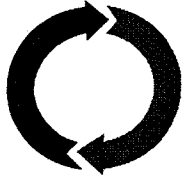


**CRRA  
BOARD MEETING  
APRIL 21, 2011**



**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:** April 14, 2011  
**RE:** Notice of Regular Meeting

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There will be a Regular Meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, April 21, 2011 at 9:30 p.m. The meeting will be held in the Board Room of 100 Constitution Plaza, Hartford, Connecticut.

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

# TAB 1

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND EIGHTY-FIFTH**

**MARCH 24, 2011**

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, March 24, 2011, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Directors: Chairman Pace  
Vice-Chairman Jarjura (present beginning 10:29 a.m.)  
Louis Auletta  
Dave Damer  
Timothy Griswold  
John Harkins  
Dot Kelly (present by telephone)  
Theodore Martland  
Nicholas H. Mullane (present by telephone)  
Ron Van Winkle  
Steve Edwards, Bridgeport Project Ad-Hoc  
Mark Tillinger, Bridgeport Project Ad-Hoc  
Bob Painter, Mid-Connecticut Project Ad-Hoc  
Steve Wawruck, Mid-Connecticut Project Ad-Hoc  
Warren Howe, Wallingford Project Ad-Hoc  
Geno Zandri, Wallingford Project Ad-Hoc

Present from CRRA:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Laurie Hunt, Director of Legal Services  
Lynn Martin, Risk Manager  
Paul Nonnenmacher, Director of Public Affairs  
Rich Quelle, Senior Engineer  
Moira Benacquista, Board Secretary/Paralegal

Also present were: Martha Kelly, Connecticut Coalition of Environmental Justice; John Pizzimenti of USA Hauling & Recycling; Jim Sandler, Esq., Sandler & Mara, Cheryl Thibeault of Covanta Energy; and Jerry Tyminski of SCRRA.

Chairman Pace called the meeting to order at 9:32 a.m. and said that a quorum was present.

**PLEDGE OF ALLEGIANCE**

Chairman Pace requested that everyone stand for the Pledge of Allegiance, whereupon the Pledge of Allegiance was recited.

**PUBLIC PORTION**

Chairman Pace welcomed Martha Kelly of the Connecticut Coalition of Environmental Justice. Ms. Kelly thanked the Board for their time and allowing for public comment, she indicated she did not have anything in particular to address and planned on observing the meeting.

**APPROVAL OF THE MINUTES OF THE FEB. 24, 2011 REGULAR BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the Feb. 24, 2011, Regular Board Meeting. Director Martland made a motion to approve the minutes, which was seconded by Director Griswold.

The motion to approve the minutes was approved by roll call. Chairman Pace, Director Edwards, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, Director Painter, Director Wawruck, and Director Van Winkle voted yes. Director Auletta, Director Damer, and Director Tillinger, and Director Zandri abstained as they were not present at the meeting.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Louis Auletta			X
Dave Damer			X
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut	X		
Steve Wawruck, Mid-Connecticut	X		
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford			X

**RESOLUTION REGARDING INSURANCE RENEWALS -PROPERTY**

Chairman Pace requested a motion regarding the above-captioned item. Director Martland made the following motion:

**RESOLVED:** That CRRA purchase CRRA's \$347 Million Property Insurance from the following four (4) insurers with their quota shares as indicated:

➤ Zurich	(Rated A)	42.1%	(Lead)
➤ Swiss Re	(Rated A)	26.3%	
➤ Starr Tech	(Rated A+)	25.3%	
➤ Commonwealth	(Rated A)	6.3%	

for the period 4/1/11 – 4/1/12 for a premium of \$617,052 and other terms and conditions as discussed at this meeting;

**FURTHER RESOLVED:** That CRRA purchase loss control engineering services from XL GAPS for the period 4/1/11 – 4/1/12 for an amount not to exceed \$14,950 as discussed at this meeting.

The motion was seconded by Director Griswold.

Ms. Martin referred the Board to the fifth page of the write-up containing a chart which compares this year's pricing with the year prior. She said this year CRRA's brokers marketed a limit of \$347,000,000 based upon the fact that CRRA no longer insures the Wallingford facility and taking into account the capacity available in the market. Ms. Martin said AON was successful at negotiating a premium of \$617,052 which is just about a 1% increase from the year prior.

Ms. Martin said the values which drive this program are at the Mid-Connecticut facility and increase based upon trending and new equipment which was placed in the facility. She said although the responsibility for insuring the Wallingford Facility has ended the values at the Mid-Connecticut Facility increased, which is why there is not a significant decrease in premiums.

Ms. Martin said several of the markets were interested in increasing the deductible however; the deductibles stayed the same thanks to Aon's negotiating. She said XL GAPS, which was used the year prior, has also been engaged as CRRA's engineering firm. Ms. Martin said XL GAPS does equipment analysis and makes recommendations for improvement to avoid losses. She said XL GAPS came in with about a \$2,000 reduction in costs this year. Ms. Martin said CRRA's in-house engineers reviewed several competing plans and reports and XL GAPS was top rated.

Director Griswold said it was noted at the Finance Committee meeting that the market was harder this year. He said the stability in pricing is good, and that there were no multi-year policies available.

Chairman Pace asked Ms. Martin to address the increase in premium referenced due to "trending". Ms. Martin said that trending is a basic percentage applied to various items in the industry such as construction and equipment.

Director Kelly asked what the percentage increase in cost would have been if CRRA was still insuring the Wallingford Facility. Ms. Martin agreed that the pricing would have gone up slightly and informed Director Kelly that she would provide her with the requested information. Director Kelly said she believes that information is important to the write-up. Ms. Martin noted the Wallingford Facility was not a driver for this policy and premium. She said the driver is the Mid-Connecticut facility as it has the greatest level of exposure.

Director Kelly asked for more information concerning the engineering firm XL GAPS. Senior Engineer, Mr. Quelle, said XL GAPS offers a comprehensive review of the whole facility including a

review of everything from boiler outages, pressure part work, switch-gear, the jet turbine facility, and review of the waste processing facility, fire systems, safety systems, and procedural procedures. He said since his time at CRRA XL GAPS has done the most comprehensive analysis. Mr. Quelle said in the past other firms have provided few comments or recommendations and XL GAPS has provided a substantial hit list over the past three years. Mr. Quelle said XL GAPS comes out once a year.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**RESOLUTION REGARDING INSURANCE RENEWALS –PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY**

Chairman Pace requested a motion regarding the above-captioned item. Director Martland made the following motion:

**RESOLVED:** That CRRA’s Public Officials and Employment Practices Liability insurance be purchased from ACE with a \$10,000,000 limit and up to \$10,000,000 in defense costs and expenses outside the limit, and a \$150,000 self-insured retention for the period 4/1/11 – 4/1/12 for a premium of \$144,796, as discussed at this meeting.

The motion was seconded by Director Griswold.

Ms. Martin said the public officials and employment practices liability policy was marketed at the same level of \$10 million. She said Exhibit A in the write-up shows the quote received from Ace and the reasons for the other denials. Ms. Martin said Ace has offered the same policy, same terms, and same limit with the same deductible, as well as a lower premium for a higher deductible. She explained the value is not acceptable in the lower premium offer for a \$100,000 increase in the deductible. Ms. Martin

said management is recommending renewing the policy for the \$10 million limit. She said \$10 million is also segregated for defense, which was also offered last year on the same terms. Ms. Martin said the deductible is \$150,000 and there are no multi-year policies available for this coverage. Mr. Kirk said the CRRA Board members are completely indemnified with this coverage.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Van Winkle voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**RESOLUTION REGARDING INSURANCE RENEWALS- CRIME**

Chairman Pace requested a motion regarding the above-captioned item. Director Martland made the following motion:

**RESOLVED:** That CRRA purchase the three-year Commercial Crime policy from Travelers Casualty & Surety Company with a \$3,000,000 limit, \$100,000 deductible for the period 4/1/11 – 4/1/14 for an annual premium of \$3,196, as discussed at this meeting.

The motion was seconded by Director Damer.

Ms. Martin said this policy is designed to cover losses due to public employee dishonesty, and theft or the disappearance of money, securities and property. She said the limit is \$3 million and the deductible is for \$100,000. Ms. Martin said bids were received from the incumbent, Travelers, and from Zurich, which offered a three year policy which would allow for installments similar to Travelers’ policy. She said Zurich also offered a three year policy for a lower cost but on the condition that the full amount is paid up front. Ms. Martin said that Zurich also offered a one year annual premium of \$720, 016. She said management is recommending staying with Travelers with the installment quote of \$3,196 which has the same terms and conditions as the expiring policy.



Ms. Martin said the Traveler’s policy will consistently cover CRRA from year to year. She said a new carrier would start from day one and would not cover things which have not yet been discovered. Ms. Martin said for instance if something occurred in this year’s policy another carrier would not provide coverage for that.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Van Winkle voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**RESOLUTION REGARDING INSURANCE RENEWALS - FIDUCIARY**

Chairman Pace requested a motion regarding the above-captioned item. Director Martland made the following motion:

**RESOLVED:** That CRRA purchase the three-year Fiduciary Liability policy from Travelers Casualty and Surety Company with a \$3,000,000 limit, and a separate \$1,000,000 outside the limit for defense expenses, and a \$5,000 deductible for the period 4/1/11 – 4/1/14 for an annual premium of \$4,492.

The motion was seconded by Director Auletta.

Ms. Martin said management is recommending a new three year policy with the incumbent, Travelers, for fiduciary insurance renewals. She said this policy is to cover legal liability arising from claims alleging failure to prudently act. Ms. Martin said for example if a trustee is working on CRRA’s 401k plan and there is an alleged wrong doing this policy will come into play.

Ms. Martin said the three year policy pricing from Travelers for a yearly premium is for \$400,492. She said Ace offered a lower one year policy for \$3,181 and Ironshore declined.

Director Damer asked if he is correct in saying this policy covers individuals that work on CRRA plans but not necessarily CRRA as an entity. Ms. Martin said that was correct, she said CRRA is the sponsor.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			
Warren Howe, Wallingford			
Geno Zandri, Wallingford			

**RESOLUTION REGARDING WALLINGFORD FINAL DISTRIBUTION**

Chairman Pace requested a motion regarding the above-captioned item. Director Howe made the following motion:

**WHEREAS**, on April 23, 2009 the Connecticut Resources Recovery Authority’s (the “Authority”) Board of Directors (the “Board”), in consultation with and with the unanimous consent of the Wallingford Project Policy Board (the “Policy Board”), authorized the closing and transfer of various funds in order to provide an initial distribution of surplus funds to the Wallingford Project member towns; and

**WHEREAS**, the Policy Board has previously requested that remaining project funds be equitably distributed based on a five-year weighted average of tons delivered to the Wallingford Project member towns, consisting of the towns of Cheshire, Hamden, Meriden, North Haven, and Wallingford, Connecticut (the “Towns”); and

**WHEREAS**, on April 27, 2009 the total amount of \$26,674,579 was distributed to the Towns based on the weighted average of Acceptable Solid Waste delivered by each Town during the five-year time period beginning July 1, 2003 and ending June 30, 2008; and

**WHEREAS**, the Wallingford Project officially ended on June 30, 2010; and

**WHEREAS**, the Authority's outside financial auditors ("BST") completed its first quarter fiscal year 2011 review on November 18, 2010; and

**WHEREAS**, on November 18, 2010, the Board authorized a second distribution of \$15,995,496 to the Towns that was distributed based on an updated percentage of the relative amounts of Acceptable Solid Waste delivered by each Town to reflect delivered and diverted tons for the five-year time period beginning July 1, 2005 and ending June 30, 2010;

**WHEREAS**, BST has completed its financial review dated January 31, 2011; and

**WHEREAS**, there exists a hauler receivable in the amount of \$1,513.60, which will be written-off; and

**WHEREAS**, the Project Closure Reserve established by the Board in November 2009 to provide for post project expenses requires additional funds to complete activities, which can be transferred from the Operating STIF account; and

**WHEREAS**, the amount of \$3,424,458 is identified surplus and can be distributed to the Towns.

**NOW THEREFORE, IT IS HEREBY**

**RESOLVED:** That the amount of \$3,443.00 be transferred from the Wallingford Operating STIF account to the Wallingford Project Closure STIF account; and

**FURTHER RESOLVED:** That the amount of \$3,424,458 be distributed to the Towns in the percentage values and dollar amounts as follows:

Town:	Total Tons Delivered FY 2006-2010:	Percentage of Tonnage:	Amount to be Distributed:
Cheshire	99,877.67	13.41%	\$ 459,219.81
Hamden	171,685.53	23.06%	789,680.02
Meriden	164,997.82	22.16%	758,859.89
North Haven	106,919.58	14.36%	491,752.17
Wallingford	201,104.24	27.01%	924,946.11
<b>TOTAL</b>	<b>744,584.84</b>	<b>100.00%</b>	<b>\$ 3,424,458.00</b>

The motion was seconded by Director Zandri.

Mr. Bolduc said this resolution is the continuation of the process which was started with the closure of the contract on the Wallingford Project. He said this process is similar to the one followed after closure of the Bridgeport Project. Mr. Bolduc said management identifies all the outstanding receivables and payables at the end of the project and then sets up a process by which these things will be completed, as detailed by the fifth page.

Mr. Bolduc said this information has been shared with the Wallingford Advisory Board. He said at the end of these review periods residual amounts are returned to the towns. Mr. Bolduc said after a review by the auditors and management CRRA is in a position to redistribute back to the five towns a

little over \$3.4 million. He said the further resolve on the first page of the resolution provides a summary of the amounts of dollars shown on page two.

Mr. Bolduc said as this is done the STIF accounts will be closed out as the money is being disbursed. He said one additional project closure account will be retained in the property division and will be earmarked specifically for Wallingford as a Board designated account.

Mr. Bolduc said the distribution is done using tonnage and a formula approved and used previously by the Wallingford Advisory Board with updated numbers. He said the first two distributions used the same formula and were used to distribute \$27 million and \$16 million amounts to the town.

Director Howe asked with respect to the amount required to be held in the project closure account if those funds will ever be returned to the towns. Mr. Bolduc replied that it is possible. He said the bigger items are residual lease payments which are required to be paid. Mr. Bolduc said the administrative costs may also allow for some dollars.

Director Howe asked if he is correct in stating the risk fund dollars will never go back to the Project. Mr. Bolduc said not necessarily. He said the risk fund will be there until potential legal issues run out. Mr. Bolduc said the Wallingford Covanta financial mediation escrow account was set up in June concerning the transfer stations and will likely go back to the members towns. He said management has no control over those accounts. Mr. Bolduc said these accounts will probably be closed within the next five years.

Mr. Bolduc said the Wallingford Landfill post-closure is a thirty year Connecticut Department of Environmental Protection (hereinafter referred to as the "CT DEP") requirement. He said the CT DEP Wallingford trust is a small portion for the hazardous waste cell and will eventually be rolled into the landfill post-closure account which will likely exist for decades.

Director Damer asked for information concerning the bad debt write-off. Mr. Bolduc said this occurred when the haulers were not terminated at the facility and continued to bring in garbage. He said the Wallingford project ended with about \$25,000 in debt of which management was able to collect \$23,000. Mr. Bolduc said there was still about \$1,500 worth of trash brought in by the hauler which CRRA billed for however, it eventually reaches a point where continued perusal is not cost effective as the probability of collection is unlikely.

Mr. Kirk said the Wallingford Project was remarkable in many ways. He said the small plant was very well run, performed exceptionally, and had the benefit of an excellent contractor. Mr. Kirk said its exceptional financial performance is largely due to CRRA's negotiation of an electric contract which 23 years ago turned out to be 500% above market. He said since the close of the project CRRA has returned almost \$55.5 million to the towns from a project with a \$63.00 tip fee. Mr. Kirk said Wallingford is by far the best project CRRA was involved with.

Director Martland said he recalls early in his time with CRRA that there were discussions that Wallingford was not a viable project because it was so small. Mr. Kirk said that question is still prevalent. He said the project is viable because of the market rate however, it is likely getting 5 cents of 6 cents of power instead of 30 cents of power it received years ago which is many millions in revenue which is no longer available. Chairman Pace said CRRA brought capacity at the Wallingford plant for \$55 a ton with the most favored nation status.

Mr. Bolduc said much of the credit for the success of Wallingford Project goes to the Wallingford Advisory Board. He said when they had the opportunity to drop their tip fees down they had the foresight to put the money aside as they did not know the future of the pricing once the project ended. Mr. Bolduc said they also understood the economics of how the business runs and did not want to attract every hauler for miles with a low tip fee. Mr. Bolduc said the same business sense and foresight can be seen in the Southeast Project.

Director Kelly said she has been incredibly impressed with the documentation and the command of where the money is and where it is going in the future. She said the accomplishment is tremendous. Director Kelly asked if the landfill transfer act is being done totally by Covanta. Mr. Kirk said it was his understanding that the Connecticut Transfer Act does establish schedules and requirements and CRRA did sign an agreement with Covanta to share some of the transfer act costs. He said he will confirm that everything is still on schedule with Mr. Egan and he is confident that Covanta is doing this properly and on schedule.

Mr. Bolduc said management has the Wallingford Project towns wire transfer information and the funds will be wired out tomorrow after receiving Board approval.

The motion was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Howe, Director Kelly, Director Martland, Director Mullane, Director Zandri, and Director Van Winkle voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford	X		

**RESOLUTION REGARDING BASELINE ECOLOGICAL RISK ASSESSMENT AT THE WALLINGFORD LANDFILL**

Chairman Pace requested a motion regarding the above-captioned item. Director Damer made the following motion:

**RESOLVED:** That the President is hereby authorized to enter into a contract with O'Reilly, Talbot & Okun Associates, Inc. to complete a baseline ecological risk assessment at the Wallingford Landfill, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Director Damer said this resolution concerns closing out the hazardous waste cell at the Wallingford landfill. He said there was some metal finishing waste deposited in a cell at the Wallingford landfill. Director Damer said the CT DEP has asked CRRA to move this item to conclusion by the end of September in this calendar year. He said in order to accomplish this CRRA needs some kind of closure or write-off to perform a baseline ecological risk assessment.

Director Damer said CRRA went out to bid and after reviewing the three bids management is recommending O'Reilly, Talbot & Okun Associates, Inc. as it had the best bid and the best price. He said in order to make sure their bid was complete management has since returned to the CT DEP with OTO's work schedule and resolved all the CT DEP's questions and comments. He said there were some minor adjustments to the bid price resulting in a price about \$2,000 higher than the original bid.

Director Damer said OTL also included a cost for preparation of a response remedial action plan (if one is deemed necessary) for \$5,000, bringing the total value of the process to \$53,773. Director Kelly said the Policies & Procurement Committee discussed and approved this item at their prior meeting.

The motion previously made and seconded was approved unanimously by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Howe, Director Kelly, Director Martland, Director Mullane, Director Van Winkle and Director Zandri voted yes.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Connecticut			
Steve Wawruck, Mid-Connecticut			
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford	X		

## **PRESIDENT'S REPORT**

Mr. Kirk said all of CRRA's equipment and facilities performed safely and effectively without environmental incidents in the last reporting period. He said tonnage results continue to be down substantially from historical levels and slightly down from the year prior. Mr. Kirk said the drop is attributed to the economic activity in the State.

Mr. Kirk said recycling is up slightly in Mid-Conn and is slightly lower in the Southwest and Southeast projects. He said the major Mid-Conn Project outages have been completed. Mr. Kirk said those outages involved some substantial projects, the largest being the repairs to one of the turbines and the installation of the over-fire air modules in boiler 11. He explained the module installation was more or less a trial to address poor production and steam flow as well as poor combustion results which led to a CO limiting performance in the carbon monoxide performance levels. Mr. Kirk said management is very encouraged by the initial results and is currently breaking performance levels in unit 11 and the CO level is the lowest in three boilers. He said management will consider addressing the issue in the other boilers in the future given these positive results.

Mr. Kirk said the turbine repairs which were deemed necessary during a scheduled outage went very well. He said Covanta and General Electric did an excellent job given the increase in the scope of work. Mr. Kirk said the three boilers have been up and running almost continuously since the end of the outage.

Director Damer asked if management has seen any change in nitrogen-oxide emissions since the over-fire air installation and improvement. Mr. Kirk said CRRA has always been comfortably within the required nitrogen oxide limits. Mr. Quelle said CRRA is still compliant. He said management has to re-profile the new injection because of the change. Mr. Quelle said the carbon monoxide shift is about 40-50% and CRRA has picked up capacity. He said over the next couple months there will be further investigation.

Mr. Kirk said despite the reduction in solid waste deliveries CRRA is up about 9% in recyclable deliveries in the fiscal year to date. He said that number would be expected to be higher in a better economy. Mr. Kirk said CRRA is not going to process SWEROC recyclables in Stratford any more due to a shortage in tons. He said the SWEROC recyclables will be hauled up to the Mid-Connecticut facility. Mr. Kirk said the bid for those hauling services is out on the street and there is a large contingent of interested contractors and as a result a competitive bid is expected.

Mr. Kirk said concerning Future Conn the municipalities are reviewing CRRA's proposed MSA's which are due on July 1, 2011, after which CRRA will open the remaining capacity to other towns and private entities. He said the price offered to member towns will no longer be applicable at this point. Director Damer asked if there have been any early sign-ups. Mr. Kirk said no. He said this is most likely due to the fact that most towns are currently working on their budgets and the fact that most member towns are probably waiting for the Central Connecticut Solid Waste Authority to bid capacity as its due diligence.

Mr. Kirk said management is not concerned with filling up the plant. He said management is concerned that member towns will not sign-up in time and find the price to be high and capacity to be filled. Director Martland pointed out this may hurt some of the smaller towns which may not have the options the bigger towns have.

Director Edwards asked if the MSA's use the same model as used in the Southwest towns. Mr. Kirk said management is using a net cost of operations basis with 3% administrative costs as part of the net costs. Director Edwards asked where HRRRA's tonnage is going. Mr. Kirk said almost all of it is going to Bridgeport at \$85 a ton.

Director Damer asked if CRRA has used any of its reserved capacity in Wallingford. Mr. Kirk replied yes. He said that Durham and Middlefield have been going to Wallingford on a direct delivery basis to save on fuel costs. Mr. Kirk said Covanta is still having an issue with one of its units and is currently working on fixing the problem. He said in the meantime Covanta has asked CRRA to minimize deliveries.

Director Kelly said it seems to her that Bridgeport's recycling is affected directly by what happens at Mid-Conn. She said she would like it recognized by the project representatives who are now in this next phase, the post-contract phase, and for management to recognize that a decision made for Mid-Conn impacts them. She suggested that this be placed on the future agenda.

Mr. Kirk said that management is performing town presentations as part of the Future Conn efforts. He said they have been well received, although the information is a lot to absorb for the town representatives which meet with management.

Director Edwards asked what the time frames are for the contracts. Mr. Kirk replied that management requested that the Towns make a decision by July 1, 2011. He said there are three different tiers available with a time frame of two agreements for fifteen years, agreements at five years and agreements for three years. Director Edwards said those choices provide for a lot of flexibility. Mr. Kirk said management took the Town's requests for flexibility into account when setting the term agreements.

Director Edwards said to Director Kelly's earlier point, none of these terms sync with Bridgeport. Mr. Kirk said that was correct, he said when Bridgeport's initial agreement concludes management will try and get the towns in sync.

Mr. Kirk said concerning transition to the new operator at the Mid-Conn facility management and the new operator, NEAS have commenced some limited transition work, mostly with a focus on administrative functions such as inventory and purchasing. Mr. Kirk said so far the partnership has been successful.

Mr. Kirk said management wants the potential employees of NAES and the present employees of the incumbent contractors have a full understanding of what has been provided for them at CRRA, in particular the commitment to offer employment to every qualified incumbent operator of MDC and Covanta. He said management has determined it should not communicate directly with those employees and has asked MDC and Covanta to communicate certain information to their employees in order to assist them in making decision concerning their future.

Mr. Kirk said there are two bills of particular importance to CRRA on the horizon. He said there is an additional bill out of the environmental and technology committee that management is watching closely as it provides direction to OPM to transfer the Mid-Conn facility assets to a public agency. He said the implication in that case is that CRRA is not public. Mr. Kirk said OPM will be visiting CRRA to review the assets and liabilities of CRRA and management is doing its best to educate the legislatures.



Mr. Kirk said the recycling rebate checks issued by CRRA were warmly received. He said management hopes to be able to extend rebate checks to all of its customers, although at present the numbers do not work in the Southwest division. Mr. Kirk said this process generates favorable feedback and press.

Mr. Kirk provided an update on a project related to the Hartford Landfill. He said CRRA is proceeding with a solar array installation on top of the Hartford Landfill, a five acre solar field, in lieu of the traditional covers on top of the 34 acre section of the Hartford Landfill which has yet to be covered. Mr. Kirk said management expects the City of Hartford to agree to the project. He said the CT DEP will need to permit this however; they have expressed extraordinary support for this process.

Mr. Kirk said this installation will generate a minor amount of power with revenues of about \$70,000 a year. He said management hopes to have the installation up and running within two years. Director Painter said he was extremely pleased with CRRA's presentation concerning this project. The Board discussed the possibilities and advantages of programs such as the solar installation.

Director Kelly suggested a sub-committee be formed to focus on new energy and environmental aspects. Chairman Pace said that Director Kelly, Director Griswold, Director Martland, and Director Painter are interested in joining this sub-committee. Director Damer suggested as an alternative that this matter be handled under the stewardship of the Policies & Procurement Committee.

Mr. Kirk reminded the Board that their Statements' of Financial Interest are due May 1, 2011.

## **CHAIRMAN'S REPORT**

Chairman Pace said the proposed substitute bill 1167 was recently brought to his attention. He said the bill was put in by Senator Fonfara of Hartford. Chairman Pace said the First Selectman of Canton, CT, spoke in favor of the bill.

Chairman Pace said when he first came on Board at CRRA he met with the CRRA staff to urge them to stay on board during those difficult times. He said this bill places the jobs of CRRA employees at risk. Chairman Pace said CRRA has many dedicated employees.

Director Painter said this bill was very disturbing to him. He said the sixth line, which refers to turning the management over to "a public entity" does not mention what the public entity will be. Director Painter said he believes there are three possibilities, CCSWA which is not prepared to subcontract, the Capital Region Council of Governments (hereinafter referred to as "CROG"), which does not manage anything, and thirdly, MDC. He said he believes this bill comes from MDC. Director Painter said this proposed bill puts CRRA jobs in jeopardy and creates many uncertain issues.

Director Painter said that he recognizes he is new to the CRRA Board. He said member towns have indicated that they did not feel that they were not adequately communicated with by CRRA in the past. Director Painter said it seems to him that this is a perfect time to address this issue. He said he would think those communication efforts are as much a public relations issue and a listening forum as explanations of the new tier system. Director Painter asked management if they feel these communications are beneficial for CRRA.

Mr. Kirk replied yes. He said a good indication of that was the line of questioning posed at CRRA's recent annual meeting. Mr. Kirk said there seems to be an engagement by many of the towns concerning decisions which need to be made in the future. He said the feedback CRRA is receiving has been very positive and favorable. Mr. Kirk said of course there are still some concerns and a small number of member towns have indicated they have some concerns regarding how the CRRA Board is governed.

Director Van Winkle said the First Selectman of Canton addressed bill 1167 at a recent CROG meeting. He said he felt there was a general consensus by the CROG Board to not support this bill. Director Van Winkle said they did not wish to see CRRA disappear.

Director Harkins asked if the substitute language had been adopted. Mr. Kirk replied yes the language has been adopted, including a piece of management's suggested change which was to ensure that OPM looked at each of the participating municipalities. Director Damer asked if this bill has been referred to another committee. Mr. Kirk replied no, he said it was placed on the consent agenda.

Mr. Nonnenmacher said this bill and the governance bill were joint favorable by the Energy and Technology Committee on Tuesday. He said neither bill has been sent anywhere as of this morning. Mr. Nonnenmacher said that 1167 could be sent to any number of Committees including Planning and Development, Environment (which has cognizance over CRRA), or GAE (which also has cognizance over CRRA), all of which may certainly be the next step.

Chairman Pace said CRRA continues to move along according to the public's best interest and is doing that job well. He said CRRA is still solvent and doing well with the business plan moving forward. Chairman Pace said it was opportune that a representative from the Environmental Justice Coalition was present for discussions on the solar cap for the landfill.

Chairman Pace asked that his next comments be recorded verbatim for the record.

### **CHAIRMAN PACE ADDRESSES THE BOARD**

Moving past July really sets us off on a whole new agenda and business plan. I have to tell you that I've been here from the beginning, and I signed on to take the company from bankruptcy and save it. I am here to tell you gentleman, that I think my task is pretty much done, what I signed on to do is done. I am also a believer that when you sign on to do a job, there is a point when you turn that job over to someone else.

I've appreciated all of the support I've gotten from our staff, which is why I am concerned about their jobs. I'm pleased with the new management team put into place nine to ten years ago, and with the Board which has worked with me and guided me through a lot of things with the new structure that we put into place, which has been exceptional. If it wasn't for the Board and all of its hard work we could not have done this, it was no one person show. One has to recall, we did not invent this wheel, we had to reconstruct the wheel to make sure it rolled.

I am here to tell you, to some people's delight, that I am contemplating resigning the chair. We all come to a point in our life where we have other things to do. I'm Vice-Chairman and/or Chairman on about seven Committees' and I've already resigned from three. I'm at a point

where I'm looking at moving forward with my life and maybe doing something else, or a new challenge, nothing specific. I didn't want you not to know that. I haven't set a specific date as of yet, but I do think there is a time when there is natural transition and I think new contracts could be the time for natural transition. That does not mean I won't fight the fight to see that someone doesn't take away or undo all the accomplishments that a Board struggled to attain for ten years.

I'm the first one to tell you I have no political clout, I just show up for work every day. I think the only tool we ultimately have at our disposal is to make sure everyone gets credit for what they did, didn't do, what they knew, or should have known. We really have a duty to make sure the CRRA doesn't go back in time ... to the old way things were done after so much hard work, after so much money was distributed to the towns, after so much success and benefit to the towns and the citizens of the State.

Looking back, the Wallingford project was a deal made twenty years ago, I think the towns and people in the towns came out pretty good, Bridgeport, a deal made twenty years ago after a bad experience, we came out not as well as we thought, but we came out of it. Southwest, that will be next, Southeast, that will follow. Mid-Conn, our only actual owned facility has been the work horse to keep CRRA running for the State, keep the lights on, keep the garbage flowing. We needed to keep Mid -Conn solvent because we did not have a choice to go into bankruptcy.

I will say that this, to your credit and management's credit, I do not know of any public entity that has bailed itself out of a bankruptcy like CRRA did. This is not only my opinion, I have a letter from the Attorney General that states that, and there is a wonderful article in the Hartford Courant which talks about how we turned straw into gold. This Board has a lot to be proud of, and I'm just letting you know that I'm looking to go onto a different phase of my life, and you will be the first to know what that day is, but I'm looking at the transition of MSA's.

Director Kelly said she would like to go on the record and thank Chairman Pace's for his leadership and thoughtfulness during the time that she has been on the Board and for making CRRA competitive and a real public option which keeps the cost of garbage disposal in check. She said personally she would feel very badly if Chairman Pace has decided he has had enough, but she would understand that doing this volunteer job is something he may wish to give up.

## **ORGANIZATIONAL SYNERGY & HUMAN RESOURCES REPORT**

Vice-Chairman Jarjura said the Organizational Synergy & Human Resources Committee took up two matters at their last meeting. He said the first was management's recommendation to amend the organizational chart and merge Peter Egan's dual roles as Director of Operations and Director of Environmental Affairs and eliminate the vacant position of Director of Operations. Chairman Jarjura said the 10% increase in salary provided for Mr. Egan as the newly titled: Director of Operations and Environmental Affairs was a significant savings for CRRA as there was formerly two individuals in the positions. He said the Committee feels very good about the accountability and transparency and is pleased to consolidate the position for savings in an effective and efficient manner.

Vice-Chairman Jarjura said the other matter was the review of several changes and edits to the CRRA employee handbook. He said there are updates to classifications, accountabilities, and the wellness program all of which were extensively vetted by the Committee and approved. He said the new

handbook will be distributed for review by the employees with a required date of signature no later than April 1, 2011.

Vice-Chairman Jarjura said the annual evaluations for the two executive positions were completed and done by Tom Kirk. He said both individuals continue to perform fantastically and meet and exceed expectations. Vice-Chairman Jarjura noted that Mr. Kirk's evaluation was also completed and filed accordingly and all expectations for the upcoming year have been established.

### **BREAK**

Chairman Pace said that the Board would take a five minute break before entering into Executive Session.

### **EXECUTIVE SESSION**

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition, pending RFP's, and personnel matters with appropriate staff. The motion made by Vice-Chairman Jarjura and seconded by Director Damer was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session in addition to the Directors:

Tom Kirk  
Jim Bolduc

The Executive Session began at 11:03 a.m. and concluded at 11:31 a.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 11:31 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.

The motion to enter into Executive session was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Harkins, Director Howe, Director Kelly, Director Martland, Director Mullane, Director Painter, Director Tillinger, Director Wawruck, Director Van Winkle, and Director Zandri voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Connecticut	X		
Steve Wawruck, Mid-Connecticut	X		
Warren Howe, Wallingford	X		
Geno Zandri, Wallingford	X		

**ADDITION OF A MOTION TO THE AGENDA CONCERNING THE INSTALLATION OF A VIDEO MONITORING SYSTEM AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY**

Chairman Pace requested a motion to add an item to the agenda concerning security cameras. The motion to add an item to the agenda was made by Vice-Chairman Jarjura and seconded by Director Damer.

The motion to add an item to the agenda was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Kelly, Director Martland, Director Mullane, Director Painter, and Director Van Winkle voted yes.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly	X		
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Bob Painter, Mid-Connecticut	X		

**RESOLUTION REGARDING THE INSTALLATION OF A VIDEO MONITORING SYSTEM  
AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY**

Chairman Pace requested a motion on the above referenced item. The following motion was made by Vice-Chairman Jarjura and seconded by Director Martland.

**RESOLVED:** That the President is hereby authorized to enter into a Request for Services with Aon Risk Services Northeast, Inc. pursuant to the Insurance Consulting and Broker Services Agreement whereby Aon Fire Protection Engineering Corporation will construct and install a video monitoring system at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

Mr. Kirk said this resolution addresses a safety and security issue by providing video monitoring at the facility. He said a bid and a quote were received and this will be managed by CRRA's contractor Aon, which is out of Chicago. Mr. Kirk said the dollar value is about \$483,756.00 and the funds will come out of the reserve and were budgeted for.

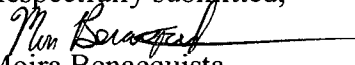
The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Harkins, Director Martland, Director Mullane, Director Painter, and Director Van Winkle voted yes. Director Kelly voted no.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Vice-Chairman Jarjura	X		
Louis Auletta	X		
Dave Damer	X		
Timothy Griswold	X		
John Harkins	X		
Dot Kelly		X	
Theodore Martland	X		
Nicholas Mullane	X		
Ron Van Winkle	X		
<b>Ad-Hocs</b>			
Bob Painter, Mid-Connecticut	X		

**ADJOURNMENT**

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn was made by Director Martland and seconded by Vice-Chairman Jarjura and was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 11:43 a.m.

Respectfully submitted,  
  
 Moira Benacquista  
 Secretary to the Board/Paralegal

## TAB 2

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FISCAL YEAR 2012  
LANDFILL DIVISION  
PROPOSED OPERATING BUDGET**

**April 21, 2011**



**RESOLUTION REGARDING THE ADOPTION OF  
THE FISCAL YEAR 2012 LANDFILL DIVISION  
OPERATING BUDGET**

**RESOLVED:** That the fiscal year 2012 Landfill Division Operating budget totaling \$1,863,500.00 be adopted as presented at this meeting.

**FURTHER RESOLVED:** That the President is hereby authorized to approve the use of funds from the following Landfill Division Reserves, as appropriate, to pay for costs and fees incurred during fiscal year 2012 in accordance with the operating budget adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policy:

Shelton Landfill Postclosure Reserve  
Waterbury Landfill Post Closure Reserve  
Wallingford Landfill Post Closure Reserve

## LANDFILL DIVISION

### REVENUE & EXPENDITURE SUMMARY

ACCOUNT	DESCRIPTION	ADOPTED FY11	PROPOSED FY12
<b>REVENUES</b>			
35-403-000-48401	Use of Shelton Landfill Postclosure Reseve	\$ 912,000	\$ 1,001,000
35-404-000-48401	Use of Wallingford Landfill Postclosure Reserve	\$ 637,000	\$ 782,000
35-408-000-48401	Use of Waterbury Landfill Postclosure Reserve	\$ 51,000	\$ 80,500
	<b>Total Revenues</b>	\$ 1,600,000	\$ 1,863,500
<b>EXPENDITURES</b>			
35-403-701-xxxxx	Shelton Landfill Postclosure	\$ 912,000	\$ 1,001,000
35-404-801-xxxxx	Wallingford Landfill Postclosure	\$ 637,000	\$ 782,000
35-408-702-xxxxx	Waterbury Landfill Postclosure	\$ 51,000	\$ 80,500
	<b>Total Expenditures</b>	\$ 1,600,000	\$ 1,863,500

### EXPENDITURE DETAILS

ACCOUNT	DESCRIPTION	ADOPTED FY11	PROPOSED FY12
<b>SHELTON LANDFILL POSTCLOSURE</b>			
35-403-701-52104	Telecommunications	\$ 3,000	\$ 3,000
35-403-701-52404	Building Operations	\$ 1,700	\$ 2,000
35-403-701-52407	Project Equipment Maintenance	\$ 35,000	\$ 36,000
35-403-701-52415	Grounds Maintenance	\$ 60,300	\$ 82,000
35-403-701-52502	Fees/Licenses/Permits	\$ 34,750	\$ 36,000
35-403-701-xxxxx	Insurance Expenditures	\$ 131,000	\$ 134,000
35-403-701-52701	Contract Operating Charges	\$ 121,150	\$ 135,000
35-403-701-52709	Other Operating Charges	\$ 3,500	\$ 4,000
35-403-701-52856	Legal	\$ 500	\$ 500
35-403-701-52858	Engineering Consultants	\$ 12,500	\$ 2,500
35-403-701-52901	Environmental Testing	\$ 242,000	\$ 247,000
35-403-701-53304	Electricity	\$ 25,000	\$ 26,000
35-403-701-53309	Other Utilities	\$ 2,000	\$ 2,000
35-403-701-55585	Financial Assurance Mechanism Fees	\$ 1,000	\$ 1,000
35-403-701-56605	Construction	\$ 40,000	\$ 82,000
35-403-701-xxxxx	Indirect Labor, Overhead, & Benefits	\$ -	\$ 23,000
35-403-701-xxxxx	Direct Administrative Labor & Benefits	\$ -	\$ 15,000
35-403-701-57872	Direct Operational Labor & Overhead	\$ 97,500	\$ 70,000
35-403-701-58001	Operational Contingency	\$ 101,100	\$ 100,000
	<b>Subtotal Shelton Landfill Postclosure</b>	\$ 912,000	\$ 1,001,000

## LANDFILL DIVISION

ACCOUNT	DESCRIPTION	ADOPTED FY11	PROPOSED FY12
<b><u>WALLINGFORD LANDFILL POSTCLOSURE</u></b>			
35-404-801-52407	Project Equipment Maintenance	\$ 20,000	\$ 20,000
35-404-801-52415	Grounds Maintenance	\$ 33,000	\$ 34,000
35-404-801-52502	Fees/Licenses/Permits	\$ 17,100	\$ 18,000
35-404-801-xxxxx	Insurance Expenditures	\$ 87,000	\$ 89,000
35-404-801-52856	Legal	\$ 1,000	\$ 1,000
35-404-801-52858	Engineering Consultants	\$ 10,000	\$ 10,000
35-404-801-52901	Environmental Testing	\$ 365,000	\$ 372,000
35-404-801-55585	Financial Assurance Mechanism Fees	\$ 1,000	\$ 1,000
35-404-801-56605	Construction	\$ -	\$ 122,000
35-404-801-xxxxx	Indirect Labor, Overhead, & Benefits	\$ -	\$ 7,000
35-404-801-xxxxx	Direct Administrative Labor & Benefits	\$ -	\$ 5,000
35-404-801-57872	Direct Operational Labor & Overhead	\$ 29,600	\$ 10,000
35-404-801-58001	Operational Contingency	\$ 73,300	\$ 93,000
<b>Subtotal Wallingford Landfill Postclosure</b>		\$ 637,000	\$ 782,000
<b><u>WATERBURY LANDFILL POSTCLOSURE</u></b>			
35-408-702-52415	Grounds Maintenance	\$ 4,000	\$ 4,000
35-408-702-52502	Fees/Licenses/Permits	\$ 2,800	\$ 3,000
35-408-702-xxxxx	Insurance Expenditures	\$ 22,700	\$ 23,000
35-408-702-52856	Legal	\$ 800	\$ 500
35-408-702-52901	Environmental Testing	\$ 6,000	\$ 6,000
35-408-702-56605	Construction	\$ -	\$ 20,000
35-408-702-xxxxx	Indirect Labor, Overhead, & Benefits	\$ -	\$ 4,000
35-408-702-xxxxx	Direct Administrative Labor & Benefits	\$ -	\$ 6,000
35-408-702-57872	Direct Operational Labor & Overhead	\$ 14,700	\$ 14,000
<b>Subtotal Waterbury Landfill Postclosure</b>		\$ 51,000	\$ 80,500

# TAB 3

**RESOLUTION REGARDING THE PAYMENT TO FORMER  
BRIDGEPORT PROJECT TOWNS OF REMAINING BRIDGEPORT  
PROJECT FUNDS**

WHEREAS, the Bridgeport Project officially ended on December 31, 2008; and

WHEREAS, on July 23, 2009, the Connecticut Resources Recovery Authority's (the "Authority") Board of Directors (the "Board") reviewed and approved the consolidation of various activities and assets and accounts relating to the Bridgeport Project in order to set funds aside for final project expenses prior to a distribution of Bridgeport Project-related funds to the towns that were members of the former Bridgeport Project (the "Towns"); and

WHEREAS, on September 24, 2009 the Board reviewed and approved the transfer of remaining assets and accounts that are necessary for the continuation of other activities of the former Bridgeport Project in order to avoid comingling with other Bridgeport Project funds and arrived at a dollar amount to be distributed; and

WHEREAS, the former President of the Bridgeport Solid Waste Advisory Board approved the methodology of distribution of funds to the Towns, which is the pro rata of each town's weighted average delivery and minimum commitment to the Bridgeport Project during the five and one-half year period July 1, 2003 to December 31, 2008; and

WHEREAS, on October 29, 2009, the Board approved the first distribution of \$1,639,185 to the Towns; and

WHEREAS, on December 16, 2010, the Board approved a second distribution of \$967,529 to the Towns and also authorized the transfer of \$5,000 from the Bridgeport Post Project Reserve to the Waterbury Landfill Post Closure Reserve to facilitate the installation of the groundwater well; and

WHEREAS, the amount of \$354,253 is identified surplus and can be distributed to the Towns.

NOW, THEREFORE, it is

RESOLVED: that \$1,575.00 be transferred from the STIF Operating account to the Bridgeport Post Project Reserve for distribution to the Towns; and

FURTHER RESOLVED: that \$200,142.00 plus any residual interest be transferred from the STIF Waterbury Landfill Closure to the Bridgeport Post Project Reserve for distribution to the Towns and that account be closed; and

FURTHER RESOLVED: that the amount of \$354,253 be distributed to the Towns in the percentage values and dollar amounts as follows:

<b>Municipality:</b>	<b>Percentage:</b>	<b>Distribution:</b>
Bethany	0.37%	\$ 1,310.74
Bridgeport	17.21%	\$ 60,966.94
Darien	2.59%	\$ 9,175.15
East Haven	3.48%	\$ 12,328.00
Easton	0.73%	\$ 2,586.05
Fairfield	11.32%	\$ 40,101.44
Greenwich	13.15%	\$ 46,584.27
Milford	10.08%	\$ 35,708.70
Monroe	2.84%	\$ 10,060.78
Norwalk	11.77%	\$ 41,695.58
Orange	1.51%	\$ 5,349.22
Shelton	4.69%	\$ 16,614.47
Stratford	6.42%	\$ 22,743.04
Trumbull	4.84%	\$ 17,145.85
Weston	1.28%	\$ 4,534.43
Westport	4.66%	\$ 16,508.19
Wilton	2.22%	\$ 7,864.42
Woodbridge	0.84%	\$ 2,975.73
<b>Total</b>	<b>100.00%</b>	<b>\$354,253.00</b>

## Bridgeport Project Fund Balances

Chronology through February 28, 2011

Bridgeport Project Accounts:

	9/30/2009	Distribution approved 10/29/09:	11/30/2010	Distribution approved 12/16/10:	2/28/2011	Required to be Held:	Net Available for Distribution:
(1) (2) Post Project Reserve	\$ 625,095	-	\$ 997,903	\$ 33,529	\$ 478,129	\$ 325,593	\$ 152,536
(3) Waterbury LF Closure	680,061	-	672,874	672,874	200,142	-	200,142
Operating Fund	-	-	1,575	-	1,575	-	1,575
(4) Receivables	-	-	261,126	261,126	n/a	n/a	
(2) Risk Reserve	100,015	-	CLOSED	-	n/a	n/a	
(5) Project Fund	2,967,214	1,607,214	CLOSED	-	n/a	n/a	
Clearing Account	31,971	31,971	CLOSED	-	n/a	n/a	
<b>GRAND TOTAL</b>	<b>\$ 4,404,356</b>	<b>\$ 1,639,185</b>	<b>\$ 1,933,478</b>	<b>\$ 967,529</b>	<b>\$ 679,846</b>	<b>\$ 325,593</b>	<b>\$ 354,253</b>

(1) Established September 16, 2009 with transfer of \$625K from the Project Fund.

(2) Established September 18, 2009 with transfer of \$100K from the Project Fund. Amount estimated for future litigation, insurance claims, other. Closed on May 5, 2010 with funds transferred to the Post Project Reserve.

(3) Received \$200K from DEP for Waterbury Landfill Closure in October 2010. Initially deposited to Post Project Reserve. Moved to Waterbury Landfill Closure in December 2010.

(4) Successful resolution of receivables from All American Waste (\$73,520); City Carting (\$12,500); and East Haven (\$175,106)

(5) Board resolution passed October 29, 2009 authorized transfer of \$1.360 million from Project Fund to the Shelton Landfill Post Closure Reserve to meet DEP requirements.

**BRIDGEPORT FINANCIAL SUMMARY**

*Update: February 28, 2011*



## BRIDGEPORT FINANCIAL SUMMARY

*Updated as of February 28, 2011*

This document updates the status of the former Bridgeport Project and status various post project items. Two STIF accounts had been established and funded as follows: \$625,000 to the Post Project Account for post project expenses and \$100,000 to the Risk Account for potential insurance claims. The Risk Account was closed on May 5, 2010 and the balance deposited to the Post Project Account. The following is the activity to date in this account:

	<b>Date:</b>	<b>Payments:</b>	<b>Deposits:</b>	<b>Balance:</b>
Transfer from Project Fund	9/18/2009			625,000
Receivable: East Haven	3/22/2009		175,106	800,106
Receivable: City Carting	3/22/2009		12,500	812,606
W'bury LF Groundwater Engineering	3/31/2009	(24,405)		788,201
Transfer in: Risk Fund	5/5/2009		100,194	888,395
Receivable: All American Waste	7/22/2009		73,520	961,915
Insurance Deductible	7/26/2010	(50,000)		911,915
DEP Grant	10/29/2010		200,000	1,111,915
Transfer in: W'bury LF Closure Fund	12/13/2010		672,874	1,784,789
Payment to Towns	12/20/2010	(967,529)		817,260
Transfer to W'bury LF Post Closure	12/22/2010	(200,000)		617,260
Transfer to W'bury LF Post Closure	12/22/2010	(5,000)		612,260
Interest Income thru 2/28/11	various		5,280	617,540
Insurance	various	(84,101)		533,439
Administrative	various	(53,004)		480,435
Legal	various	(2,306)		478,129

## POST PROJECT RESERVE ACTIVITY:

Item:	Description:	Exposure/ Amount in Reserve:	Resolution:	Status:	Payments through 2/28/11:	Amount Still Required to Hold:
Bond Counsel costs	(UCC terminations, indenture releases, etc.)	\$ 8,000	Paid \$5,122 from Operating Fund	COMPLETE		
Auditor	independent review of financial statements	7,000	Paid \$4,334 from Operating Fund	COMPLETE		
Waterbury Landfill Closure	Engineering, Groundwater Monitoring, Groundwater Well Installation, etc.	64,946	Paid \$18.2K from Waterbury LF Clos. and \$5.0K transferred to Post Clos. Reserve	COMPLETE	\$ 24,405	
Outstanding Accounts	All American owes fines: \$75,938 City Carting owes fines: \$55,000	130,938	Resolved: Fines reduced and paid	COMPLETE		
Administrative	General Administrative costs	53,004	Resolved	COMPLETE	53,004	
Claim: Milford Transfer Station	Insurance Deductible: Man sustained serious injury after falling at the Transfer Station.	50,000	Resolved: Court finalized; Paid July 2010	COMPLETE	50,000	
Claim: Contingency	Insurance Deductible: Claims generally filed within two years of occurrence, but can be up to three years (1/1/2012).	50,000	Unknown	--	0	\$ 50,000
Waterbury Land sale potential	Sale of 12 acres unused Waterbury landfill. Miscellaneous: \$25,000	25,000	Tested real estate market last year; no interest	Pending real estate market improvement	0	25,000
Insurance	Transfer Station legacy costs: Pollution (\$150K over five years) Waterbury LF sale (\$72K) (\$36K/yr)	222,000		In process	84,101	137,899
Legal	Legal Costs for completing items on this list	115,000		In process	2,306	112,694
Combe Fill South	Federal and State actions against the Municipal Group (including CRRRA) are complete. CRRRA has paid approximately \$100K.	Included in Legal, above	Likelihood small that any future claims by settling parties will occur. Insurance will only pay 2/3 of claims		--	--
RTC Dispute	Bankruptcy - dispute over any items remaining on site at the Shelton Landfill - Butler Building	Included in Legal, above	Pending Legal review		--	--

**\$325,593**

The Stratford Recycling Capital Reserve was established by the CRRRA Board October 2005. This reserve was funded by settlements reached with East Haven and Stamford relating to non-delivery of recyclables. Final disposition of funds, per contract, are to be resolved jointly by CRRRA, SWEROC and FCR. Balance as of 2/28/11: \$709,398.

# TAB 4

**RESOLUTION REGARDING UPGRADES TO THE MID-CONNECTICUT SYSTEM SCALES AND THE SOUTHWEST RECYCLING SCALE TO IMPROVE CUSTOMER TRAFFIC FLOW AND ACCESS DATA IN REAL TIME**

**WHEREAS:** CRRA's Number 1 Corporate goal is: **Customer Service/Accountability** - Anticipate and be responsive to customer needs in a timely fashion and a professional manner and;

**WHEREAS:** CRRA customers have consistently valued CRRA's efforts to receive waste and recycling deliveries at Mid-Connecticut facilities in an expeditious manner and;

**WHEREAS:** CRRA staff engaged in a nine-month, company-wide initiative to study methods of improving the receipt of customer deliveries and monitoring waste flows to achieve maximum operational efficiencies for our customers and CRRA, and;

**WHEREAS:** The recommendations from said initiative to automate certain scales will further expedite customer deliveries and upgrading technology to monitor MSW inventories on a "real time" basis will enhance CRRA's capabilities to manage waste flows which reduces diversion costs, therefore;

**RESOLVED:** That the Board of Directors hereby approves the expenditure of funds to automate certain scales at the Mid-Connecticut Transfer Stations, Waste Processing Facility and Regional Recycling Facility and Southwest Regional Recycling facility and upgrade of technology enabling CRRA to monitor waste inventories on a real time basis and the President is hereby authorized to enter into the sales contract with Mettler Toledo substantially as presented at this meeting.

# **Connecticut Resources Recovery Authority**

## **Contract Summary for Contract to be Engaged Under CT DAS Contract**

### **Sales Contract for Scale Automation, Service Agreement and Technology Upgrade at The Mid-Connecticut Transfer Stations, Waste Processing Facility, Regional Recycling Facility and Southwest Regional Recycling Facility (optional)**

Presented to the CRRRA Board on: April 21, 2011

Vendor/ Contractor(s): Mettler Toledo

Effective date: May 1, 2011

Contract Type/Subject matter: Supplemental Sales Contract Engaged  
Under CT DAS Contract #08PSX0183

Facility (ies) Affected: Mid-CT Transfer Stations, Waste  
Processing Facility, Regional Recycling  
Facility and Southwest Regional Recycling  
Facility (optional)

Original Contract: Agreement for Comprehensive  
Maintenance Services for CRRRA's Mid-  
Connecticut Project Scales

Term: October 1, 2008 through September 30,  
2013  
CRRRA intends to complete the project by  
September 1, 2011

Contract Amount \$148,945.

Amendment(s): N/A

Term Extensions: N/A

Scope of Services: To upgrade and install unattended  
automated scale devices with Real Time  
module at Mid-Ct Transfer Stations, WPF  
Scale, Mid-Ct Recycling Scale and Stratford  
Recycling Scale (optional)

Total Cost of Modification \$148,945.00

**Budget Status**

This expenditure was not contemplated when the FY11 budget was developed; however there are sufficient funds available within the Mid-CT Facility Modification Reserve for this expenditure.

**Other Pertinent Provisions:**

None

**Connecticut Resources Recovery Authority  
Mid-CT Transfer Stations, Waste Processing Facility,  
Regional Recycling Facility and Southwest Regional  
Recycling Facility**

**Automation of Certain Scales and Upgrade of Technology to  
Facilitate Waste Flow Management with “Real Time” Data  
Monitoring of Waste Inventories**

*April 21, 2011*

**Executive Summary**

President Kirk convened a group of CRRA staff on June 9, 2010 to launch a company-wide initiative to review CRRA’s current processes for receiving our customer’s municipal solid waste (msw) and recycling deliveries and to make recommendations for improvement. CRRA staff were organized into teams and directed to:

- 1.) map each step of the current processes of receiving customer deliveries;
- 2.) brainstorm and compile a list of ideas to improve the current processes and;
- 3.) narrow the list and refine the concepts that will improve on current processes.

This proposed resolution focuses on two recommendations which will improve customer service when receiving deliveries and also enhance CRRA’s capabilities to react swiftly to changing conditions in managing waste flows.

**Recommendation #1: Automated or Unattended Scales**

**Transfer Stations**

Since the inception of the Mid-Connecticut Project, CRRA has followed a practice of weighing outbound 100 yard trailers on the main scale of each of the four transfer stations even though the “load out” areas are equipped with a scale. (The load out area is located within each transfer station and is where 100 yard trailers are filled with either msw or recyclables.) Utilization of the main scales for outbound transfer trailers is redundant and causes an unnecessary traffic flow

conflict. This current process also impedes incoming customer vehicles, increasing customer wait times.

Upgrading each of the stations' load out scales with an unattended, automated scale device with keyboard and printer obviates the need for weighing outbound transfer trailers on the main scale. The driver will simply scan a proxy card that will input the relevant vehicle and weigh data which will be transferred to the main scalehouse computer via wireless communications and stored in CRRA's system. A ticket with the date, time and load weight will be printed which the driver will take with him.

#### Mid-CT WPF Scale

Automating a scale at the WPF provides CRRA with the option of bringing in msw loads from the transfer stations during "off-hours" when the main scale is not open. This would assist traffic flow during the day (particularly during heavy delivery months) and further reduce wait times for our customers.

#### Mid-CT Recycling Scale

This scale will be attended during the normal work day and unattended to accommodate 2<sup>nd</sup> shift single stream deliveries from the Stratford Regional Recycling Facility.

#### Automated Beta (Test) Site Options

Stratford Recycling Scale – Recommend that this scale be initially attended during the normal work day and unattended to accommodate 2<sup>nd</sup> shift single stream deliveries to the Mid-CT Regional Recycling Facility. After a two-month start-up period, transition to full automation during both shifts reducing labor costs. Initial costs for automation would have to be paid from the Southwest Capital Reserve fund. Automating this scale also affords CRRA with options for future use as a fully capitalized single stream recycling facility or alternative solid waste management facility.

Watertown Transfer Station – This station is the largest Mid-CT transfer station with both msw and recycling loads. As an alternative to automating the Stratford scale for off-hour outbound vehicles to Mid-CT Regional Recycling Facility, the Watertown TS operator could be directed to hold a number of recycling loads equivalent to Stratford's for after-hour deliveries to the Mid-CT Regional Recycling Facility. This would require overtime costs to be paid to the vendor.



## **Recommendation #2: Real Time Data**

To ensure the most efficacious management of CRRA's waste flows, it is critical that tonnage reports are accessible and up-to-date on a real time basis. Rather than provide real time data, current tonnage reports for all receiving sites are based on transactions that occurred on the previous day. Therefore, business decisions to divert waste due to plant operating conditions can't be guided by real time information. This can prompt waste flow decisions that unintentionally increase costs. For example, during FY 2008 CRRA lost \$220,967 due to diversion decisions made without the benefit of real time data. During that year spot waste was brought in since the data suggested a need although the actual, real time data would have nullified those decisions. Real time is a necessary tool to ensure proper management of waste tonnage flows.

Although real time is a component with CRRA's existing scale software, it cannot be run with our current configuration. Modification of our current system will enable data to be sent and received on a real time basis (within five minutes). This will provide CRRA with:

- More reliable, up-to-date information during upset conditions and;
- Improve financial conditions by decreasing unnecessary diversion costs.

## **Financial Summary**

Total project cost of \$148,945.00 includes:

- Unattended devices for four transfer stations & WPF Scale #4 with scale cards, display keyboard, Star Printer, Proxima card reader & wireless kits, terminal wiring for Wireless network, Proxima Cards, Local Service, Install/Train, Real Time Module, Update and customization of current systems: \$111,580.00
- Annual software support agreements for scales at four Transfer Stations, WPF #4 and Mid-CT Recycling Scale: \$14,202.00
- Mid-CT Recycling Scale & Stratford Beta Site: Auto Scale, unattended devices, scale cards, display keyboard, Star Printer, Proxima card reader & wireless kits, terminal wiring for Wireless network, Proxima Cards, Local Service, Install/Train, Real Time Module, Update and customization of current systems: \$ 23,163.00

This expenditure will be funded from the Facility Modification Reserve. There are sufficient funds in the reserve for this purpose.

# TAB 5

# Connecticut Resources Recovery Authority

## Solicitation of Legal Services For a Three Year Term beginning July 1, 2011

*April 21, 2011*

### **Discussion**

In the course of conducting its business, CRRA requires the assistance of attorneys and law firms to provide various legal services and legal representation. CRRA's "Procurement Policies and Procedures" establishes a "Request for Qualifications" ("RFQ") process to obtain such services. The RFQ process is "a process by which CRRA identifies persons to perform services on behalf of . . . CRRA through the solicitation of qualifications, experience, [and] prices." CRRA has historically used the RFQ process to pre-qualify firms for a variety of legal services that it requires. CRRA makes no financial commitment to any firm or individual in the three year services Agreements that are executed as an outcome of the RFQ process. The RFQ process simply qualifies a firm or individual as eligible to undertake work for CRRA at a later date, and for an agreed upon billing rate, when a specific need is actually identified. Any such future work would be procured through a Request for Services ("RFS").

In accordance with its Procurement Policies and Procedures, and the Connecticut General Statutes, CRRA is required to solicit for technical and professional services (including legal services) once every three years. Legal Services Agreements currently in effect will expire on June 30, 2011.

Accordingly, CRRA issued an RFQ for Legal Services on January 31, 2011 in order to solicit firms with which to contract for a new three year period beginning July 1, 2011.

CRRA published notices for Legal Services in *The Hartford Courant*, *The CT Post*, *The New Haven Register*, *The Waterbury Republican American*, *The New London Day*, *Northeast Minority News*, *La Voz Hispania*, and *The Connecticut Law Tribune*, and also posted the notice on the CRRA web site and on the State of Connecticut Department of Administrative Services web site.

Eleven packages were received and determined by the CRRA Legal Department to be administratively complete. Management reviewed each firm's experience, qualifications and expertise, state presence, and proposed rates, and analyzed each in light of CRRA's anticipated legal requirements during Fiscal Years 2012 through 2014. Upon management recommendation, the P&P Committee elected to interview eight of the

responsive firms. Interviews were held during a Special Meeting of the P&P Committee on March 28, 2011.

During the next 3 years, the Authority will continue development and implementation of its revised business model in accordance with its legislative mandates and the goals of the state's Solid Waste Management Plan. Management believes that the Authority will be best served during this period by continuing to rely upon the advice of counsel who have served it well in recent years, who are familiar with our existing contracts and business arrangements, and who understand the challenges we face -- with strategic additions to our on-call lists to help us meet additional anticipated needs.

## RESOLUTION REGARDING THREE-YEAR LEGAL SERVICES AGREEMENTS

**RESOLVED:** That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Legal Services Agreements as were substantially set forth in the Request for Qualifications dated January 31, 2011, for a period of three years commencing on July 1, 2011 and terminating on June 30, 2014, with the law firms listed below. Except for the General Counsel position, all other counsel positions will be "on call".

### GENERAL COUNSEL

Halloran & Sage

### CONSTRUCTION

Halloran & Sage  
McCarter & English  
McElroy, Deutsch

### EMPLOYMENT

Halloran & Sage  
Kainen, Escalera (Primary)

### ENERGY/DPUC

Halloran & Sage  
Brown Rudnick

### ENVIRONMENTAL

Halloran & Sage  
Brown Rudnick  
Day Pitney  
McCarter & English

### LITIGATION

Halloran & Sage  
Brown Rudnick  
Day Pitney  
Hinckley Allen  
Kainen, Escalera  
McCarter & English  
McElroy, Deutsch  
Willinger, Willinger & Bucci

REAL ESTATE

Halloran & Sage  
Brown Rudnick  
Day Pitney  
McCarter & English  
Willinger, Willinger & Bucci

SOLID WASTE

Halloran & Sage  
Brown Rudnick  
Hinckley Allen

CONTRACT COUNSEL

Halloran & Sage  
Hinckley Allen  
Willinger, Willinger & Bucci

# TAB 6

# **Connecticut Resources Recovery Authority**

## **Solicitation of Bond Counsel Legal Services For a Three Year Term beginning July 1, 2011**

*April 21, 2011*

### **Discussion**

In the course of conducting its business, CRRA requires the assistance of attorneys and law firms to provide various legal services and legal representation. CRRA's "Procurement Policies and Procedures" establishes a "Request for Qualifications" ("RFQ") process to obtain such services. The RFQ process is "a process by which CRRA identifies persons to perform services on behalf of . . . CRRA through the solicitation of qualifications, experience, [and] prices." CRRA has historically used the RFQ process to pre-qualify firms for a variety of legal services that it requires. CRRA makes no financial commitment to any firm or individual in the three year services Agreements that are executed as an outcome of the RFQ process. The RFQ process simply qualifies a firm or individual as eligible to undertake work for CRRA at a later date, and for an agreed upon billing rate, when a specific need is actually identified. Any such future work would be procured through a Request for Services ("RFS").

In accordance with its Procurement Policies and Procedures, and the Connecticut General Statutes, CRRA is required to solicit for technical and professional services (including legal services) once every three years. Bond Counsel Legal Services Agreements currently in effect will expire on June 30, 2011.

Accordingly, CRRA issued an RFQ for Bond Counsel Legal Services on January 31, 2011 in order to solicit firms with which to contract for a new three year period beginning July 1, 2011. CRRA published notices for Bond Counsel Legal Services in *The Hartford Courant*, *The CT Post*, *The New Haven Register*, *The Waterbury Republican American*, *The New London Day*, *Northeast Minority News*, *La Voz Hispania*, *The Connecticut Law Tribune*, and *The Bond Buyer*, and also posted the notice on the CRRA web site and on the State of Connecticut Department of Administrative Services web site.

Seven packages were received and determined by the CRRA Legal Department to be administratively complete. Management reviewed each firm's experience, qualifications and expertise, state presence, and proposed rates, and discussed CRRA's anticipated requirements for bond counsel services during Fiscal Years 2011 through 2014 with the Finance and P&P Committees. The Committees agreed that the Authority will be best served during this period by maintaining its present relationships with bond counsel who



have served it well during the prior three years, who are familiar with our existing bond indentures and our business needs, and who understand the challenges we face, and recommends that we continue to make use of the experience and expertise of our current bond counsel.

## **RESOLUTION REGARDING THREE-YEAR BOND COUNSEL LEGAL SERVICES AGREEMENTS**

**RESOLVED:** That the President is hereby authorized to execute, deliver, and perform on behalf of this Authority, Bond Counsel Legal Services Agreements as were substantially set forth in the Request for Qualifications dated January 31, 2011, for a period of three years commencing on July 1, 2011 and terminating on June 30, 2014, with the law firms listed below.

### Bond Counsel

Sidley Austin  
Pullman & Comley

# TAB 7

*DRAFT RESOLUTION FOR CRRRA BOARD OF DIRECTORS*

**RESOLUTION REGARDING REQUEST FOR SERVICES FOR  
SINGLE-STREAM RECYCLING MARKETING AND PUBLIC  
RELATIONS CAMPAIGN**

**RESOLVED:** That the President is hereby authorized to approve a Request for Services with Pita Group LLC for services associated with CRRRA's single-stream recycling marketing and public relations campaign substantially as presented and discussed at this meeting.

# **Connecticut Resources Recovery Authority**

## **Summary for RFS entitled Single-Stream Recycling Marketing & Public Relations Campaign**

Presented to the CRRA Board on: April 21, 2011

Vendor/contractor(s): Pita Group LLC, formerly Pita Communications LLC

Effective date: May 1, 2011

Contract type/subject matter: Public Relations Services Agreement

Contract term: January 1, 2009, through December 31, 2011

Contract number: 090116

Facility(ies) affected: Mid-Connecticut Project

RFS dollar value: \$90,000

RFS term: May 1, 2011, through June 30, 2011

Scope of services: Public relations, marketing and associated activities in support of CRRA's single-stream recycling initiative.

# Connecticut Resources Recovery Authority

## RFS for Single-Stream Recycling Marketing & Public Relations Campaign

April 7, 2011

### EXECUTIVE SUMMARY

For several years, Connecticut's recycling rate was stagnating. CRRA, as part of its statutory responsibility for implementing the state Solid Waste Management Plan (SWMP), which calls for significant increases in recycling and additional efforts to build public support for recycling, decided that single-stream recycling would help achieve those increased recycling rates, so in 2008 it invested \$3 million to convert its Mid-Connecticut Project recycling processing facility to accept single-stream deliveries.

The investment was made based on a business plan that showed single-stream would produce sufficient increases in recycling that the revenue from selling those recyclables would repay the investment. Recycling more would also decrease the need to export surplus trash, which drives up CRRA's costs and thus has an adverse impact on trash disposal fees, so this investment, if successful, would benefit both CRRA and its towns in a number of ways. It would also support another key element of the Solid Waste Management Plan – the need to control exports of trash.

CRRA management has been continuously communicating with the chief executives of Mid-Connecticut Project cities and towns about single-stream recycling since the conversion to single-stream was being evaluated by management in early 2008. A few examples:

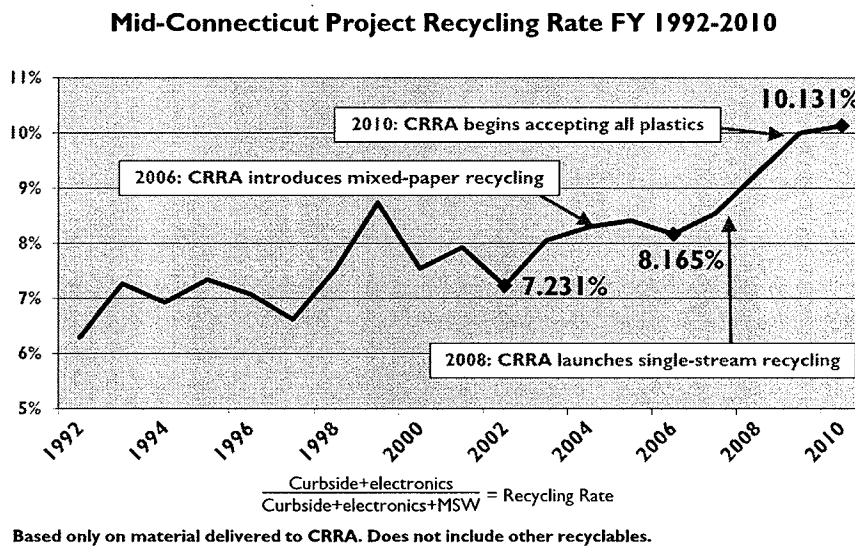
- In January 2008, management spoke to the East Hartford Town Council about single-stream recycling and the benefits it would produce for that town.
- Single-stream was mentioned prominently in the last two editions of CRRA's annual report, "A Report to the State from CRRA," released in February 2008 and March 2009, and at CRRA's annual meetings on February 27, 2008, and March 4, 2009.
- Single-stream was the topic of management's presentation to the Litchfield Hills/Northwestern Connecticut Solid Waste and Recycling Committee on June 23, 2008.
- And when CRRA announced the introduction of single-stream recycling, it received two rounds of statewide coverage on radio, television and newspapers – first in July, again in November after towns had started switching to single-stream recycling.
- Since its introduction, CRRA's recycling program has continued to be a frequent subject of media coverage. CRRA's recycling program was featured on television and radio stations throughout the year and, increasingly, is a go-to source for news organizations looking for stories.
  - This can directly benefit CRRA towns. For example, last week Ryan Hanrahan of NBC-Connecticut contacted us looking for story ideas for a week-long series on recycling, and he took up our suggestion to focus on Torrington's success at increasing its recycling rate since introducing single-stream.

Starting in 2008, the CRRA Board recognized that because single-stream recycling represents a major change from the more-familiar dual-stream system – in which the homeowner separates paper and cardboard from containers – it must be supported with a public education and awareness campaign to maximize its effectiveness and thus maximize CRRA's return on investment.

In recognition of the need for such campaigns, the CRRA Board of Directors appropriated \$150,000 to the FY 2010 Mid-Connecticut Project budget line entitled “Regional Recycling Marketing & Public Relations.”

CRRA has been working on this campaign with Pita Group LLC, to whom CRRA awarded a three-year Public Relations Services Agreement (under its previous name of Pita Communications LLC) after a Request for Qualifications (RFQ) process in 2008. Pita developed two 30-second radio spots that will introduce single-stream recycling and explain its superiority to other forms of recycling, and a flyer that can be customized for a particular town or distributed widely.

Management is now planning another burst of radio ads which will run from May 1 through June 30 on selected stations. This campaign will place a greater focus on stations that appeal to urban audiences, as urban areas continue to lag behind the state as a whole in recycling participation and tonnage. The campaign will include a Spanish-language spot which CRRA will complement with a Spanish-language recycling flyer and web page.



Radio advertising has been a critical part of CRRA’s public-awareness campaign. Since we launched this campaign in 2007, as you can see in the chart at left, the ratio of recyclables to trash delivered to the Mid-Connecticut Project has increased dramatically.

Management has allocated \$90,000 for the latest portion of this campaign, or less than 10 cents per

person in the Mid-Connecticut Project area.

The radio spots drive traffic to CRRA’s website, which for four years has had a town-by-town recycling guide ([http://www.crra.org/pages/member\\_towns\\_recycling\\_table.htm#towns](http://www.crra.org/pages/member_towns_recycling_table.htm#towns)) that lists a telephone number with which residents can get more information about their particular localities.

The CRRA website’s town-by-town recycling guide is constantly being updated to indicate the towns in which single-stream recycling is already available.

While the 30-second spots are the foundation of this campaign, “value-added features” typically offered by stations to entities purchasing blocks of advertising include distribution of flyers at events where radio personalities are making in-person appearances and streaming advertisements on stations’ Web sites (WTIC-AM’s site, for example, receives over 110,000 unique visitors each month). With this expenditure, CRRA could expect to receive some amount of these or other “value-adds,” though the specifics would be negotiated by Pita’s media buyer.

While the 30-second spots introduce single-stream recycling and increase recycling in Mid-Connecticut Project towns, the spots will also enhance CRRA’s public image with the tag line of “CRRA – Connect-

icut's recycling leader." While results concerning the impact on CRRA's image cannot be measured without scientific public-opinion polling, progress toward the main goal – increasing recycling – are demonstrated by measuring by total recycling tons received and the ratio of recycling tons to trash received from participating towns. The results are seen clearly in the above chart.

The SWMP, which CRRA is charged with implementing, calls for increased education and outreach as a means of reaching the SWMP's recycling goals. Specifically, Page 4-2 of the SWMP calls for efforts to *"build support for programs to engage citizens in actions needed to maximize waste reduction and recycling,"* so this campaign will help CRRA carry out its statutory responsibility (CGS Sec. 22a-262 and Sec. 22a-264) for implementing the SWMP.

Because this Request for Services totals more than \$50,000, it requires approval of the CRRA Board of Directors.

## **DISCUSSION**

Pita Group, formerly known as Pita Communications LLC, was one of three firms selected to receive Public Relations Services Agreements after CRRA issued a Request for Qualifications for firms to provide public relations, advertising and marketing services in 2008. This particular firm was chosen for its commendable work in developing and executing the award-winning "Phillup D. Bag" campaign which was successful in increasing awareness of mixed-paper recycling and enhancing CRRA's public image. This Agreement was approved by the Board on November 20, 2008.

### **Financial Summary**

Funds for this RFS are available in Mid-Connecticut Project budget line 41-001-506-52118 "Mid-Connecticut Recycling Facility Communications Services."





100 Constitution Plaza, 6th Floor  
Hartford, CT 06103

Telephone: (860) 757-7700 Fax: (860) 727-4141

March 25, 2011

Ms. Kim Sirois Pita, Managing Principal  
Pita Group LLC  
40 Cold Spring Road  
Rocky Hill, CT 06067

RE: Public Relations Services Agreement  
Contract No. 090116  
Single-Stream Recycling Marketing & Public Relations Campaign  
Request for Services No. \_\_\_\_\_

Dear Ms. Pita:

This request will authorize you to provide the Services described below in accordance with the terms and conditions of the Public Relations Services Agreement, dated January 1, 2009, between CRRA and Pita Communications LLC, Contract # 090116.

The Scope of Services, Estimated Time of Performance and Estimated Costs set forth below will become 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**

To promote single-stream recycling for Mid-Connecticut Project cities and towns and position the organization as the state's recycling leader, the Connecticut Resources Recovery Authority seeks to renew its radio advertising campaign beginning in May 2011.

The campaign's goal would be to maximize Gross Rating Points (GRPs) among the station mix selected during the campaign period (approximately six to eight weeks, to be determined based on GRPs, spot rates, discounts and number of spots purchased with each station). The campaign would include a greater emphasis on stations that reach urban areas, which traditionally lag behind the state as a whole in recycling participation. The following stations would be considered for inclusion in the campaign:

- **CBS Radio Network stations (Hartford-New Haven)**
  - WTIC-AM, 1080 AM (news-talk)
  - WTIC-FM, 96.5 FM (hot adult contemporary)
  - WZMX-FM ("Hot 93.7"), 93.7 FM (urban)
- **Buckley Broadcasting Network stations**
  - WDRC-AM, 1360 AM (news-talk), Hartford-New Haven
  - WMMW-AM, 1470 AM (news-talk), Meriden
  - WWCO-AM, 1240 AM (news-talk), Waterbury
  - WSNG-AM, 610 AM (news-talk), Torrington
  - WDRC-FM, 102.9 FM (oldies hits), Hartford-New Haven

• **Clear Channel Radio stations**

- WWYZ-FM, 92.9 FM (country), Hartford-New Haven
- WKSS-FM, 95.7 FM (hot adult contemporary), Hartford-New Haven
- WHCN-FM, 104.1 FM (adult contemporary), Hartford-New Haven

• **Crossroads Communications Network**

- WMRD, 1150 AM (news-talk), Middletown
- WLIS, 1420 AM (news-talk), Old Saybrook

• **Additional stations**

- WQTQ, 89.9 FM (jazz/reggae/hip-hop/gospel), Weaver High School, Hartford
- WLAT, 910 AM (Spanish), Hartford
- WZBG, 97.3 FM, (adult contemporary-local information), Litchfield
- WATR, 1320 AM (news-talk), Waterbury

**Net advertising buy** **\$70,000**

**Production of a Spanish-language radio spot** **\$ 5,000**

**Development and execution of a radio media plan, including:**

- Negotiation, scheduling, confirmation and execution of contracts for placement of spots with radio stations
- Negotiation, scheduling and coordination of value-add interviews and promotions with stations to be included in the buy

**Plan development, negotiation, placement; coordination of value add interviews and promotions** **\$ 15,000**

**TOTAL** **\$ 90,000**

**ITEM II - ESTIMATED TIME OF PERFORMANCE**

The estimated time of performance of this RFS is from May 1, 2011, through June 30, 2011.

**ITEM III - ESTIMATED COSTS**

The estimated cost to perform the above services is \$90,000.00.

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 Consultant 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: \_\_\_\_\_

Ms. Kim Sirois Pita  
Page 3  
March 26, 2011

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

Accepted under the terms of the  
Public Relations Services Agreement dated January 1, 2009.

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

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