

**CONNECTICUT RESOURCES RECOVERY AUTHORITY**

**FOUR HUNDRED AND EIGHTY-SEVENTH    MAY 19, 2011**

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, May 19, 2011, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Directors:        Chairman Pace  
                    Vice-Chairman Jarjura (present by telephone beginning 10:32 a.m.)  
                    Louis Auletta (present by telephone)  
                    Dave Damer  
                    Timothy Griswold  
                    Dot Kelly  
                    Theodore Martland  
                    Scott Slifka  
                    Steve Edwards, Bridgeport Project Ad-Hoc  
                    Mark Tillinger, Bridgeport Project Ad-Hoc  
                    Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRA:

Tom Kirk, President  
Jim Bolduc, Chief Financial Officer  
Jeff Duvall, Manager of Budgets and Forecasting  
Peter Egan, Director of Operations and Environmental Affairs  
Tom Gaffey, Director of Recycling  
Laurie Hunt, Director of Legal Services  
Sotoria Montanari, Education Supervisor  
Paul Nonnenmacher, Director of Public Affairs  
Marianne Carcio, Executive Assistant  
Moira Benacquista, Board Secretary/Paralegal

Also present were: John Pizzimenti of USA Hauling & Recycling; Jim Sandler, Esq., Sandler & Mara, and Cheryl Thibeault of Covanta Energy.

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 introduced Director Slifka, Mayor of West Hartford, to the Board and management.

Chairman Pace said that the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes. As there were no members of the public which cared to comment Chairman Pace proceeded with the agenda.

**APPROVAL OF THE MINUTES OF THE APRIL 21, 2011, REGULAR BOARD MEETING**

Chairman Pace requested a motion to approve the minutes of the April 21, 2011, Regular Board Meeting. Director Martland made a motion to approve the minutes, which was seconded by Director Damer.

The motion to approve the minutes was approved by roll call. Chairman Pace, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, and Director Painter voted yes. Director Slifka and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka			X
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut	X		

**APPROVAL OF THE AMENDED JAN. 27, 2011, SPECIAL TELEPHONIC BOARD MEETING MINUTES**

Chairman Pace requested a motion to approve the amended Jan. 27, 2011, special telephonic Board meeting minutes. Director Martland made a motion to approve the minutes, which was seconded by Director Damer.

The motion to approve the minutes was approved by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland, and Director Painter voted yes. Director Edwards, Director Slifka and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka			X
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut	X		

**MOTION TO TABLE THE RESOLUTION REGARDING APPROVAL OF THE STRATFORD GARBAGE MUSEUM BUDGET**

Chairman Pace requested a motion to table the above referenced item. Director Martland made a motion to table the following resolution:

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

**WHEREAS**, the recycling component of the former Bridgeport Project located in Stratford, Connecticut survived the Bridgeport Project under the auspices of the Connecticut Resources Recovery Authority (the “Authority”) and the Southwest Connecticut Regional Recycling Operating Committee, (“SWEROC”) ; and

**WHEREAS**, SWEROC has agreed to administer the regional education and promotional programs related to recycling for the southwest area towns; and

**WHEREAS**, SWEROC administered the regional education and promotional programs through the Garbage Museum located at 1410 Honeyspot Road Extension, Stratford, Connecticut; and

**WHEREAS**, due to a reduction in recycling revenues, in June 2009 SWEROC was financially unable to continue funding the Garbage Museum’s activities; and

**WHEREAS**, the Garbage Museum was able to maintain its activities utilizing its operating account established through grants, donations, admissions, and a \$100,000 contribution from SWEROC; and

**WHEREAS**, routine building related expenses were deferred on the structure located in Stratford were the Garbage Museum resides; and

**WHEREAS**, the Garbage Museum’s operating account is estimated to have a balance of approximately \$67,000 on July 1, 2011; and

**WHEREAS**, in Fiscal Year 2012 the Garbage Museum would need to receive an estimated \$233,000 in net receipts from grants in addition to expending all of the funds in its operating account; and

**WHEREAS**, due to its financial status, Management recommends that the Garbage Museum be closed in Fiscal Year 2012.

**NOW, THEREFORE**, it is

**RESOLVED**: that the President is hereby authorized to promptly discontinue operation of the Garbage Museum in Fiscal Year 2012 and to take all actions necessary to properly close this facility; and

**FURTHER RESOLVED**: that Management develops a facility plan for the property located at 1410 Honeyspot Road Extension, Stratford, Connecticut.

Director Griswold seconded the motion to table this resolution.

Director Martland asked that this motion be tabled in order to give the educational organizations of the towns which utilize the museum further consideration on the impact its closure may have.

Chairman Pace said the Board's efforts to secure continued funding for this museum have been ongoing for quite some time. He said the Southwestern towns have not provided the funding needed and the museum has been running on donations and grants for the last year. Chairman Pace said education is an important component of CRRA's goals, and providing that outreach through children is an excellent way to achieve that goal.

Chairman Pace said he would like letters sent to the superintendents of schools, and the Chief Elected Officials of the Southwest Connecticut Regional Recycling Operating Committee (hereinafter referred to as "SWEROC") member towns' asking for additional funding to support the museum. He said he would like to make it clear what the ramifications of closing the museum are. He said the CRRA Board is not discontinuing the museum.

Director Edwards said letters should be sent to the entire community. He said SWEROC used to be comprised of roughly nineteen towns and is now down to ten towns. Director Edwards said the SWEROC project towns represent only 64% of the museum participants. He said the ten towns which are still part of SWEROC are very much in support of the museum but do not feel it is appropriate they should have to support other non-member towns which take advantage of the museum financially. Director Edwards said SWEROC is certainly supporting the museum the best they can.

Director Edwards suggested the museum budget be reviewed. He said the facility, building, structure and grounds are a CRRA asset and should be in a property division similar to the landfill. Director Edwards said the museum should not be paying for the electricity and the roof. He said the museum's budget should be similar to the \$264,000 for the year prior. Director Edwards said asking the museum to come up with \$342,000 is too much of a burden. He suggested taking a more realistic view at the budget and exploring renting out the space in the museum.

Director Tillinger asked if the appropriate level of marketing facts; such as schools participating, the number of visitors, types of programs, etc. has been compiled. Ms. Montanari replied yes. She said

the museum has data on all the towns which visit the museum to participate. She said there are some school districts which use the museum as components of their critical curriculum such as Stratford and Milford and many school districts which participate in the program are non-project towns. Ms. Montanari said for the past two years there has been a two tiered structure fee and in September one fee for all towns and schools which participate will be enacted. She said management can certainly re-evaluate attempting to secure additional sponsorships from the schools which visit.

Director Damer stated that the Supplemental Information Package contains data on each of the museums in terms of attendance and numbers for the month and year to date. He said CRRA has an obligation to implement the Solid Waste Management Plan for the state of Connecticut, much of which rests on the getting recycling numbers up to incredibly high numbers. Director Damer said there is no funding mechanism to take care of State wide education to improve those numbers. He said he does not know how CRRA is supposed to provide recycling education without a funding mechanism.

Director Kelly said there are many new people at the Connecticut Department of Environmental Protection (hereinafter referred to as the CT DEP) who may be approached. She said increasing recycling numbers makes economic sense for the State of Connecticut. Director Kelly said although it may be costly to fund this endeavor the end result is an overall economic benefit for the State.

Chairman Pace said if this motion to table should pass he will take this as a consensus from the Board that management will send a letter to SWEROC, the CEO's, superintendents, and all of the towns to advise them of the Board's position and request financial assistance.

Director Tillinger said it is important that this letter is bolstered with statistics and testimonies from the superintendents as well as information on the economic long-term benefit. Director Edwards said the member town's budgets are already set. He suggested asking the Solid Waste Advisory Board (hereinafter referred to as "SWAB") member towns to provide a portion of those funds they are receiving back from the project closure to the museum.

Chairman Pace said this decision will need to be made in June at the latest. Mr. Kirk said the educational initiative is the most important public relations vehicle that CRRA has. He said it is an effective way for CRRA to build its brand and is an important and valuable asset for CRRA. Mr. Kirk said complicating this issue is the fact that management was unable to capitalize the recycling facility. He said Fairfield County Recycling (hereinafter referred to as "FCR") was sharing a lot of the costs for maintaining the facility. Mr. Kirk explained with the facility serving as a transfer station going forward, more of those costs fell on the museum. Mr. Kirk said there is no other way to subsidize those costs from the Mid-Connecticut towns. He said a letter and further efforts will be undertaken by management per the direction of the Board.

The motion to table the above referenced item was approved by unanimously roll call. Chairman Pace, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, and Director Tillinger 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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Connecticut	X		

**RESOLUTION REGARDING APPROVAL OF THE RECYCLING DIVISION BUDGET**

Chairman Pace requested a motion regarding the above-captioned item. The motion was made by Director Martland and seconded by Director Griswold.

**WHEREAS**, the Connecticut Resources Recovery Authority (the “Authority”) created the Property Division in fiscal year 2009 for the purposes of consolidating the residual assets and accounts necessary following the expiration of the projects for continued activities that are the responsibility of the Authority including, but not limited to, landfill closure and recycling in order to avoid comingling with other on-going project funds; and

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

**WHEREAS**, the recycling component of the former Bridgeport Project located in Stratford, Connecticut survived the Bridgeport Project under the auspices of the Authority, the Southwest Connecticut Regional Recycling Operating Committee, (“SWEROC”), and by the operation of FCR; and

**WHEREAS**, included in the Property Division is a fund called the Stratford Recycling Capital Reserve and an operating account with approximately \$130,000 in unused prior year recycling operating surpluses; and

**WHEREAS**, the contract with FCR will terminate on June 30, 2011; and

**WHEREAS**, the facility in Stratford will cease to function as an Intermediate Processing Center (“IPC”) recycling facility on June 30, 2011 and instead operate as a recycling transfer station; and

**WHEREAS**, Management has created a new division called the Recycling Division, which is segmented into a South Unit for the Stratford recycling activity and a North Unit for the future Mid-Conn recycling activity to better classify the overall recycling operations.

**NOW, THEREFORE**, it is

**RESOLVED:** that the Board adopt the Recycling Division Budget substantially as presented at this meeting; and

**FURTHER RESOLVED:** that the full amount of the Stratford Capital Recycling Reserve currently classified within the Property Division be reclassified to the Recycling Division, South Unit; and

**FURTHER RESOLVED:** that any unused surplus funds resulting from the operation of the Stratford IPC that are currently classified within the Property Division be reclassified to the Recycling Division, South Unit; and

**FURTHER RESOLVED:** that amounts in the Stratford Capital Recycling Reserve and the amounts of unused surpluses be available for any cash deficiencies within the Recycling Division's South Unit.

Mr. Bolduc said the Stratford facility is transitioning from dual stream to a transfer station for single stream recycling up to the Mid-Conn facility. He said for the purpose of keeping the accounting straight the budget is based on management's understanding of the legal contract being drafted.

Mr. Bolduc said the history behind this process is provided on page one of the write up. He said there are four resolves in the resolution, the first specifying "the Board adopt the Recycling Division budget". Mr. Bolduc explained that like the SCRRA budget the CRRA Board will adopt the budget which the SWEROC Board approves it.

Mr. Bolduc said the next resolve details moving those funds from the holding place in the property division to the recycling division. He explained the recycling division is being set up as two separate divisions for when the new MSA's are signed by the Mid-Conn towns which does not include the Trash museum or recycling single stream facility in Hartford, and only relates to MSW.

Mr. Bolduc said there are several significant items which will take place here; he said the first is that the full amount of the Stratford Capital Recycling Reserve classified within the property division will be re-classified to this division. Mr. Bolduc said this reserve totals about \$700,000 disposition of the dollars are subject to the concurrence of the CRRA Board and SWEROC.

Mr. Bolduc said the third resolve provides management the ability to move "any unused surplus funds resulting from the operation of the Stratford IPC that are currently classified within the Property Division be reclassified to the Recycling Division, South Unit".

Mr. Bolduc said the fourth resolve is very important. He explained it stipulates any cash deficiencies in running the operation will come out of the reserve and Stratford Capital Recycling Reserve. Mr. Bolduc said there is no other source of funds and any deficiencies must come out of there. He said the budget is based on the assumption of so many tons being delivered, anticipates 22,700 tons of recycling material, a contract to haul that recycling from Stratford up to Hartford at \$11.88, and certain recycling centers and the use of those revenues.

Mr. Bolduc said this is a break-even budget which anticipates using a onetime distribution out of \$127,000 out of the prior surplus. Mr. Bolduc said it also assumes at least \$56,000 from the Stratford Capital Reserve will be needed to make this work. He said another footnote concerns the \$120,000 pilot

payment FCR pays to Stratford for the entire facility, which now is reflected as only \$13,000. Mr. Bolduc said this payment must be renegotiated with Stratford.

Chairman Pace asked Mr. Bolduc for a more in depth explanation on the last whereas. Mr. Bolduc said projects by definition come to closure based on the bonds; however that does not mean activities end. He said CRRA has a presence in many projects and the character of that involvement has changed from fixed assets ownership to operating leases and other agreements. He said there are many activities which will continue, for example, the landfill closure activities will carry on for up to the next 30 years and will be funded out of the landfill post-closure reserves.

Director Damer asked if the future Mid-Conn recycling activity referred to in the resolution represents current Mid-Conn activities which will be moved post MSA's. He noted on pg. 4 the table should indicate FY'11 and FY'12 and incorrectly refers to FY'10 and FY'11. Mr. Bolduc said he was correct on both counts.

Director Edwards said there is a SWEROC meeting on June 8, 2011. He said SWEROC has already reviewed and approved the agreement before the Board at two subsequent meetings and will be providing a final review and approval in June. Director Edwards said in addition to the \$56,000 out of the designated reserve surplus from this year's budget an additional \$75,000 - \$76,000 will be used. He said it is likely the \$700,000 reserve will not need to be utilized and will stay intact which SWEROC is pleased with. Director Edwards said management's numbers are conservative and the SWEROC Committee is pleased and comfortable with this agreement.

Mr. Kirk said if management sees the kind of performance and increases in recycling which has accompanied other single stream recycling roll-offs no issues are likely. Director Martland asked if the predicted tonnage includes commercial deliveries. Mr. Kirk replied no. He said SWEROC is open to commercial and with a zero tip fee management expects to see some commercial come in.

Director Kelly asked what management and the SWEROC project intend to do to maximize recycling when the single stream project is rolled out. Mr. Kirk said the primary responsibility for recycling marketing belongs to the member towns. Director Edwards said the SWEROC project has worked with Ms. Montanari and the museum to look into brochures, pamphlets and information. He said each town will mail out individual pamphlets of information with their tax bills, he said in addition a tie in to the website with games will be done as well. Director Edwards said CRRA management is also providing information through radio stations which the project will benefit from.

Mr. Gaffey said Mayor Finch of Bridgeport has been extremely involved and committed to the single stream roll-out. He said a door-to door citizen group has been providing information and the Mayor is very excited by the prospect of turning Bridgeport recycling around.

The motion was approved by roll call. Chairman Pace, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, and Director Tillinger voted yes. Director Slifka and Director Painter abstained.



<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka			X
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Connecticut			X

**RESOLUTION REGARDING APPROVAL OF THE PROPERTY DIVISION BUDGETS**

Chairman Pace requested a motion regarding the above-captioned item. The motion was made by Director Martland and seconded by Director Griswold.

**RESOLVED:** That the fiscal year 2012 Property Division Operating budget totaling \$1,813,000.00 be adopted as presented at this meeting.

Mr. Bolduc said as the various historical entities reach certain milestones many activities remain that must take place in the future. He said a Property Division was created to be a holding spot for various items such as the 25,000 tons of capacity at Wallingford, lease arrangements with the Bridgeport facilities and the associated costs. Mr. Bolduc said this division is proposed to house those revenue receipts and the expenses which accompany them.

Mr. Bolduc said the budget does absorb some of the overhead and serves as a catch-all for what is remaining as these projects come to fruition.

Chairman Pace asked the Board to please review the footnotes. He said although insurance has gone down, some of these minor dollars have been reassigned.

The motion was approved by roll call. Chairman Pace, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland voted yes. Director Edwards, Director Painter, Director Slifka, and Director Tillinger abstained.

<b>Directors</b>	<b>Aye</b>	<b>Nay</b>	<b>Abstain</b>
Michael Pace, Chairman	<b>X</b>		
Louis Auletta	<b>X</b>		
Dave Damer	<b>X</b>		
Timothy Griswold	<b>X</b>		
Dot Kelly	<b>X</b>		
Theodore Martland	<b>X</b>		
Scott Slifka			<b>X</b>
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			<b>X</b>
Mark Tillinger, Bridgeport			<b>X</b>
Bob Painter, Mid-Connecticut			<b>X</b>

**BREAK**

Chairman Pace requested a short break at 10:30 a.m. The meeting resumed at 10:38 a.m.

**RESOLUTION REGARDING APPROVAL OF THE WALLINGFORD LANDFILL POST CLOSURE TRUST**

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

**WHEREAS**, on February 17, 1994 the Connecticut Resources Recovery Authority’s (the “Authority”) Board of Directors (the “Board”) approved a resolution adopting the fiscal year 1995 Wallingford budget, which included the funding of \$50,000 to the Wallingford Landfill Postclosure Reserve; and

**WHEREAS**, each succeeding fiscal year’s adopted budget included contributions to the Wallingford Landfill Postclosure Reserve in order to provide sufficient funds for monitoring and maintenance of the landfill for thirty years such that as of April 30, 2011 the balance reported by STIF in the Wallingford Landfill Postclosure Reserve was \$7,430,248.11 (broken down as \$1,680,400 for fiscal year 2013-2020 GASB 18 expenditures, \$2,964,514 for fiscal year 2021-2035 GASB 18 expenditures and \$2,785,334 for fiscal year 2011-2035 non-GASB 18 expenditures); and

**WHEREAS**, due to a change in the Permit for the Wallingford Landfill, a new financial assurance mechanism must be in place by June 30, 2011; and

**WHEREAS**, the Authority reviewed all options available and has determined that a Post-Closure Trust Fund, as the mechanism to demonstrate financial assurance, is the least cost alternative; and

**WHEREAS**, The Connecticut Department of Environmental Protections (“CTDEP”) requires that funding equal to the post-closure cost estimate through the end of fiscal year 2020 be placed in a Post-Closure Trust Fund; and

**WHEREAS**, Management approached the CTDEP and received written approval to transfer a portion of the funds currently in the Wallingford Landfill Postclosure STIF Reserve funds into a new trust to satisfy the financial assurance mechanism.

**NOW, THEREFORE**, it is

**RESOLVED**: That \$1,680,400 of funds in the Wallingford Landfill Postclosure STIF Reserve, as approved by the CTDEP, be transferred to U.S. Bank for deposit in a trust fund used to demonstrate financial assurance; and

**FURTHER RESOLVED**: That the President is authorized to execute a Trust Agreement and associated letter agreement with U.S. Bank, which agreements are associated with the trust fund; and

**FURTHER RESOLVED**: That the remaining funds in the Wallingford Landfill Postclosure Reserve continue to be maintained in this reserve account to be used only for activities associated with post-closure care and maintenance obligations at the Wallingford Landfill for the remaining years of post-closure activity scheduled through fiscal year 2035.

The motion was seconded by Director Griswold.

Chairman Pace said for the record that this is Mayor Slifka's first meeting and the discussion and explanation will be as in-depth and comprehensive as needed to ensure his comfort with the subject matter.

Mr. Bolduc said separate post-closure reserves and STIF accounts were created for Shelton, Wallingford, and Waterbury under the landfill divisions. He said in the case of Wallingford, there is a specific area of a small hazardous waste cell which is governed by hazardous cell rules according to the CT DEP. Mr. Bolduc said the CT DEP provided requirements to management, specifically, that the funds to take care of that site are set-up in a more restrictive manner. He said funds for the post-closure reserves for the next 20-30 years are unrestricted and Board designated and CRRA files those budgets each year with the CT DEP in addition to governing by GASB 18 requirements and financial assurance tests which are made to the State.

Mr. Bolduc said the CT DEP is requiring a \$7 million fund in a trust in the post-closure reserve. He said about \$1.7 million is broken out and required for GASB 18 requirements. He said this resolution allows for management to move ahead and establish a trust at U.S. Bank and the terms of the trust will be governed by the CT DEP. Chairman Pace asked how this information will be transmitted to the necessary parties. Mr. Bolduc said this information will be communicated to the Wallingford Policy Board. He said the funds and responsibility are now CRRA's. Mr. Egan added that Doreen Zaback, secretary to the Wallingford Advisory Board will be copied on all the correspondence and trust fund for her records.

Chairman Pace said he wanted this information conveyed to the Chief Elected Officials as well. Mr. Bolduc said these assets and liabilities are CRRA's. Director Damer asked what it costs CRRA to move the \$1.7 million from the reserve to a trust. Mr. Bolduc said the effect is minimal and totals around \$1,500. Mr. Egan said that expense was budgeted for in the post-closure cost estimate.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland and Director Slifka voted yes. Director Edwards, Director Painter, and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut			X

**RESOLUTION REGARDING APPROVAL OF A LEGAL SERVICES AGREEMENT WITH COHN BIRNBAUM & SHEA**

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 Cohn Birnbaum & Shea for legal services, substantially as discussed and presented at this meeting.

The motion was seconded by Director Kelly.

Director Damer said the month prior the Policies & Procurement Committee had gone through the RFQ process of selecting legal firms to place in CRRA’s legal stable. He said due to an administrative oversight on the part of Cohn Birnbaum & Shea (hereinafter referred to as “CBS”) a response to the RFQ was not received and the firm was not added to the selection. Director Damer said CBS has been providing legal services specifically for transfer acts and remediation activities at South Meadows and transfer act matters at Wallingford. He explained CRRA would like to continue utilizing CBS and this resolution is for a legal services agreement specifically for these matters only. Director Damer said this agreement is specifically for this matter and nothing else and CBS will not be part of the stable.

Director Kelly said she had made the point during the Committee meeting, that although there is a stable of lawyers an additional firm can be used for another purpose in accordance with CRRA’s policies and procedures. She noted the last sentence, which states CBS “will not provide legal services for any other legal matters during the term of this agreement” unless a separate RFP process is used. Chairman Pace said that was correct, he said using the firm for any other matter would require Board approval.

Mr. Kirk said it would be costly to bring another firm up to speed and this procedure allows CRRA to retain CBS’s expertise on these matters. Mr. Kirk said the firm is at a disadvantage as Ms. Hunt cannot use them for another matter.

Director Slifka asked if another firm was placed in the stable to arguably do the same work which CBS may have done. Mr. Kirk explained though CBS did not participate and will not be included in the Environmental stable there are three other firms which will serve in that capacity. He said there is not a new environmental lawyer because of the lack of participation, but there is one less environmental law firm. Director Slifka asked if he was correct in stating the difference between CBS and the other environmental lawyers in the stable is that the other firms can be referred to as needed for other matters and CBS is limited to these matters only. Chairman Pace agreed.

Director Martland noted that just because a law firm is in the stable, that is not an assurance of any work.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland and Director Slifka voted yes. Director Edwards, Director Painter, and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut			X

**RESOLUTION REGARDING APPROVAL OF RESOLUTION FOR THE CITY OF WATERBURY RELOADING AREA WASTE TRANSPORTATION AND DISPOSAL SERVICES**

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

**RESOLVED:** That the Board of Directors hereby authorizes the President to enter into an agreement with CWPM, LLC for City of Waterbury Reloading Area Waste transportation and Disposal Services, substantially as presented and discussed at this meeting.

The motion was seconded by Director Kelly.

Mr. Kirk said this resolution details an agreement for the transport of bulky waste to Waterbury. He said CRRA has a responsibility to provide transportation of bulky waste which is unique to the City of Waterbury. He said this agreement is unusual and is a remnant of a contract which was written 25 years ago. Mr. Kirk said before the Board is the contract for providing the disposal services. He said although this was bid out, ultimately only one bidder, the incumbent CWPM, responded. He said management feels this response is fair and reasonable. Mr. Kirk said this is not a Waterbury issue as the requirement and commitment to handle the transportation of this bulky waste is part of the original MSA and is not under consideration today, only the contractor which will provide those services.

Director Griswold said he does not feel the write-up makes it clear that there is not a recovery of the costs. Chairman Pace asked him to refer to the budget status. Director Griswold said he believes it should be reinforced that this is an out of pocket expense. Mr. Kirk said CRRA does pay the transportation costs to get the bulky waste to the Mid-Conn facility.

Mr. Egan said this is a cost to the Mid-Conn project which is socialized within the tip fee. He said when the City of Waterbury was invited into the project in the mid 1990's this additional benefit whereby CRRA pays the transportation for Waterbury's large non-processible items to a disposal facility was negotiated. Mr. Egan said the contractual obligation is in the MSA's until the expiration in June 30, 2013. He said this is a cost to the project, however the City of Waterbury is billed for the disposal costs and if the non-processible comes to the waste processing facility in Hartford the cost is \$85.00 a ton. Mr. Egan said if the material cannot be brought to the WPF in Hartford, CRRA's contractor brings the material to another facility at a cost of \$84. He said in this case there is a \$1.00 net to the CRRA's Mid-Conn project.

Chairman Pace said over those 25 years there were some unique twist to the MSA's as towns came into the project. Mr. Kirk said there are a number of towns which enjoy a subsidy of roughly \$2.00 a ton, most likely because there were originally plans for a transfer station in Farmington Valley which was ultimately not built. He said in lieu a discount on the tipping fee was offered to help pay transportation costs to Hartford. Mr. Kirk said management is not planning on continuing these arrangements and the costs will be the same universally.

Director Kelly asked why management is comfortable with receiving only one bid response. Mr. Kirk said management's comfort derives from its assurance that CWPM has provided fair and reasonable costs to run the bulky waste. He said there was no indication of inappropriate activity.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, and Director Slifka voted yes. Director Edwards and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut	X		

**RESOLUTION REGARDING APPROVAL OF AN RESOLUTION REGARDING TRANSFER STATION OPERATION, TRANSPORT SERVICES AND DISPOSAL OF RECYCLABLE MATERIALS**

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 an agreement with City Carting, Inc. for Operation, Maintenance and Transportation Services for the Stratford Intermediate Processing Center, substantially in the form presented and discussed at this meeting.

The motion was seconded by Director Kelly.

Director Damer said this resolution details a modification of the Stratford recycling facility into a transfer station for single stream items to go to Hartford. He said in addition it authorizes an agreement with City Carting to run the recycling center and haul the recycling materials to the Mid-Conn facility. Director Damer said the Board will also vote on an agreement with SWEROC to operate the facility in this manner.

Chairman Pace said under contract value the estimated costs vary from \$480,000 - \$600,000. Director Damer said because of the uncertainty with regards to how many tons will be taken a sensitivity analysis was run by CRRRA management. He explained City Carting was the lowest in all categories.

Director Martland asked if FCR did not understand the bid, or was not interested. Mr. Kirk said that FCR is the incumbent operator of the facility. He explained as trucking is not its primary business this most likely affected the bid. He said City Carting and Enviro are waste trucking firms and have the equipment needed.

Director Griswold asked who pays the delivery fee. Mr. Kirk replied the delivery fee will be paid out of the SWEROC recycling project's revenues. He said depending on the amount of tons a contribution from the SWEROC capital reserve may also be needed. Mr. Kirk said CRRRA and related

projects are insulated from contributing to those costs. He said given the surplus which is being run this year it is unlikely that an additional contribution will be needed.

Director Kelly asked if the \$17.00 a ton will be looked at on an annual basis. She said it is her understanding from the conversation that if the plant is filled up the processing costs may decrease, or on the other hand they may increase. Mr. Kirk clarified that the \$17.00 is a revenue stream. Mr. Gaffey said CRRA is paid two ways through this contract, once for every ton that comes over the scale, currently the average is \$17.00 (which can go up to \$19.00), and secondly CRRA receives a 50% commodity revenue from what is sold on the market. Mr. Kirk said these revenue streams average out to about \$26.00 a ton.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Tillinger voted yes. Director Painter abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Connecticut			X

**RESOLUTION REGARDING APPROVAL OF AN AGREEMENT BETWEEN CRRA AND SWEROC FOR OPERATION AT THE STRATFORD INTERMEDIATE PROCESSING CENTER**

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

**RESOLVED:** That the Board of Directors authorizes the President to enter into an agreement with the Southwest Connecticut Regional Recycling Operating Committee (SWEROC) for the operation of the Stratford Intermediate Processing Center as an Acceptable Recyclables transfer station and for the transportation and disposal of Acceptable Recyclables, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Director Damer said this resolution details the agreement with SWEROC. Director Edwards said the SWEROC Board discussed this issue at the last two meetings and is in support of this item.



Director Griswold asked if there is an enforcement mechanism in place to ensure the deliveries of the recycling materials. Mr. Kirk replied yes. He said the recycling is enforced by the municipal recycling officers. Mr. Kirk said there is less of an issue with a zero tip fee in place. He said the enforcement staff is available, and has a certain number of assets budgeted to manage both the MSW enforcement and the recycling enforcement.

Director Edwards said cherry-picking of the materials will be reduced by the conversion to single stream as the material is difficult to separate after it has been co-mingled.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Tillinger voted yes. Director Painter abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport	X		
Mark Tillinger, Bridgeport	X		
Bob Painter, Mid-Connecticut			X

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

Vice-Chairman Jarjura said the Committee had discussed many issues concerning the future of the Stratford Museum. Chairman Pace said that Stratford Museum budget was tabled with a caveat that a letter to the Chief Elected Officials of Southern member towns and Superintendents of schools will be sent out advising them of the condition, projected costs needed, and to hopefully provide statistics of use in an effort to gain support to help fund the museums. Vice-Chairman Jarjura agreed that this was an excellent approach.

Director Griswold asked if management had to be cognizant of time lines for any potential issues if the museum were to close. Mr. Kirk replied yes. He said the part-time employees are entitled to three months' notice, the full time employees six months' notice according to CRRA's procedures. Mr. Kirk said if the museum had to consolidate there will be issues which will need to be dealt with.

Vice-Chairman Jarjura said the OS & HR Committee had also discussed the future of the assets and exhibits which are owned by SWEROC. Director Edwards said that SWEROC was aware of this and would address those issues down the line.

## **PRESIDENTS REPORT**

Mr. Kirk said tonnage deliveries across the project are still below historical averages due to a sluggish economy. He said that all projects across the board are down 8-10%. Mr. Kirk said electric generation reflects that reduction and is down from the prior year with the exception of Southeast which is slightly higher but similar to the prior fiscal year.

Mr. Kirk said single stream facilities are up about 9% in recyclables and the dual stream facilities reflect about the same sluggish performance that the MSW numbers suggest. He said the value of single stream in both unit participation and menu expansion is evident.

Mr. Kirk said there is a very modest Southeast surplus projected of about \$482,000 and an even smaller surplus of about \$474,000 for the Mid-conn facility which will be adjusted by the actuals from one of the facilities contractor and will hopefully be closer to \$1 million.

Mr. Kirk said the general fund is on target and the Southwest IPC is running about a \$73,000 projected surplus. He said all other divisions are performing on or near budget.

Mr. Kirk said the Mid-Conn future issues are on schedule. He said management is working closely with the Mid-Conn facility contractor NEAS towards the December 31, 2011, start date. Mr. Kirk said MSA's from the member towns continue to be returned and management is available for meetings with their legislative bodies. He said roughly 68% of the plant is now filled and management is confident the goal of 710,000 tons will be met.

Mr. Kirk said SB 1167 is still on the calendar and still of great concern to CRRA. He said 68 of the 70 towns which would be affected are on the record as being opposed. Mr. Kirk said CCM voted unanimously in support of CRRA's position against the bill. He said Senator Fonfara, the bill's sponsor attended the MAC Committee meeting and explained his motivation to the 36 towns in attendance. Mr. Kirk said he would characterize the meeting as informative and felt Senator Fonfara was less than convincing in efforts to gain support for the bill.

Mr. Kirk said that members of the MAC Governance Committee are meeting with Senator Fonfara on Friday to find some kind of accommodations which meets the Senator's desires and the interest of the towns.

Mr. Kirk said the lawsuit with MDC regarding the RFP continues and has been delayed due to scheduling issues by several parties.

## **CHAIRMAN'S REPORT**

Chairman Pace said he received a letter from the Southeast region thanking CRRA for assisting them with a \$27 million refunding of their bonds, which included several nice comments about the staff, in particular appreciation for Mr. Bolduc and Ms. Ferguson.

Chairman Pace said emphasis on SB 1167 is important for the member towns' interest and not just for individual or individual entities interests. He noted editorials from newspapers have been in support of CRRA's efforts. Chairman Pace said one in particular generated a response from the Chairman of MDC which contained many miscalculations of the realities.

Chairman Pace said one editorial from *The Waterbury Republican American* is extremely informative and accurate. He said there are outside entities which have political agendas. Chairman Pace said he is amazed at how the Legislature can work at times. He said it is important to keep carefully appraised of the language within these bills.

Director Painter said that Senator Fonfara had indicated that he would prefer submitting one bill and suggested that the two bills would be combined. Chairman Pace said he is interested in the best interest of the municipalities in the State of Connecticut.

Director Griswold said that a graph was distributed at the MAC meeting with an unspecific reference to a 15 municipal Board members and another indication with Representatives of municipalities, both of which are very vague. He said another clause which discusses pushing back the MSA commitments to December 1, when Mr. Kirk noted recently CRRA's electrical purchase requirements are needed prior to that date is problematic. Director Griswold explained that could place CRRA behind on electrical contracts which could be costly.

Director Painter said it seemed to him that the Senate was going to pass the bill and if it did get to the Governor's office it would pass. He said CROG and SSWA felt they should make as many positive changes as possible before that happens. A discussion on the effect of this legislation was undertaken.

Director Kelly said she and Mr. Kirk visited Senator Bob Duff, Vice-Chair of the Energy Commission. She said Mr. Kirk did a great job addressing the issue. Mr. Kirk agreed that he felt the meeting was helpful.

Director Slifka said he received a letter from MDC's counsel indicating in summary that MDC will not be the supervisory authority and asking Senator Fonfara to be sure that the MDC will not be the designated as the supervisory authority. Mr. Kirk said that is important. He said Senator Fonfara offered the same information and recognized there was push-back as identifying MDC as that public entity. Mr. Kirk said the concern remains that MDC would contract with that public entity, whatever it may be.

Chairman Pace said this legislation puts municipalities at risk, as well as assets of the towns and the State at risk.

## **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, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations. The motion made by Director Damer and seconded by Director Martland 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

Peter Egan  
Laurie Hunt

The Executive Session began at 11:38 a.m. and concluded at 11:53 a.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 11:53 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.

**RESOLUTION REGARDING APPROVAL OF ADDITIONAL PROJECTED LEGAL EXPENDITURES**

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

**WHEREAS**, CRRA has entered into Legal Service Agreements with various law firms to perform legal services; and

**WHEREAS**, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2011 projected legal fees; and

**WHEREAS**, CRRA expects to incur greater than authorized legal expenses for General Counsel services;

**NOW THEREFORE, it is RESOLVED:** That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2011:

<u>Firm:</u>	<u>Amount:</u>
Halloran & Sage	\$400,000

The motion was seconded by Director Griswold.

Chairman Pace said this is a result on continuing litigation.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland and Director Slifka voted yes. Director Edwards, Director Painter, and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport			X
Bob Painter, Mid-Connecticut			X

**RESOLUTIONS REGARDING APPROVAL OF FY'12 PROJECTED LEGAL EXPENDITURES**

Chairman Pace requested a motion on the above referenced item. The following motion was made by Director Martland.

**WHEREAS**, CRRA has negotiated three-year Legal Service Agreements with various law firms for the provision of legal services from July 1, 2011 through June 30, 2014; and

**WHEREAS**, CRRA now seeks Board authorization for projected legal expenditures during the first year of the term of said Agreements;

**NOW THEREFORE, it is RESOLVED:** That the following amounts be authorized for projected legal fees to be incurred during fiscal year 2012:

<b><u>Firm:</u></b>	<b><u>Amount:</u></b>
Brown Rudnick	<b>150,000</b>
Cohn Birnbaum & Shea	45,000
Day Pitney	60,000
Halloran & Sage	1,075,000
Hinckley, Allen & Snyder	400,000
Kainen, Escalera & McHale	350,000
McCarter & English	85,000
McElroy, Deutsch, Mulvaney & Carpenter	165,000

Pullman & Comley	100,000
Sidley Austin	100,000
Willinger, Willinger & Bucci	50,000

**Further RESOLVED:** That the President be authorized to expend up to \$20,000 from the Landfill Development Reserve Account for payment for legal fees incurred in fiscal year 2011 in connection with the Authority’s suspension of its efforts to develop a new ash landfill in the State of Connecticut;

**Further RESOLVED:** That the President be authorized to expend up to \$85,000 from the Post Litigation Reserve Account for payment of legal expenses incurred in fiscal year 2012 in connection with the Enron Global litigation continuing under the aegis of the Attorney General; and

**Further RESOLVED:** That the President be authorized to expend up to \$15,000 from the Wallingford Project Closure Reserve Account for payment of legal fees incurred in fiscal year 2012 in connection with continuing Wallingford Project obligations; and

**Further RESOLVED:** That the President be authorized to expend up to \$1,025,000 from the Mid-Connecticut Litigation Reserve Account for payment of litigation-related legal fees and expenses incurred in fiscal year 2012.

Director Griswold seconded the motion.

Director Slifka said that his main concern with this resolution is that although the requested authorization for FY’12 is slightly less than FY’11, it is also roughly double what has been invoiced to date. Ms. Hunt said what is budgeted for every year is the outside of what CRRA expects to spend. She said the Authority cannot go over budget and these amounts are determined considering items which may come up, possible surprises, and items which get pushed back.

Ms. Hunt said management comes to the Board once for approval on legal spending and the year prior the Board requested that management approach them on a quarterly basis for only Halloran & Sage’s legal expenditures. Chairman Pace suggested in deference to Director Slifka that this item be tabled until the following month.

**TABLE OF THE MOTION REGARDING APPROVAL OF FY’12 PROJECTED LEGAL EXPENDITURES**

Chairman Pace made a motion to table the approval of FY’12 projected legal expenditures. The motion to table was seconded by Director Martland.

The motion to table was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Auletta, Director Damer, Director Griswold, Director Kelly, Director Martland and Director Slifka voted yes. Director Edwards, Director Painter, and Director Tillinger abstained.

<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		
Dot Kelly	X		
Theodore Martland	X		
Scott Slifka	X		
<b>Ad-Hocs</b>			
Steve Edwards, Bridgeport			X
Mark Tillinger, Bridgeport			X
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 Director Griswold and was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 11:57 p.m.

Respectfully submitted,

Moira Benacquista  
Secretary to the Board/Paralegal