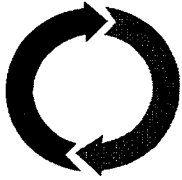


**CRRA
SPECIAL BOARD MEETING
Feb. 4, 2013**



**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, HR Specialist/Board Administrator
DATE: Jan. 28, 2013
RE: Notice of Special Board Meeting

There will be a Special Board Meeting of the Connecticut Resources Recovery Authority Board of Directors on Monday, Feb. 4, 2013, at 1:00 a.m. The meeting will be held in the Board Room at 211 Murphy Rd. Hartford, CT 06103.

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

Connecticut Resources Recovery Authority
Special Board of Directors Meeting

Agenda
Feb. 4, 2013
1:00 PM

I. Pledge of Allegiance

II. Public Portion

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

III. Minutes

1. Board Action will be sought for the Approval of the Regular Dec. 20, 2012, Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the Approval of the Special Jan. 17, 2013, Board Meeting Minutes (Attachment 2).

IV. Board Committee Reports

A. Finance Committee Reports

1. Board Action will be sought Regarding RFQ for Economic Advisors (Attachment 3).
2. Board Action will be sought Regarding Southwest Budget (Attachment 4).

B. Other Reports

1. Board Action will be sought Regarding a Contract with wTe Recycling, Inc. (Attachment 5).

C. Organizational Synergy & Human Resources Report

V. Chairman and President's Reports

VI. Executive Session

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

VII. Potential Board Action Regarding a Matter Related to the Contract for Operation/Maintenance Services for the Mid-Connecticut Regional Recycling Facility.

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-SIXTH

DEC. 20, 2012

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Dec. 20, 2012, in the Board Room at 100 Constitution Plaza, Hartford, CT 06103. Those present were:

Directors: Chairman Don Stein
John Adams
Dick Barlow
David Damer
Joel Freedman
Timothy Griswold (present by telephone)
Andrew Nunn (present by telephone)
Pedro Segarra (present by telephone)
Scott Shanley
Steve Edwards, Bridgeport Project Ad-Hoc
Mark Tillinger, Bridgeport Ad-Hoc
Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Dave Bodendorf, Senior Environmental Engineer
Peter Egan, Director of Environmental Affairs and Operations
Laurie Hunt, Director of Legal Service
Paul Nonnenmacher, Director of Public Affairs
Jim Perras, Government Relation Liaison
Moira Benacquista, HR Specialist/Board Administrator
Marianne Carcio, Executive Assistant

Others present: Miguel Escalera, Esq., Kainen, Escalera & McHale; Martha Kelly, Connecticut Coalition of Environmental Justice; Jonathan Leibovic, Toxic Action Center; John Pizzimenti, USA Hauling; Cheryl Thibeault, Covanta.

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

APPROVAL OF THE MINUTES OF THE SPECIAL NOV. 16, 2012, BOARD MEETING

Chairman Stein requested a motion to approve the minutes of the Special Nov., 16, 2012, Board Meeting. Director Bingham made a motion to approve the minutes which was seconded by Director Adams.

The motion previously made and seconded to approve the minutes was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra, Director Shanley, and Director Tillinger voted yes. Director Barlow abstained.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow			X
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

APPROVAL OF THE MINUTES OF THE SPECIAL DEC. 5, 2012, BOARD MEETING

Chairman Stein requested a motion to approve the minutes of the Special Dec. 5, 2012, Board Meeting. Director Damer made a motion to approve the minutes which was seconded by Director Adams.

The motion previously made and seconded to approve the minutes was approved by roll call. Chairman Stein, Director Adams, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra, Director Shanley, and Director Tillinger voted yes. Director Edwards and Director Barlow abstained.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow			X
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

APPROVAL OF THE MINUTES OF THE REGULAR NOV. 29, 2012, BOARD MEETING

Chairman Stein requested a motion to approve the minutes of the regular Nov. 29, 2012, Board Meeting. Director Damer made a motion to approve the minutes as amended which was seconded by Director Adams.

The motion previously made and seconded to approve the minutes as amended was approved by roll call. Chairman Stein, Director Adams, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Shanley, and Director Tillinger voted yes. Director Barlow and Director Segarra abstained.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow			X
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra			X
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

PUBLIC COMMENT

Jonathan Leibovic of the Toxic Action Center addressed the Board. He noted Martha Kelly of the Connecticut Coalition of Environmental Justice was also present. Mr. Leibovic asked for clarification on a statement made by Mr. Kirk at the Nov. 29, 2012, CRRA Board meeting. He said Mr. Kirk had stated, "there was significant uncertainty considering how much waste the Authority will have and that auctioning CRRA's power is not currently the best course of action and that would be typical this year given the potential for the innovative solution with the Connecticut Department of Environmental Energy and Protection and the State of Connecticut and the operating profile and waste delivery questions". Mr. Leibovic asked what the uncertainty around the waste stream will be and if that is just a matter of different municipalities signing contracts with Waste Management companies or if there is a decrease in the amount of waste being produced. He said he is particularly interested in the potential CT DEEP solution.

Mr. Kirk said the waste stream issue is due to the fact that tonnage is no longer tied up by contracts and many of the member towns have contracts with other providers. He said the plant is now filled by spot tonnage and noted there is no reduction in the amount of waste produced in the State of Connecticut.

Mr. Leibovic asked for detail on the shortfall revenue. Mr. Kirk said CRRA is experiencing a shortfall in revenue due to the drop in power prices. He said without additional revenue there is also a shortfall for plant operations. Mr. Kirk said it has yet to be determined how that shortfall will be addressed.

Mr. Leibovic asked if the municipalities whose contracts with CRRA have expired have signed contracts with other waste management companies. Chairman Stein said there are 51 towns which have signed with CRRA for continued disposal services. He said some of the proposed innovative solutions have been discussed extensively by the Governor's Working Group. Chairman Stein said CRRA is waiting to hear the results of that Committee's findings to see how that interfaces with CRRA's solution.

POLICIES & PROCUREMENT COMMITTEE REPORTS

RESOLUTION REGARDING APPROVAL OF DELIVERY OF COVER SOILS TO THE HARTFORD LANDFILL

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the President is hereby authorized to enter into an agreement with A&S Construction Services, LLC for delivery of soil to be used as contouring and cover material at the Hartford Landfill, as approved by the Connecticut Department of Energy & Environmental Protection, substantiality as discussed and presented at this meeting.

FURTHER RESOLVED: That the revenue received from this contract will be deposited into the Hartford Landfill Closure Reserve.

Director Damer said this resolution is one of the many standard revenue contracts for delivery of soil to the landfill for closure. He said the soil is coming in from construction work at the UConn Health Center for \$20 a ton and will potentially bring in around \$225,000 of revenue.

Director Shanley asked if the revenue will offset the expected direct contribution for the closure or if it is calculated into the closure already? Director Damer said it was his understanding that these funds go into the closure fund. He said any additional source of revenue which comes in over and above the financial requirements for the closure are put towards the solar panel cap and potentially allows CRRA to buy more solar panels.

Director Shanley asked if he was correct in stating there was no intention to use funds from the General Fund for the closure for this portion. Mr. Kirk replied yes. Director Segarra asked what the balance in this fund will be after that particular contribution is made. Mr. Kirk said the closure fund is a moving target. Mr. Bodendorf said the soil sales over the last six to seven years have generated several million dollars. Mr. Bolduc said as of the end of Nov. that amount is approximately \$8.6 million. Director Adams noted for the record that there is still room for additional soils and CRRA is interested in further opportunities. Mr. Kirk agreed.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra, and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		

RESOLUTION REGARDING APPROVAL OF AN AGREEMENT FOR THE DIRECT DELIVERY OF ACCEPTABLE SOLID WASTE TO THE MID-CONNECTICUT RESOURCE RECOVERY FACILITY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Damer and seconded by Director Adams.

RESOLVED: That the President is hereby authorized to execute a Letter Agreement for the direct delivery of Acceptable Solid Waste by the Regional Refuse District One to the South Meadows Resource Recovery Facility.

Chairman Stein said in the interest of full disclosure that he must recuse himself from this vote as Regional Refuse District One (hereinafter referred to as RRDD#1) serves the Town of Barkhamsted. Mr. Kirk said this is a very straightforward agreement with RRDD#1 to replace a long standing letter agreement which has been operating for the past decade. He explained for convenience and cost savings RRDD#1 opted to deliver waste to the facility in its' own trucks instead of utilizing the transfer station. Mr. Kirk said this is beneficial for RRDD#1 and also allows the facility to share in the costs savings due to reduced transportation costs.

Mr. Kirk said this agreement is similar to one CRRRA has with Sharon/Salisbury and is beneficial to all parties involved and available to other interested member towns. He said the cost is \$105 for every load of compacted waste. Director Painter asked if RRDD#1 is still paying a tip fee. Mr. Kirk replied yes, he said the tip fee is still paid at the gate however; CRRRA reimburses them for some of the transportation costs.

The motion previously made and seconded was approved by roll call. Director Adams, Director Barlow, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra, and Director Shanley voted yes. Chairman Stein abstained.

Directors	Aye	Nay	Abstain
Chairman Donald Stein			X
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct	X		

RESOLUTION REGARDING REDUCTION IN FORCE PROGRAM

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Tillinger and seconded by Director Adams.

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") believes that for business reasons it is prudent to conduct one or more reductions in force; and

WHEREAS, pursuant to the policies of the Authority any employee who is notified that their employment will be terminated pursuant to a reduction in force will be eligible to work a six-month working notice period; and

WHEREAS, the Authority wishes to provide any employee whose employment is terminated pursuant to a reduction in force with the opportunity, after working the six-month working notice period, to receive a termination payment in the amount of two weeks of pay per year of service, with a minimum of 10 weeks of termination pay up to a maximum of 16 weeks of termination pay, plus a maintenance payment for other benefits for the term, plus reimbursement of COBRA health/dental insurance premiums for a minimum of three months or a maximum of four months, depending on years of service, provided the employee executes a separation agreement and release of all claims in favor of the Authority in such a form as the Authority may require;

NOW THEREFORE, it is RESOLVED: That any employee of the Authority whose employment is terminated by the Authority pursuant to a reduction in force shall, after working the six-month working notice period, be given the opportunity to receive a termination payment in the amount of two weeks of pay per year of service, with a minimum of 10 weeks of termination pay up to a maximum of 16 weeks of termination pay, plus reimbursement of COBRA health/dental insurance premiums for a minimum of three months or a maximum of four months, depending on years of service, provided the employee executes a separation agreement and release of all claims in favor of the Authority in such a form as the Authority may require. The opportunity to receive a termination payment in the amount of two weeks of pay per year of service, with a minimum of 10 weeks of termination pay up to a maximum of 16 weeks of termination pay, plus a maintenance payment for other benefits for the term, plus reimbursement of COBRA health/dental insurance premiums for a minimum of three months or a maximum of four months, depending on years of service, shall not be available to any employee that fails to complete the six-month working notice period on account of voluntary resignation, termination for cause, or other reason attributable to the employee.

IT IS FURTHER RESOLVED: that the Authority shall establish an Employee Termination Obligation Reserve and transfer necessary funds from the Mid-Conn Operating Account and Reserves to a designated STIF account to fund the above described termination payments.

IT IS FURTHER RESOLVED: that the President shall make all necessary decisions as regards the implementation of RIF's, termination payments, and execution of release agreements, subject to the oversight of the Organizational Synergy and Human Resources Committee.

Mr. Kirk said this matter has been discussed by the Board in earlier meetings in the event the CRRA finds it necessary to reduce staff. Mr. Kirk said the Organizational Synergy & Human Resources Committee (hereinafter referred to as "OS & HR Committee") agreed that a termination payment would be beneficial to CRRA. He said the risks and costs associated with terminating employees and a possible reduction in force versus a severance is significant and noteworthy.

Mr. Kirk said the Board suggested some changes to how the termination payment would be administered should it be needed. He said the major change was from a flat 3 month payment to recognize length of service, to a variable payment from 10 weeks for a maximum of 16 weeks with the payment proportionate for time served.

Director Freedman said a possible amendment to the policy period to refresh the six month notice period was also discussed. He said no conclusions were met however, it seems appropriate to have that discussion in conjunction with this resolution. Director Freedman asked what the effective date of this policy was. He said in light of CRRA's budgetary issues the Board may want to reconsider the six month notice policy. Director Freedman said the first whereas, which states "the Connecticut Resources Recovery Authority (the "Authority") believes that for business reasons it is prudent to conduct one or more reductions in force" should be amended to "may be prudent".

Director Freedman said an individual employee may be entitled to six months' notice plus sixteen weeks of pay, which is roughly ten months, and is far beyond the scope of private employers. He suggested discussing reducing that six month notice period going forward.

Director Adams said he works in a publically traded company which offers one week notice for each year worked with same day notice. Chairman Stein said his former employee, United Technologies, provided same day notice and the severance packages varied per employee.

Director Griswold said he knows that the discussion on this subject matter focuses on the economy and expected time it would take certain employees to find new employment and the likely litigation which would surround any kind of reduction in force. He asked if the six months' notice and termination payment would be contingent upon an employee signing a release. Director Griswold said the release would indemnify CRRA from future claims. He said such a release could not be signed at the outset because no benefits were received at the time the reduction in force was announced. Director Griswold said the offer serves to obtain as much cooperation as possible from the staff and to minimize possible legal action.

Director Freedman said he has no concerns with the current resolution. He said the resolution is to achieve the likelihood of eliminating as much potential litigation as possible. He said the six month notice at the present is a guarantee regardless of litigation.

Director Tillinger said the current language incorporates "after working the six month period". Director Freedman said an employee could still stay for six months and litigate. Director Damer said he would be in favor of not changing the current policy concerning the six month notice period. He suggested putting this resolution in place and making possible changes in the future if circumstances change. Director Damer said the OS & HR Committee had come to the general conclusion that this resolution should be passed with the six month working notice period in place.

Chairman Stein said his concern with this resolution is that the six month working notice would stand along with a severance package on top of that. He said it was his preference if the six month working notice is being reconsidered that this resolution does not reference a specific working notice but a working notice as approved by the Board.

Chairman Stein suggested the severance package item be passed individually and the working notice issue be addressed separately. Director Barlow said he would move to amend the second paragraph to delete the phrase “a six month notice working period” and to add the language “eligible to work a working notice period as provided by the employee handbook”. Chairman Stein said the six month working notice is referenced in the 2nd, 3rd, and 4th paragraph.

Director Tillinger suggested the language “a working notice as determined by the Board”. Director Barlow agreed.

Director Damer said the OS & HR Committee made it clear that this is not a severance package. Mr. Kirk said CRRA’s attorney cautioned against referring to this payment as a severance package. He said severance packages carry an expectation of potential reemployment and this would be in the event of a possible reduction in force and is associated with permanence.

Chairman Stein asked if it would be acceptable to change any reference in the resolution from “six month working notice” to “working notice period consistent with Board policy”. Mr. Kirk said yes. He said striking “six months’ notice” and replacing it with “a working notice policy” would be acceptable.

Director Shanley suggested referencing “as the Board may amend” so there is no date associated with that versus what is currently in the policy. Director Adams suggested “as provided for in the then current employee handbook”.

Director Segarra asked if any of the employees are covered unionized. Mr. Kirk replied no.

Director Shanley said if the resolution specifically references the employee hand book as current it might as well say six months. He said if it is the intent the Board to provided flexibility dependent upon business conditions he would not reference the handbook but say “as defined by the Board, or “as may be amended by the Board”.

Director Damer suggested the mechanism by which the Board adjusts that six month figure be accomplished by amending the handbook. Chairman Stein asked if the Board approves the handbook overall or thorough individual policy approvals. Mr. Kirk said the policies are approved and the handbook is the executed document.

Director Freedman asked Director Barlow to incorporate changing the words in the first whereas from “is” too “may be” in the amendment.

AMENDMENT TO THE RESOLUTION REGARDING REDUCTION IN FORCE PROGRAM

Chairman Stein requested a motion to amend the above referenced motion. The motion to amend the resolution according to the below referenced corrections was made by Director Barlow and seconded by Director Bingham.

Director Barlow said the motion would be amended by changing the first whereas, which states “the Connecticut Resources Recovery Authority (the “Authority”) believes that for business reasons it is

prudent to conduct one or more reductions in force; and”, by substituting the language “may be prudent”.

Director Barlow said in addition the word “six months” within the resolution will be substituted to “a working notice period as defined by the Board as may be amended”.

Director Griswold said it should be made clear that it is not the intention of the Board at this time to change the six month interval. Director Barlow said he would agree that the Board is not changing the working notice at this time but wants to be careful that the Board does not bind its hands by saying there may not be a change.

Chairman Stein said the resolution as amended does not imply there is a change to the six months’ notice. He said Director Griswold’s request is implicit and Chairman Stein agrees with Director Barlow. Director Shanley added that this resolution is only being passed because CRRA’s financial picture is so murky. He said this is a regrettable responsibility to be considered but necessary.

Director Griswold said the Board does not want to infer that something is planned with this resolution. Chairman Stein agreed. He said however in industry terms up to sixteen weeks of termination, plus 3-4 months of cobra payments, plus vacation time etc. would be considered a very generous package by most industries without including the working notice.

The motion previously made and seconded to amend the motion was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Damer, Director Freedman, Director Griswold, Director Nunn, Director Segarra, Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

FINAL VOTE ON THE RESOLUTION REGARDING REDUCTION IN FORCE PROGRAM AS AMENDED

Chairman Stein requested a motion on the above referenced item. The motion was originally made by Director Tillinger and seconded by Director Adams.

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") believes that for business reasons it may be prudent to conduct one or more reductions in force; and

WHEREAS, pursuant to the policies of the Authority any employee who is notified that their employment will be terminated pursuant to a reduction in force will be eligible to work a working notice period as defined by the Board as may be amended; and

WHEREAS, the Authority wishes to provide any employee whose employment is terminated pursuant to a reduction in force with the opportunity, after working a working notice period as defined by the Board as may be amended, to receive a termination payment in the amount of two weeks of pay per year of service, with a minimum of 10 weeks of termination pay up to a maximum of 16 weeks of termination pay, plus a maintenance payment for other benefits for the term, plus reimbursement of COBRA health/dental insurance premiums for a minimum of three months or a maximum of four months, depending on years of service, provided the employee executes a separation agreement and release of all claims in favor of the Authority in such a form as the Authority may require;

NOW THEREFORE, it is RESOLVED: That any employee of the Authority whose employment is terminated by the Authority pursuant to a reduction in force shall, after working a working notice period as defined by the Board as may be amended, be given the opportunity to receive a termination payment in the amount of two weeks of pay per year of service, with a minimum of 10 weeks of termination pay up to a maximum of 16 weeks of termination pay, plus reimbursement of COBRA health/dental insurance premiums for a minimum of three months or a maximum of four months, depending on years of service, provided the employee executes a separation agreement and release of all claims in favor of the Authority in such a form as the Authority may require. The opportunity to receive a termination payment in the amount of two weeks of pay per year of service, with a minimum of 10 weeks of termination pay up to a maximum of 16 weeks of termination pay, plus a maintenance payment for other benefits for the term, plus reimbursement of COBRA health/dental insurance premiums for a minimum of three months or a maximum of four months, depending on years of service, shall not be available to any employee that fails to complete a working notice period as defined by the Board as may be amended on account of voluntary resignation, termination for cause, or other reason attributable to the employee.

IT IS FURTHER RESOLVED: that the Authority shall establish an Employee Termination Obligation Reserve and transfer necessary funds from the Mid-Conn Operating Account and Reserves to a designated STIF account to fund the above described termination payments.

IT IS FURTHER RESOLVED: that the President shall make all necessary decisions as regards the implementation of RIF's, termination payments, and execution of release

agreements, subject to the oversight of the Organizational Synergy and Human Resources Committee.

The motion previously made and seconded was approved as amended by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Damer, Director Griswold, Director Nunn, Director Segarra and Director Shanley voted yes. Director Freedman abstained.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman			X
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

PRESIDENT'S REPORT

Mr. Kirk said all CRRA facilities operated without health, environmental safety, or public health impacts over the reporting period. He referred the Board to the supplemental package for the financial report for year to date data up to and including Oct. 2012. Mr. Kirk said it is early to make any conclusive estimates however Mid-Conn is unfavorable due to reduction in member waste deliveries and the number of tons being delivered due to the economy. Mr. Kirk said CRRA is making up the reduction in deliveries with spot waste which comes in at a much lower rate. He said the impact to the revenues is not insubstantial.

Mr. Kirk said there have been favorable administrative and operations expenditures this period associated with the reduced deliveries to the transfer stations and base facility. He said there have been lower metals revenues and reduced revenues from electric sales. Mr. Kirk said the lower electric price is being used in the budget however; there are reduced revenues this particular period year to date due to some unscheduled outages in October and November. Chairman Stein asked for comment on those outages.

Mr. Kirk said the unscheduled outages are pressure part related. He referred the Board to Tab E of the supplemental package and noted that there is a list of all the outages, both scheduled and unscheduled. Mr. Kirk said there has been an increase in tube failures (what are called pressure parts). He said management is making efforts and capital investments to repair the parts however; there is a lot

of surface damage as the tubes are old and corroded. Mr. Kirk said unscheduled outages have substantially improved over the last five years.

Mr. Kirk said recycling sales and expenditures were favorable by a small amount to the year to date budget. He said the Southeast expenses were generally favorable due to timing issues and some unfavorable ash expenses and spot revenue due to poor spot prices.

Mr. Kirk said the Southwest showed a modest delivery surplus of recyclables, lower than anticipated personnel management costs, and small unfavorable expenditures associated with fixed costs of licenses and fees.

Mr. Kirk referred the Board to Tab B in the supplemental package. He said all of the facilities are struggling with fuel shortages due to the poor economy and diversions.

Mr. Kirk said Mid-Conn has not had to reduce loads in the last two periods due to the reduction in capacity at the facility. He explained the appetite of the facility is lower due to the changing of the trolleys on the front end which resulted in reduced consumption of MSW. Mr. Kirk said management is keeping a close eye on facility operation as the change in fuel has caused ash rates and BTU input to increase.

Mr. Kirk said MSW is 7% unfavorable due to disappointing quantities of member waste (supplemented by spot waste) recyclables. Director Barlow asked if the 40-50% reduction in MSW and recyclable deliveries is as a result of member towns which are no longer in the project as of Nov. Mr. Kirk said yes.

Mr. Kirk said 50 plus towns have signed with CRRA which fills the plant to capacity with existing customer tons and spot supplemental waste. He said electric prices are still a problem and will continue to have major financial impacts on FY'13 and FY'14 and the following years. Mr. Kirk said management continues to work with the Governor's office and the CT DEEP for a creative alternative to revenue shortfall. He said legislative proposals have been vetted with the Governor's office and OPM and management is looking forward to warm reception of those ideas with the Legislature in conjunction with the Governor's Working Group.

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations with appropriate staff. The motion, made by Director Damer and seconded by Director Bingham, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

Tom Kirk
Peter Egan
Laurie Hunt
Miguel Escalera, Esq.

The Executive Session began at 10:13 a.m. and concluded at 12:25 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded to enter into Executive Session was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Damer, Director Edwards, Director Freedman, Director Griswold. Director Nunn, Director Painter, Director Segarra, Director Shanley, Director Tillinger voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Andrew Nunn	X		
Pedro Segarra	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Ct	X		

MOTION TO ADD AN ITEM TO THE AGENDA REGARDING RESOLUTION TO AMEND THE CRRA WORKING NOTICE POLICY

Chairman Stein requested a motion to add an item to the agenda concerning changes to the employee handbook. The motion to add the below item to the agenda was made by Director Damer and seconded by Director Adams.

BE IT RESOLVED THAT: Effective March 31, 2013, the working notice period contained in CRRA’s Working Notice Policy, Section 25.2 of CRRA’s Employee Handbook, shall be changed for full-time employees from 6 months to 3 months.

The motion previously made and seconded to add an item to the agenda was approved unanimously by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Damer, Director Freedman and Director Shanley voted yes.

Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman	X		
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

RESOLUTION REGARDING AMENDMENT TO THE CRRA WORKING NOTICE POLICY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Freedman.

BE IT RESOLVED THAT: Effective March 31, 2013, the working notice period contained in CRRA’s Working Notice Policy, Section 25.2 of CRRA’s Employee Handbook, shall be changed for full-time employees from 6 months to 3 months.

Director Tillinger asked that management transmit this information to the CRRA employees with a letter from Chairman Stein and President Kirk stating that this action is in response to great financial uncertainty for CRRA.

The motion previously made and seconded was approved unanimously by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Damer, and Director Shanley voted yes. Director Freedman abstained.

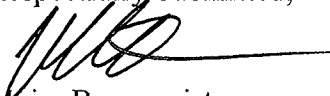
Directors	Aye	Nay	Abstain
Chairman Donald Stein	X		
John Adams	X		
Dick Barlow	X		
Ryan Bingham	X		
David Damer	X		
Joel Freedman			X
Scott Shanley	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Mark Tillinger, Bridgeport			
Bob Painter, Mid-Ct			

ADJOURNMENT

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Bingham and seconded by Director Adams and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 12:28 p.m.

Respectfully Submitted,



Moira Benacquista
HR Specialist/Board Administrator

TAB 2

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-SEVENTH

JAN. 17, 2013

A special meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Jan. 17, 2013, in the Board Room at 211 Murphy Rd. Hartford, CT 06103. Those present were:

Directors: Chairman Don Stein
John Adams
Richard Barlow
David Damer
Joel Freedman
Timothy Griswold (present by telephone)
Scott Shanley
Steve Edwards, Bridgeport Project Ad-Hoc
Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs and Operations
Laurie Hunt, Director of Legal Service
Moira Benacquista, HR Specialist/Board Administrator

Others present: Peter Boucher, Esq. and John Farley, Esq., Halloran & Sage; Lisa Janney, Aon Risk Services, Financial Services Group; Jacqueline Urban, Esq., Managing Director National Legal & Claims Practice, Aon Risk Services, Financial Services Group.

Chairman Stein called the meeting to order at 11:00 a.m. and said a quorum was present.

PUBLIC PORTION

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

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

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending claims and litigation, trade secrets, personal matters, pending RFP's, and feasibility estimates and evaluations, and to consult with legal staff with appropriate staff. The motion, made by Director Shanley and seconded

by Director Adams, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

- Tom Kirk
- Jim Bolduc
- Peter Egan
- Laurie Hunt
- Peter Boucher, Esq.
- John Farley, Esq.

The Executive Session began at 11:04 a.m. and concluded at 2:55 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded to go into Executive Session was approved unanimously by roll call. Chairman Stein, Director Adams, Director Barlow, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Painter, and Director Shanley voted yes.

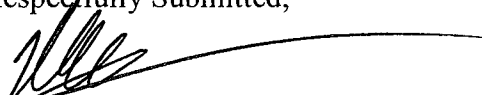
Directors	Aye	Nay	Abstain
Donald Stein	X		
John Adams	X		
Richard Barlow	X		
David Damer	X		
Joel Freedman	X		
Timothy Griswold	X		
Scott Shanley	X		
Ad-Hocs			
Bob Painter, Mid-Ct	X		
Steve Edwards, Bridgeport	X		

ADJOURNMENT

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Adams and seconded by Director Griswold and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 2:55 p.m.

Respectfully Submitted,


Moira Benacquista
HR Specialist/Board Administrator

TAB 3

RESOLUTION AUTHORIZING CONTRACT FOR ECONOMIC ADVISORY SERVICES

RESOLVED: That the President is hereby authorized to enter into contracts with the following firms for economic advisory services to assist management with work on a variety of projects including, but not limited to, financial and economic evaluation with regard to the plans of the Authority, market information on other comparable solid waste authorities and innovations within the solid waste field; financial feasibility analyses; and analysis of state and federal laws and regulations relative to solid waste management and municipal bonds.

- Environmental Capital, LLC
- Alternative Resources, Inc.
- Gershman, Brickner & Bratton, Inc. (“GBB”)
- Connecticut Economic Resources Center, Inc. (“CERC”)

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Economic Advisory Services Agreement

Presented to CRRA Board on:	January 31, 2013
Vendor/Contractor(s)	Environmental Capital, LLC Alternative Resources, Inc. GBB CERC
Effective Date:	March 1, 2013
Contract Type/Subject Matter:	Three-Year Agreement for Economic Advisory Services
Facility(ies) Affected:	Not Applicable
Original Contract	CRRA currently has a 3-year contract for on-call Economic Advisory Services that expires February 28, 2013.
Term:	March 1, 2013 through February 29, 2016
Contract Dollar Value:	Not Applicable. All services will be provided pursuant to a Request for Services ("RFS")
Amendment(s)	Not Applicable
Term Extensions:	Not Applicable
Scope of Services:	On-call economic advisory services
Other Pertinent Provisions:	Any work under the Agreements will be pursuant to a Request for Services ("RFS"). Any RFS in excess of \$50,000 per fiscal year will require approval by the Board of Directors.

Connecticut Resources Recovery Authority

Economic Advisory Services Agreement

January 31, 2013

Executive Summary

From time to time CRRA requires the assistance of firms to provide on-call economic advisory services for a variety of purposes. CRRA's "Procurement Policies and Procedures" establishes a "Request for Qualifications" ("RFQ") process to obtain such services.

The development of a "stable" of qualified economic advisors will enable CRRA to procure services in a more cost effective and timelier manner. CRRA issued an RFQ for economic advisory services on October 29, 2012 in order to solicit firms with which to contract for the three-year period beginning March 1, 2013. CRRA received responses to the RFQ from four firms. Finance management evaluated the responses. Based on those evaluations, the firms listed below have been selected for recommendation to the Board of Directors.

- Environmental Capital, LLC
- Alternative Resources, Inc.
- GBB
- CERC

The RFQ's scope of services focused on eight distinct areas of qualification. The firms were required to demonstrate their qualifications in each of these areas. The following chart is a summary of the firms' qualification based on submission:

Services Provided	Environmental Capital	Alternative Resources, Inc.	GBB	CERC
Long-Term Financial & Economic Evaluation	Yes	Yes	Yes	Yes
Solid Waste Authorities Market Information	Yes	Yes	Yes	No Bid
Solid Waste Innovations Market Information	Yes	Yes	Yes	No Bid
Recommend and Evaluate Alternative Financial Options	Yes	Yes	Yes	No Bid
Business Plan Modeling	Yes	Yes	Yes	No Bid
Cash Investment Advisory Services	Yes	No Bid	No Bid	No Bid
Financial Feasibility Analysis	Yes	Yes	Yes	Yes
Analysis of State and Federal Laws and Regulations Relative to Solid Waste Management and Municipal Bonds	Yes	Yes	Yes	No Bid

This is to request approval of the CRRA Board of Directors for the President to enter into agreements with the firms identified above to provide services as described below for the three-year period beginning March 1, 2013 and ending February 29, 2016.

Any work performed under such an agreement will be pursuant to a Request for Services (“RFS”), and any RFS that is in excess of \$50,000 per year will require approval of the Board of Directors.

Discussion

CRRA’s “Procurement Policies and Procedures” (BOD014) establishes an RFQ process as “a process by which CRRA identifies persons to perform services on behalf of . . . CRRA through the solicitation of qualifications, experience, prices, and other such matters as CRRA determines may bear on the ability to perform services. . . . (Section 2.2.23)” CRRA has historically used the RFQ process to pre-qualify firms for a variety of technical services that it requires (e.g., engineering services). In accordance with its Procurement Policy and Procedures and Connecticut State Statute, CRRA is required to solicit for technical and professional services once every three years (Section 5.3.5).

The prior 3-year Agreement for Economic Advisory services, which were entered into via an RFQ process in 2010 expires February 28, 2013. Such services are clearly the type of technical services for which an RFQ process is appropriate. Also because of the operating nature, including timing, with which CRRA has required economic advisory services, CRRA determined that the most prudent approach to acquiring economic advisory services was through an RFQ process.

Solicitation Process

CRRA issued an RFQ for economic advisory services on October 29, 2012. At the time, all documents related to this request for qualifications were posted to the “Business Opportunities” page of the CRRA website. The “Notice to Firms” was also posted to the State Contracting Portal at the Connecticut Department of Administrative Services website at that time.

The availability of the RFQ was in the following publications on Sunday November 4, 2012, or the next publication date thereafter:

- the Bond Buyer
- the Connecticut Post,
- the Hartford Courant,
- the New Haven Register,
- the New London Day,
- the Waterbury Republican-American,
- the Northeast Minority News

Statements of Qualifications (“SOQs”) were due by December 20, 2012. A total of four firms responded to the RFQ. They are as follows:

- Environmental Capital, LLC
- Alternative Resources, Inc.
- GBB
- CERC

The SOQs submitted were first evaluated for administrative sufficiency and responses to CRRA’s “Questionnaire Concerning Affirmative Action, Small Business contractors and Occupational Health and Safety.”

They were then evaluated for technical merit by CRRA’s Finance management. SOQs were evaluated on the respondent’s strengths and qualifications, experience with waste industry facilities, experience with economic evaluation, banking, bonding, the background and experience of the staff, payment rates and potential conflicts. All four firms provided satisfactory examples of experience for the distinct areas of qualification that each firm bid.

To summarize, the 4 firms selected all have the proper credentials and have experience with CRRA in the past and ARI, GBB, and Environmental Capital have experience with other waste-to-energy facilities, complex industrial properties, or other waste facilities and public utilities.

The agreements that are to be executed with these firms will have an effective date of March 1, 2013 and will extend through February 29, 2016.

Comparison of Hourly Billing Rates and Ancillary Services

HOURLY BILLING RATES – Environmental Capital, LLC

Staff Level	# staff at this level	Hourly Rates		
		Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
President	1	\$275	\$285	\$295
Managing Director	1	\$225	\$235	\$245
Associate	1	\$175	\$185	\$195

HOURLY BILLING RATES – Alternative Resources, Inc.

Staff Level	# staff at this level	Hourly Rates		
		Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
CEO	1	\$150	\$153	\$156
Director	2	\$115	\$117	\$120
Staff 1	1	\$100	\$102	\$104
Staff 2	3	\$90	\$92	\$94

HOURLY BILLING RATES – GBB

Staff Level	# staff at this level	Hourly Rates		
		Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
President	1	\$240	\$240	\$252
Vice President	1	\$215	\$215	\$226
Special Principal Associate	1	\$185	\$185	\$194
Vice President	7	\$170	\$170	\$179
Principal Associate Routing	1	\$165	\$165	\$173
Principal Associate Engineer	1	\$155	\$155	\$163
Principal Associate	3	\$145	\$145	\$152
Sr. Project Manager	1	\$140	\$140	\$147
Associate Routing	1	\$140	\$140	\$147
Project Manager	1	\$120	\$120	\$126
Project Engineer	3	\$110	\$110	\$116
Consultant II	2	\$90	\$90	\$95
Support Manager	1	\$56	\$56	\$59
Administrative Secretary	2	\$51	\$51	\$54
Clerical Support	Varies	\$39	\$39	\$41

HOURLY BILLING RATES – CERC

Staff Level	# staff at this level	Hourly Rates		
		Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
CEO	1	\$150	\$153	\$156
Director	2	\$115	\$117	\$120
Staff 1	1	\$100	\$102	\$104
Staff 2	3	\$90	\$92	\$94

ANCILLARY SERVICES – Environmental Capital, LLC

	Rates		
	Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
Included in Hourly Billing Rates			

ANCILLARY SERVICES – Alternative Resources, Inc.

	Rates		
	Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
Word Processing	\$48	\$48	\$48
Copying	\$0.10/page	\$0.10/page	\$0.10/page

ANCILLARY SERVICES – GBB

	Rates		
	Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
Word Processing	\$51.00	\$51.00	\$54.00
Black and White Copying	\$0.15/page	\$0.15/page	\$0.15/page
Color Copying	\$0.25/page	\$0.25/page	\$0.25/page
Computer Time	\$15.00	\$15.00	\$15.00
Facsimile Communications Outbound	\$0.50/page	\$0.50/page	\$0.50/page
Travel Expenses	As Incurred	As Incurred	As Incurred

ANCILLARY SERVICES – CERC

	Rates		
	Year 1 (03/01/13– 02/28/14)	Year 2 (03/01/14– 02/28/15)	Year 3 (03/01/15– 02/28/16)
Charges for Dates Services or Other Fees from 3 rd Party Providers	At Cost	At Cost	At Cost

Note: CERRA reimburses mileage expenses at standard published IRS Reimbursement Rate.

Summary

CRRA makes no financial commitment to any firm in these three-year services Agreements. This selection simply qualifies a firm as eligible to undertake work for CRRA at a later date, when a specific need is actually identified. Any such future work would be procured through the specific scope of work in a Request For Services (RFS), and any RFS for more than \$50,000 per fiscal year would require prior approval by the CRRA Board of Directors.

The cost for any particular task specific RFS that is negotiated with any particular economic advisory firm pursuant to these three-year service agreements will be based on the hourly rates for time (i.e., professional labor rates) and other expenses (e.g., copying) that are pre-established in these three-year service agreements.

TAB 4

**REGARDING THE ADOPTION OF
THE FISCAL YEAR 2014 SOUTHWEST DIVISION
OPERATING BUDGET AND TIP FEE**

RESOLVED: That the estimated Fiscal Year 2014 SouthWest Division operating budget be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That an estimated municipal solid waste tip fee of \$67.77 per ton be adopted for contracted member waste; and

FURTHER RESOLVED: That the actual municipal solid waste tip fee per ton will be calculated using the actual annual change in the Consumer Price Index ("CPI") as reported in June 2013, which will be released prior to the commencement of the Fiscal Year 2014 billing for contracted member waste as prescribed in the Southwest Division's Municipal Solid Waste Management Services Agreements.

Fiscal Year 2014
Southwest Division
Proposed Operating Budget

January 24, 2013

Attached is the proposed operating budget and tip fee for the SouthWest Division.

EXECUTIVE SUMMARY

- The estimated operating budget totals \$17,687,976, reflecting an increase of \$354,960 or 2.0% from the Fiscal Year 2013 estimated tip fee due to an increase in CPI based on contract terms. The estimated budget assumes 261,000 tons of MSW.
- The final tip fee will be calculated based on the actual change in CPI recorded in the June 2013 figure reported by the Bureau of Labor Statistics versus the estimate at the time of budget approval.
- The tip fee of \$67.77 per ton includes a contract operating cost of \$65.56 per ton derived by adjusting the actual contract operations portion of the Fiscal Year 2013 tip fee by 75% of the estimated change in CPI. The administration fee of \$2.21 is derived by adjusting the actual administration portion of the Fiscal Year 2013 tip fee by 100% of the estimated change in CPI. For Fiscal Year 2013 the actual tip fee for operating cost is \$64.31 and administration cost is \$2.15 for a total tip fee of \$66.46.

CRRA / SOUTHWEST DIVISION MSW OPERATIONS

MEMBER TIP FEE	DESCRIPTION	ACTUAL	ADOPTED	ESTIMATED
		FY12 July11-Jun 12	FY13 Jul 12 - Jun 13	FY14 Jul 13 - Jun 14
	Wheelabrator Contract Operating Charges	\$ 63.03	\$ 64.27	\$ 65.56
	CRRA Administration Fee	\$ 2.09	\$ 2.14	\$ 2.21
	Tip Fee	\$ 65.12	\$ 66.41	\$ 67.77

BUDGET ASSUMPTIONS

Bethany	1,497	1,652	1,652
Bridgeport	58,736	60,808	60,808
Easton	2,937	2,912	2,912
Fairfield	34,175	48,000	48,000
Milford	25,368	41,457	41,457
Monroe	6,473	12,339	12,339
Orange	4,618	5,500	5,500
Shelton	14,865	18,102	18,102
Stratford	24,035	27,144	27,144
Trumbull	17,112	19,945	19,945
Westport	14,615	19,500	19,500
Woodbridge	3,013	3,641	3,641
Total MSW tons	207,444	261,000	261,000

REVENUE

DESCRIPTION	ACTUAL	ADOPTED	ESTIMATED
	FY12 July11-Jun 12	FY13 Jul 12 - Jun 13	FY14 Jul 13 - Jun 14
Member Tip Fee	\$ 13,618,491	\$ 17,333,016	\$ 17,687,976
Use of Prior Years Fuel Credit	\$ 22,210	\$ -	\$ -
Total Revenue	\$ 13,640,701	\$ 17,333,016	\$ 17,687,976

EXPENSES

Wheelabrator Contract Operating Charges	\$ 13,239,984	\$ 16,774,476	\$ 17,111,166
Direct Labor & Overhead - Operational	\$ 542,880	\$ 558,540	\$ 576,810
Total Expenditures	\$ 13,782,864	\$ 17,333,016	\$ 17,687,976
Balance	\$ (142,163)	\$ -	\$ -

TAB 5

**RESOLUTION REGARDING FIRST AMENDMENT
TO THE AGREEMENT FOR METALS RECOVERY
AND MARKETING SERVICES
AND
NEW AGREEMENT FOR METALS RECOVERY AND
MARKETING SERVICES**

RESOLVED: The President is authorized to enter into the First Amendment to the contract with wTe Recycling, Inc., for the transportation, processing and marketing of municipal solid waste post-combustion ferrous metals generated at the South Meadows Resource Recovery Facility, and be it

FURTHER RESOLVED: The President is authorized to enter into a new agreement with wTe Recycling, Inc., for the transportation, processing and marketing of municipal solid waste pre-and-post-combustion ferrous and scrap metals generated at the South Meadows Resource Recovery Facility, substantially as presented and discussed at this meeting.

Connecticut Resources Recovery Authority

First Amendment Summary for Contract entitled Metals Recovery and Marketing Services Mid-Connecticut Resource Recovery Facility

Presented to the Board of Directors:	January 31, 2013
Contractor:	wTe Recycling, Inc.
Amendment Term:	Through June 30, 2013 (coterminous with termination of current base agreement)
Contract Type:	Revenue
Purpose of First Amendment:	To expand the base contract scope of services to include the transportation, processing and marketing of municipal solid waste post-combustion ferrous metals.
Facility:	South Meadows Resource Recovery Facility
Revenue Value:	Rate paid to CRRA is tied to Philadelphia High Side Shredded Auto Scrap Index as published by American Metal Market. Using the current market index price and estimated volume of post-combustion ferrous metal recovered, CRRA will realize approximately \$180,000 in new direct revenue, and approximately \$120,000 in avoided landfill disposal costs, annually.
Other Provision:	CRRA makes no guarantee as to the amount or availability of the metals to be provided to Contractor under the Agreement.
Performance Security:	\$300,000

**New Agreement Summary for Contract entitled
Metals Recovery and Marketing Services
South Meadows Resource Recovery Facility**

Presented to CRRA Board of Directors:	January 31, 2013
Contractor:	wTe Recycling, Inc.
Effective Date:	July 1, 2013
Contract Term:	Base term of three-years through June 30, 2016, with two one-year extension periods exercisable at CRRA's sole discretion.
Contract Type:	Revenue
Scope of Services:	Pre-and-post combustion ferrous metal and scrap metal transportation, processing and marketing services.
Facility:	South Meadows Resource Recovery Facility
Revenue Value	Pre-and post-combustion ferrous metal rate paid to CRRA is tied to Philadelphia High Side Shredded Auto Scrap Index as published by American Metal Market. Scrap metal rate paid to CRRA is tied to the #1 HMS High Side Index as published by American Metal Market. Using the current market index prices and estimated volume of metal recovered, CRRA will realize approximately \$2,000,000 in direct revenue from the metal sold and approximately \$120,000 in avoided landfill disposal costs each contract year.
Other Provision:	CRRA makes no guarantee as to the amount or availability of the metals to be provided to Contractor under the Agreement.
Performance Security:	\$300,000

Connecticut Resources Recovery Authority

Metals Recovery and Marketing Services

South Meadows Resource Recovery Facility

Executive Summary

The municipal solid waste processed at the South Meadows Resource Recovery Facility (the “Facility”) includes six steps: manual picking from in-feed conveyors, coarse shredding, magnetic separation of ferrous metals, coarse screening and fine shredding. CRRA has a contract with wTe Recycling, Inc., for the transportation, processing and marketing of the ferrous metals removed from the waste stream during processing. CRRA’s current contract for this service terminates June 30, 2013.

Pursuant to Section 3.1.2.5 of CRRA’s Procurement Policies and Procedures (governing vendors with special capability) this is to request that the board authorize the President to:

1. Execute a First Amendment to the current agreement for Metals Recovery and Marketing Services (current contract expires June 30, 2013) in order to expand the scope of services to include the transportation, processing and marketing of municipal solid waste post-combustion ferrous metal recovered at the Facility, and
2. Execute a new agreement with wTe Recycling, Inc. (“wTe”) effective July 1, 2013 in order to continue services for the transportation, processing and marketing of both the pre-combustion and post-combustion ferrous metals recovered at the Facility.

Discussion

Pre-Combustion Ferrous Metal Recovery

Approximately 35% of the weight of the ferrous metals removed from the MSW processed at the Waste Processing Facility (“WPF”) is entrained with MSW. As discussed below, wTe Recycling, Inc. has been transporting this material, separating the ferrous metal from the MSW and marketing the recovered metal for many years under contract to CRRA. Because of the amount of MSW mixed with the metal, Connecticut and the neighboring states of New York, New Jersey, Massachusetts and Rhode Island, require that scrap metal recycling companies who wish to handle such “contaminated” metals must first obtain a solid waste permit (essentially the same permit process required for any entity wishing to operate a MSW transfer station).

wTe Recycling, Inc. has been performing metals transportation and marketing services for the Facility since May of 1990 with only one interruption: for the period January 1, 1994 through

January 31, 1996, when CRRA contracted with a different company for the services. The alternative company subsequently went bankrupt and wTe stepped in on February 1, 1996 to complete the term of the agreement (through December 31, 1996).

During the period of January 1, 1996 through August 31, 1999 wTe performed the services under a series of letter agreements with each letter agreement having a term of approximately one-year.

In June, 1999 CRRA issued a competitive bid for the services for a term of one (1) year. wTe was the sole bidder. CRRA rebid for the services in 2001 for a term of July 1, 2001 through June 30, 2003. wTe was again the sole bidder. CRRA rebid the services in 2003 for a term of three (3) years (July 1, 2003 through June 30, 2007) and wTe was again the sole bidder. The most recent competitive bid for these services was issued in 2007 for a three year term (July 1, 2007 through June 30, 2010 with the option to extend for two one-year extension periods). While CRRA did receive one other bid, the share of the revenue realized from the sale of the recovered metals offered to CRRA from the other bidder was significantly less than the revenue share offered by wTe and the bidder did not have in place the appropriate solid waste permit to handle the material.

Prior to issuing procurement documents for a new contract to take effect July 1, 2010, CRRA management contacted solid waste regulatory officials in Connecticut and four surrounding states (RI, MA, NY, and NJ) to inquire if there were other scrap metal dealers that had obtained the regulatory authority to accept and process ferrous metals contaminated with 35% or more MSW. CRRA staff spoke with two individuals at the NYDEC, two individuals at the MADEP, one individual at that NJDEP, one individual at the RIDEM, and one individual at the CTDEP. Except for the MADEP confirming the wTe facility had the applicable authority/permit, none of these individuals were aware of any permitted scrap metal recycling facilities in their respective states that were authorized to accept scrap metal contaminated MSW. Having confirmed that no other firms were properly permitted to process the metals generated at the Facility, CRRA's management recommended and the Board of Directors approved an agreement with a base two-year term of July 1, 2010 through June 30, 2012 with one extension period. CRRA subsequently exercised its option to extend the agreement for the one-year extension period commencing July 1, 2012 and terminating June 30, 2013.

Because the current contract with wTe expires on June 30, 2013, CRRA has again canvassed environmental agency authorities in Connecticut and the surrounding states to determine if market conditions have changed, i.e. other firms have been issued the necessary permits to handle the MSW metals. Based on CRRA's conversations with environmental agency representatives in CT, MA, NJ, NY and RI, no such solid waste permits have been issued to any scrap metal dealers other than wTe.

Post-Combustion Ferrous Metal Recovery

Several years ago CRRA conducted a pilot program to assess the cost/benefit of implementing a post-combustion ferrous metals recovery program. The test results indicated that the additional revenue and landfill disposal savings (metals disposal cost avoidance) would be more than sufficient to justify the installation of the magnetic separator needed to implement the program. However, the program was not implemented at that time because projected additional revenues and

savings were negatively offset by the additional costs demanded by the operator of the facility for additional staff and an increased maintenance budget to operate the program and maintain the equipment.

The current operator of the facility has undertaken trial operation of the post-combustion ferrous metal separator and determined that the activity can be accomplished with no additional labor costs and minimal maintenance costs, such that the activity will realize a net positive revenue gain for CRRA.

Recommendation

Considering:

- the bidding history for these services,
 - wTe's special capabilities regarding management of scrap metal mixed with MSW, and
 - the results of CRRA's inquiries to the solid waste permitting authorities in CT and surrounding states,
1. CRRA management recommends that, via the First Amendment to the existing agreement, the scope of services be expanded to enable wTe to transport, process and market ferrous metals recovered from the MSW post-combustion residue stream based on the firm's special capability as provided for under section 3.1.2.5 of CRRA's Procurement Policies and Procedures.
 2. CRRA management recommends that the Board of Directors authorize the President to enter into a contract with wTe Recycling, Inc., effective July 1, 2013, to manage pre-combustion and post-combustion ferrous metals, for a base term of 3 years with two additional one year options, on the basis of the firm's special capability as provided for under section 3.1.2.5 of CRRA's Procurement Policies and Procedures.

Financial Summary

With the addition of this new post-combustion metals stream, CRRA is estimating the recovery of an additional 2,000 tons of ferrous metals each year with an estimated value of approximately \$180,000 annually (estimated \$90/ton revenue share based on current American Metal Market index). In addition to the revenue generated, CRRA will realize avoided landfill disposal cost savings of approximately \$120,000 annually, for an annual total of \$300,000 in direct revenue and avoided costs.

CRRA recovers approximately 21,000 tons of pre-combustion ferrous metal annually. At an estimated revenue share of \$90/ton this equates to annual revenue of approximately \$1,890,000.