baseplate frame in order to install them. The WEG Electric Motor Corporation's unit would physically fit the application exactly without needing a baseplate frame. AEM requested quotes from all three motor manufacturers for a completely new 1250 HP motor for CRRA's application. The quotes that were received in 2010 are tabulated below.

Vendor	Quoted Function	Quoted Price:
AEM- WEG Electric Motors Corp.	New 1250 HP WEG Motor	\$220,545.00
AEM- General Electric Co.	New 1250 HP GE Motor	\$250,575.00
AEM- Teco-Westinghouse Co.	New 1250 HP GE Motor	\$254,460.00

In August 2010 CRRA Management recommended, and CRRA's Board of Directors authorized, purchase of a new 1250 HP WEG motor through AEM Corporation. The motor was delivered and installed in August 2011 in processing line #1 in the WPF. The new 1250 HP motor is performing above expectations both physically (internal heat load is low) and performance-wise (processing rates are now 90-100 tons per available hour per line).

At this time, the WPF has four secondary shredder motors available for service:

1. the new WEG 1250 HP that was placed in service in August 2011
2. one converted 1250 HP unit presently in service
3. one converted 1250 HP motor as a spare
4. one original 1000 HP motor as a spare

(Note that two previously converted 1250 HP spare motors had failed to the point of needing to be built from the ground up (both need new rotors and stators) and are now no longer part of CRRA's inventory. CRRA's operations group could not obtain warranty claims on either failed unit, and does not intend to continue using American Rotor Corporation/Woods Engineering's converted motors since these motors have unpredictable reliability and repairs have been quoted at more than \$120,000 each.)

Recommendation

CRRA Management is recommending that two additional newly designed 1250 HP WEG motors be purchased from AEM- WEG Electric Motor Corp. Although this would increase the total spare inventory of secondary shredder motors to four units, CRRA management doesn't believe the two older converted 1250 HP units and the original 1000 HP unit (which, historically averaged less than one year of service before failure) are reliable spares for this critical equipment application at the WPF.

AEM- WEG Electric Motor Corp. is offering a multiple purchase discount (the new purchase price is \$234,742.00 per motor; if two motors are ordered the price would drop down to \$205,400.00 – a savings of \$29,342.00 per motor). CRRA staff has discussed the project with AEM- WEG Electric Motor Corp. and is satisfied that they can complete the work as specified in their quotes. Based on CRRA's previous positive experience with this company, CRRA management is satisfied that this contractor is fully qualified to undertake this type and size of project.

Financial Summary

CRRA's cost for this project includes the cost of the two new WEG 1250 HP motors, each at a cost of \$410,800.00, plus \$30,000.00 for dynamometer testing of the two motors and installation of only one motor, for a total of \$440,800.00.

The purchase will be funded from the Mid-Connecticut Project Facility Modification Reserve in fiscal year 2012. Although only the purchase of one newly designed 1250 HP motor was contemplated when the FY2012 Facility Modification Reserve projects were developed, there are sufficient funds for this expenditure in the Facility Modification Reserve.