

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND SEVENTY-EIGHTH JUNE 27, 2010

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, June 27, 2010, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present in Hartford were:

Directors: Vice-Chairman Jarjura
 David B. Damer
 Timothy Griswold
 Dot Kelly
 Mark Lauretti (present beginning at 10:40 a.m.)
 Theodore Martland
 Nicholas Mullane (present by telephone)
 Linda Savitsky
 Stephen Edwards, Bridgeport Project Ad-Hoc
 Mark Tillinger, Bridgeport Project Ad-Hoc
 Warren Howe, Wallingford Project Ad-Hoc

Present from CRRA:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs & Development
Bettina Ferguson, Director of Finance
Moira Benacquista, Board Secretary/Paralegal

Also present were: Rich Goldstein of McElroy, Deutsch, Mulvaney & Carpenter, LLP; John Pizzimenti of USA Hauling & Recycling; Jim Sandler, Esq., of Sandler & Mara, Jerry Tyminski of SCARRA and Cheryl Thibeault of Covanta.

Vice-Chairman Jarjura called the meeting to order at 10:01 a.m. and said that a quorum was present.

PLEDGE OF ALLEGIANCE

Vice-Chairman Jarjura requested that everyone stand for the Pledge of Allegiance, whereupon the Pledge of Allegiance was recited.

PUBLIC PORTION

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

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

APPROVAL OF THE MAY 27, 2010, REGULAR BOARD MEETING MINUTES

Vice-Chairman Jarjura requested a motion to approve the May 21, 2010, regular meeting minutes. Director Martland made the motion which was seconded by Director Damer.

The motion to approve the minutes as amended and discussed was approved unanimously. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, Director Savitsky, Director Edwards, Director Tillinger, and Director Howe voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | X | | |
| Mark Tillinger, Bridgeport | X | | |
| Warren Howe, Wallingford | X | | |

FINANCE COMMITTEE REPORTS

Director Savitsky said one item of business was conducted at the Finance Committee meeting on June 17, 2010, which was followed immediately by an Executive Session in which underwriter interviews were conducted for the SCARRA deal.

RESOLUTION REGARDING WORKERS COMPENSATION RENEWAL

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

RESOLVED: That CRRA purchase Workers Compensation/Employers Liability insurance with a statutory limit and \$1,000,000 limit for Employers Liability, for a premium of \$70,944 from Connecticut Interlocal Risk Management Agency (CIRMA) for the term 7/1/10 – 7/1/11, as discussed at this meeting.

Director Savitsky said this resolution describes a somewhat perfunctory process. She said CRRA has been with CIRMA for many years and noted CIRMA provides the majority share of municipal insurance. Director Savitsky said that CRRA’s insurance consultant looked for other bidders; however CIRMA was the only response.

The motion to approve the above referenced item was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

ADDITION OF RESOLUTIONS TO THE AGENDA CONCERNING INVESTMENT BANKING SERVICES AND TRANSFER OF FUNDS

Director Savitsky said two resolutions would be added to the agenda. She said the first concerns the selection of investment banking services, and the second item concerns the transfer of funds from the Wallingford risk fund to a new escrow account.

Vice-Chairman Jarjura requested a motion to add two items to the agenda. The motion was made by Director Savitsky and seconded by Director Martland.

The motion to add two items to the agenda was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, Director Savitsky, Director Edwards, Director Tillinger, and Director Howe voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| | | | |
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | X | | |
| Mark Tillinger, Bridgeport | X | | |
| Warren Howe, Wallingford | X | | |

RESOLUTION REGARDING TRANSFER OF FUNDS FROM THE WALLINGFORD RISK FUND TO A NEW ESCROW ACCOUNT

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

RESOLVED: The \$500,000 of funds in the Wallingford Risk Fund be transferred to U.S. Bank for deposit in an Escrow Account, which Escrow Account will be established pursuant to the Release and Settlement Agreement date June 23, 2010, between CRRA and Covanta Projects of Wallingford, LP, and which is associated with the applicability of the Connecticut Transfer Act to the conveyance of the Wallingford Resource Recovery Facility from CRRA to Covanta Projects of Wallingford, LP. In accordance with the Release and Settlement Agreement, the Escrow Account will be maintained until the Connecticut Department of Environmental Protection determines that the requirements of the Connecticut Transfer Act, as they relate to the conveyance of the Wallingford Resource Recovery Facility, have been satisfied, which period is estimated to be approximately five years.

Mr. Egan said this resolution involves the Wallingford Resource Recovery and conveyance of that facility to the Covanta Project in Wallingford. He said a Special Board meeting was held to specifically address this matter. He said the Connecticut Transfer Act (which governs the conveyance of certain pieces of property) applies to the Wallingford waste-to-energy facility and the property. Mr. Egan said this came to CRRA and Covanta’s attention earlier this year as the facility is an establishment under that act. He said there was some disagreement as the historical contracts in place were not clear as to which party had the obligation to take the lead on this action under the transfer act. Mr. Egan said the Wallingford Project is going to escrow \$500,000 for three-five years. He said this resolution authorizes moving those funds from the Wallingford risk fund to a new escrow account.

Mr. Egan said that CRRA management has reached a settlement agreement with Covanta. He explained it was within the bounds set by the CRRA Board and includes establishing an escrow account for \$500,000. Mr. Egan said the certifying party is Covanta and there is a release and settlement agreement which was executed. He said costs for the initial investigation for the first couple of years will be shared in \$100,000 increments.

Director Damer asked if the Wallingford member towns are in agreement with this action. Mr. Egan said the towns are not pleased but understand that this arrangement is preferable to the alternative.

Director Savitsky thanked Mr. Egan and management for their hard work.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, Director Savitsky and Director Howe voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | X | | |

RESOLUTION REGARDING SELECTION OF INVESTMENT BANKING SERVICES FOR SOUTHEAST PROJECT RESOURCE RECOVERY BOND REFUNDING

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

WHEREAS on May 27, 2010 the Board of Directors of the Connecticut Resources Recovery Authority (the “Authority”) adopted a resolution authorizing Management to proceed with a refunding of the outstanding Southeast Regional Resources Recovery Authority’s (“SCRRRA”) \$87,650,000 Resources Recovery Revenue Bonds (1998 Series A) (the “1998 Bonds”) for which the Authority acted as conduit issuer; and

WHEREAS the Authority will serve as the conduit issuer of the proposed refunding of the 1998 Bonds; and

WHEREAS, the Authority has sought and received proposals and interviewed firms interested in providing investment banking and underwriting services for the proposed refunding of the 1998 Bonds.

NOW, THEREFORE, it is

RESOLVED: That the Authority retain Citigroup Global Markets, Inc. (“Citi”) and Roosevelt & Cross to provide investment banking and underwriting services for the proposed refunding of

the 1998 Bonds, whereby Citi will serve as the senior manager and Roosevelt & Cross will serve as the co-manager.

FURTHER RESOLVED: That Management will return to the Board for final approval and authorization prior to the issuance of the proposed refunding of the 1998 Bonds.

Director Savitsky said the Finance Committee, CRRA management, and a representative from SCRRRA met and performed interviews for investment banking and underwriting services. She said a good job was done in narrowing down the proposals. She said the Committee agreed to recommend Citigroup Global Markets, Inc. as the senior manager along with Roosevelt & Cross as the co-manager. Director Savitsky said details on the recommendation are contained in the write-up. She said subsequent to the interviews management was advised that the individual who was the lead on the presentation during the interview process had resigned from Roosevelt & Cross. Director Savitsky said Citigroup was the strongly preferred underwriter partly due to the strength of one of their top members who is an expert in the Solid Waste field. She said Citigroup's services were retained when looking to issue bonds relating to Wallingford for many of the same reasons.

Director Savitsky said she, Director Martland, Mr. Bolduc, Mrs. Ferguson, Mr. Tyminski of SCRRRA and CRRA's financial advisor Mr. McCarthy were present for the interviews.

Director Lauretti asked what the outstanding balance on the bonds currently is. Mrs. Ferguson replied \$39 million. Director Lauretti asked how the fee is paid to Citigroup. Mr. Bolduc said that the overall cost of the transaction for the underwriter and both CRRA's lawyers and the underwriter lawyers will be around \$300,000. He said that the projected savings is around \$2 million on a net basis.

Director Martland said in this market a five year deal results in fairly good numbers. Director Savitsky said in the current market it is fair to say that this is the first step in a long process to close this deal.

Director Kelly asked if the decision to use Roosevelt & Cross should be reconsidered with the resignation of their staff member. Director Savitsky said that the Committee had discussed this. She said that Roosevelt is more part of the selling syndicate. She said the individual who left Roosevelt would have had nothing to do with this aspect. Director Savitsky said it was Roosevelt's strength in selling paper in the Connecticut market which brought it into the deal and not the strength of this individual.

Director Griswold asked if Citigroup was attempting to be the senior manager or if it was interested in other roles. Director Savitsky said that all three firms which were interviewed were interested in the role of senior manager. Director Griswold asked if Roosevelt was interested in the senior management position as well. Director Savitsky said that was correct. She said that dual roles can occur in these situations.

Director Griswold asked if the fee secured by Citigroup will be partially split with Roosevelt. Mr. Bolduc replied no. He explained that Roosevelt will be provided a portion of the selling commission. He said that the underwriting costs will be driven by Citigroup. Director Savitsky said the dual roles will not cost CRRA anything and may end up enhancing the pricing depending on the strength of Roosevelt. Director Martland said Roosevelt has implied it may be able to attract additional

individuals which may be interested in the bonds. He said Citigroup discussed selling bonds to more along the lines of institutions. Director Savitsky said the double tax exemption in Connecticut helps.

Director Griswold asked what the rating would be. Mr. Bolduc said that management is hoping to achieve the SCARF rate which would be double AA. He said if that is not achieved on a stand alone basis he rating may be as high as a single A. Mr. Bolduc said that the real challenge here is to attract as much of the retail market as possible as opposed to the institution market which would be more costly. Mr. Bolduc said that bringing in a smaller firm is also important to other potential CRRA financing as a large firm like Citigroup may no longer be interested in smaller transactions.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

RESOLUTION REGARDING THE STANDARD FORM MUNICIPAL SOLID WASTE DELIVERY AGREEMENT FOR THE MID-CONNECTICUT PROJECT

Vice-Chairman Jarjura requested a motion on the above-referenced item. Director Damer made the following motion:

RESOLVED: That the President is authorized to enter into revenue contracts with commercial haulers for the delivery of Acceptable Solid Waste and Acceptable Recyclables to the Mid-Connecticut waste disposal system, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk said CRRA utilizes hauler agreements with its private companies which are the counterparts to contracts with municipal customers. He said historically CRRA utilized one year contracts which were burdensome from an administrative standpoint. Mr. Kirk said as a result three years ago a change was made from one to three year contracts. He said this is a replacement for the now expiring hauler agreements. Mr. Kirk said that the new hauler agreements are different from those past as they utilize put or pay agreements which would take effect at the conclusion of the MSA's which head off the bonds.

Mr. Kirk said this replacement contract allows for a smooth transition over the fiscal year and will maintain deliveries from hauler customers which make up more than half of the Mid-Connecticut deliveries. He said the majority of the agreements are signed, with the exception of one outstanding customer which management is confident will sign an agreement by July 1, 2010. He said that is a key date as no one is permitted on site without an agreement.

Director Griswold said concerning the right to terminate the \$69.00 dollar amounts go up to \$72.00. Mr. Kirk said management was not able to predict the net cost of operations for years two and three when it moved to a three year agreement. He said customers were uncomfortable signing an agreement with an unknown tipping fee. Mr. Kirk said as a solution management established a not-to-exceed number which is the maximum figure the CRRA Board can establish as a tip fee. Mr. Kirk said that if the tip fee exceeds the not-to-exceed figure the hauler has the option of exiting the agreement.

Mr. Kirk said the year two not-to exceed number of \$72.00 and the year three not-to exceed figure of \$73.00 are very conservative estimates. He said management expects to maintain the same flat pricing through the end of the project as experienced in the last five years. Mr. Kirk said management expects \$69.00 or less to be the likely figure in the last year of the project.

Director Kelly said the Policies & Procurement Committee discussed that this ties in with the towns. She said the towns might have a contract to come to Mid-Connecticut but may use the alternative to go where the hauler pays. Mr. Kirk said that towns in the post 2012 project will have options for what is essentially a renewal in the Tier 1 option, where the hauler can take waste to the facility using flow control. He said the Tier 2 option is where the towns may reserve capacity in the plant. Mr. Kirk said in the case where a town is only sending a portion of its tons the remaining garbage would come to the plant under the authority of the hauler giving subscription service to the towns under its individual contracts. He said that this provides flexibility to the towns and the haulers.

Director Edwards asked if this can be controlled by flow control. He asked if the Town chooses not to do collection can the project require that commercial collectors to go to the plant. Mr. Kirk said the Towns' can do so if they choose to implement an ordinance under flow control. He said that this would not be necessary under the Tier 2 option.

Director Griswold said the haulers have a \$63.00 and \$64.00 ceiling. He asked if that ceiling would be the same for the towns. Mr. Kirk replied no. He said the intent is for the customer, whether it is the town or the hauler, to enjoy the net cost of operations price. Director Damer asked if the not-to-exceed price would apply to the Towns and the haulers. Mr. Kirk said that the not-to exceed price guaranteed to haulers is established in a similar fashion for the towns through the MSA's. He said if there is a disaster which causes CRRA to exceed the not-to exceed number the Towns have the option to exit the contract, but it is anticipated the actual net cost fee will be less than the not-to-exceed ceiling.

Director Kelly said the haulers have been provided an out on the put or pay. She said she would assume if the haulers go to the other Tier there would be an increase. Mr. Kirk said that higher price is 5% more. He said management is just getting comments from the Towns on the draft MSA and there is a 5% differential in price anticipated between the net cost of operations price and the Tier 2 price. Director Kelly said that the haulers have a set price and the non Tier 1 option is a shifting of who has paid for the transportation. Mr. Kirk said yes. He said that obviously transportation is a substantial part and those costs have historically been socialized into the project. Mr. Kirk said comments received back from the Towns are universally positive in their approach and there is plenty of room to make adjustments. He

said that management is confident that CRRA is serving its mission statement by insuring that the Towns have the capability of enjoying the net cost of operations.

Director Martland said that is mostly due to the fact that the project should be debt free. Mr. Kirk said that was for three reasons; the debt goes away, the project is exiting the last year of the old Enron energy contract, and the operator contracts are being bid out. He explained more money will be made from energy and some cost savings are expected from new contractors and there is obviously some economy of scale issues here.

Director Edwards asked if Wheelabrator lowers its prices if that puts Mid-Connecticut in jeopardy. Mr. Kirk replied that if Wheelabrator lowers its prices CRRA will have contracts however renewal of those contracts will be in jeopardy. He said that he feels the \$60-62 price will be favorable. Mr. Kirk said that Wheelabrator will only lower its price enough to fill up the plant. Director Edwards said he assumes that Wheelabrator is under \$60.00 now with some of its spot waste. Mr. Kirk explained that is likely due to transportation costs. He said towns which are closer are paying more.

Mr. Kirk said providing the net cost of operations to the towns as well as offering reliable costs to its customers is important for CRRA, however the most important thing is to fill up the plants. He said if the plant is not filled the unit costs are spread over less tons and the tip fees go up.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

RESOLUTION REGARDING COOPERATIVE SERVICES AGREEMENT BETWEEN THE CRRA AND THE USDA ANIMAL AND PLANT HEALTH INSPECTION SERVICES/WILDLIFE SERVICES

Vice-Chairman Jarjura requested a motion regarding the above-captioned item. Director Savitsky made the following motion:

RESOLVED: That the President is hereby authorized to execute an agreement with the United States Department of Agriculture and Plant Health inspection Services, for the control of

nuisance birds at the Mid-Connecticut Waste Processing Facility, sustainably as presented and discussed at this meeting.

The motion was seconded by Director Damer.

Mr. Kirk said this resolution is extremely straightforward. He said the United States Department of Agriculture and Plant Health Inspections Services is effective and reasonably priced and handles the nuisance pest problems.

Director Damer said that the report from the fiscal year is included in the informational package for those Board members which are seeking additional information.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

RESOLUTION REGARDING DELIVERY OF COVER SOILS TO THE HARTFORD LANDFILL

Vice-Chairman Jarjura requested a motion on the above-referenced item. Director Martland made the following motion:

RESOLVED: That the President is hereby authorized to enter into a contract with Haynes Construction Company, Inc. for delivery of soil to be used as contouring and cover material at the Hartford Landfill, and as approved by the Connecticut Department of Environmental Protection, substantially as discussed and presented at this meeting.

The motion was seconded by Director Lauretti.

Mr. Kirk said that this resolution details a revenue contract which is routine. He said the use of additional cover soils for the Hartford Landfill closure project is expected to cost \$128,000.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

RESOLUTION REGARDING FABRICATION AND INSTALLATION OF SIX INCH TROMMEL SCREENS FOR THE MID-CONNECTICUT WASTE PROCESSING FACILITY

Vice-Chairman Jarjura requested a motion on the above-referenced item. Director Damer made the following motion:

RESOLVED: That the President is hereby authorized to execute an agreement for the fabrication and installation of six-inch trammel screens for the Mid-Connecticut Waste Processing Facility with union Ironworks Incorporated, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Mr. Egan said this project is to fabricate and install new trommels in the primary shredders of the Waste Processing Facility. He said the new trommels have six inch openings which are larger than the five inch openings in the existing trommels. Mr. Egan said the trommels are reaching the point where replacement is necessary and more importantly will take the burden off the secondary shredder motors as less material will reach the secondary shredding process.

Mr. Egan said this replacement is in the capital budget, will increase the efficiency of the plant and takes more fuel earlier in the shredding process. Mr. Kirk said that this job was bid out and three very qualified bidders responded. He said that best suited response is being recommended by management.

Director Griswold asked what the trommels are. Mr. Egan replied that trommels are a metal cylinder with six inch perforations. He said the front end of the trommel has smaller one inch holes through which the finer process residue comes through. He said the garbage which has already been

seen by the shredders moves through the trommels and those pieces smaller than six inches are brought through and by-pass the secondary shredding activity.

Director Kelly said this item was discussed at length in the Policies & Procurement Committee meeting. She said that the trommels started out with four inch holes, moved up to five inch holes, and are now being upgraded a third time to six inch holes. Director Kelly said that the trommels will be installed over a period of time which will provide management the opportunity to see if the installation will affect the plant and the combustion.

Director Savitsky said she is happy to see that the write-up reflects Director O'Brien's concerns and wishes to identify closely what is in the budget and what the project costs.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

RESOLUTION REGARDING INSTALLATION OF ADDITIONAL LANDFILL GAS EXTRACTION WELLS AT THE HARTFORD LANDFILL

Vice-Chairman Jarjura requested a motion on the above-referenced item. Director Lauretti made the following motion:

RESOLVED: That the President is hereby authorized to direct Fortistar Methane Group to install additional landfill gas collection wells at the Hartford Landfill, substantially as presented and discussed at this meeting.

The motion was seconded by Director Damer.

Mr. Egan explained as the rest of the Hartford Landfill is closed a synthetic cap will be placed on the East side. He said there is gas which is generated on the Eastern side and in response six landfill wells need to be installed in order to remove the gas as it is generated so that it does not migrate up and create bubbles under the synthetic cap.

Mr. Egan said there is an additional well which is essentially being replaced as the well which was originally installed over a decade ago is not performing as it should. He said in total seven wells are being installed. Mr. Egan said that under a fifteen year agreement with Fortistar Methane group (CRRA's landfill gas operator) the cost of the installation of the wells is CRRA's responsibility. He said it is the operator's responsibility to procure the services and bid the work and return to CRRA with its results. Mr. Egan said after receiving authorization from CRRA the operator will ensure the work is completed and bill CRRA.

Mr. Egan said the contract contains indemnification language. He said it is important to continue to manage the work through Fostistar in order protect the provision which is in the contract.

Director Damer said the gas collected is used to generate electricity. Mr. Egan said these additional wells will bring more gas to the landfill gas collection control system which is run through internal combustions engines which generate electricity which is then sold to CL&P. He said that CL&P shares a portion of the revenues with CRRA and in turn those revenues are shared with the City of Hartford.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

PRESIDENT'S REPORT

Mr. Kirk said that the Wallingford settlement was discussed earlier in the meeting and the \$500,000 escrow was put aside.

Mr. Kirk said concerning the SWEROC, or Bridgeport area recycling Project, there is bad news. He said the Town of Greenwich will not be participating which puts the Project well below its 40,000 ton minimum for single stream recycling. He said management is considering several options such as trying to build a plant around a 25,000 through put which would likely be very difficult and expensive; renovating the facility to create a transfer station and bring the single stream items up to Hartford; or recruiting other towns to deliver which is also very difficult. Mr. Kirk said that management is optimistic that CRRA will continue to be able to provide the Southwest region towns with an

opportunity to participate with recycling however it will not be the original 12 towns model delivering to Stratford.

Director Lauretti asked if flow control applies to recycling materials as well. Mr. Kirk replied yes. Director Lauretti asked what would prohibit the remaining communities from soliciting its tonnage from the corporate community such as Shelton, Trumbull or Stratford. Mr. Kirk said the Herkimer United decision of 2004 clearly allows legislative or ordinance flow control of recycling materials. He said historically the public sector has handled residential materials and the private haulers have handled recycling of commercial materials. Mr. Kirk said if CRRA or another public agency tried to flow control commercial recyclables a lawsuit would result. He said the lawsuit, although most likely one CRRA would win would be lengthy and expensive. Mr. Kirk said that lawsuit would focus on what items are recyclables or commodities or by products. He said for example a Home Depot dumpster filled with corrugated cardboard. Mr. Kirk said pursuing flow control for commercial waste would also upset the haulers and he would not recommend pursuing those recyclables.

Director Martland said that Director Lauretti has a good point. He said the facility in Bridgeport is not recycling anything, cardboard goes in one dumpster and everything else goes in the other. Director Martland said it could be quite a bit of recyclables.

Director Edwards said that the SWEROC project had allowed any municipality to sign up for whatever they wanted in an effort to get the 40,000 tons and most municipalities have signed up for their residential contribution. Director Edwards said no municipality is willing to take on that litigation in house. Director Lauretti said that perhaps discussions have not taken place with the new CEO's and the problem is not the legal aspect. A discussion on the SWEROC project was undertaken.

Director Lauretti said this week the State approved Senate bill 124. Mr. Kirk said the State overrode the Governor's veto on the bill. Director Lauretti asked if as a result there will be some impact on CRRA's recycling facilities. Mr. Kirk said that the bill potentially affects any Solid Waste facility and it is very unclear how the Connecticut Department of Environmental Protection (hereinafter referred to as "CT DEP") will implement this bill. He said Governor Rell cited the lack of clarity in the bill for the definition of what constitutes an aquifer, primary or secondary.

Mr. Kirk said that CRRA does not have anything pending which would be held up by this law; however there are 20 or so private operations now in limbo. Mr. Kirk said that management is optimistic that the CT DEP will provide some guidance and CRRA's responsibilities to provide facilities will not be severely implemented. He said there may be more citing difficulties in the future but it is not clear at this point. Mr. Kirk said that the law was targeted at the Hawleyville rail transfer station in Newtown and somehow came out of the Committee improperly written.

Director Lauretti asked if the CT DEP has the authority under this bill to arbitrarily pull permits. Mr. Egan said it is his understanding the legislation applies only to permits currently in the application process. He said whether it affects a new application in the next month or year is not clear as the legislation was not written clearly. Mr. Egan said it immediately affects about twenty applicants.

Director Lauretti asked if the legislation affects renewals. Mr. Egan said that he does not believe it affects renewals submitted after the date of this legislation. Mr. Kirk said railroad transfer stations are federally regulated and local agencies can not by law exert local controls on those transfer stations. He said this has allowed transfer stations to spring up along railheads. He said that New Jersey is a good

example because tens of thousands of tons go out of State via these railroad stations. Mr. Kirk said Hawleyville has a railhead and is taking construction and demolition material and railing it out of the State which the Town did not like. He said the Town utilized some wetlands restrictions to try and shut down the facility which is contrary to Federal law. Mr. Kirk said this legislation was designed to try and allow Hawleyville to be shut down.

Mr. Kirk said that the One Chane lawsuit begins today.

Mr. Kirk said that the Future Planning Committee met and its report will be presented to the Board by November. He said it reviewed the term sheet and the Tier one and Tier two options. Mr. Kirk said workshops will be scheduled with the Towns to obtain additional comments on the MSA's such that the final copies will be distributed and presented for approval in order to meet the December 1, 2010 deadline.

Director Damer said that some towns may need more time to review and sign the MSA's. Mr. Kirk said that it has been suggested by some of the member towns they may request additional time beyond December 1, 2010. He said that he explained to the towns that may be difficult as the date is being driven by the expiration of the contracts.

Mr. Kirk said that the Waterbury landfill property is for sale and is being advertised by real estate agents. Mr. Egan said the public solicitation for property went out the prior weekend. He said in the event that Mr. LaRusso moves off of the property CRRA will continue extending the amount of time it may accept offers.

SEPTEMBER BOARD MEETING

Director Savitsky suggested that the September 30, 2010, Board meeting be held at the Stratford Garbage Museums. The Board and management agreed.

EXECUTIVE SESSION

Vice-Chairman Jarjura requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition, pending RFPs, and personnel matters with appropriate staff. The motion, made by Director Savitsky and seconded by Director Martland, was approved unanimously. Vice-Chairman Jarjura asked the following people join the Directors in the Executive Session:

Tom Kirk
Jim Bolduc
Peter Egan

The Executive Session began at 11:05 a.m. and concluded at 11:58 a.m. Vice-Chairman Jarjura noted that no votes were taken in Executive Session.

The meeting was reconvened at 11:58 a.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

RESOLUTION REGARDING FY 2010 PROJECTED LEGAL EXPENDITURES

Vice-Chairman Jarjura requested a motion on the above-referenced 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 2010 projected legal fees; and

WHEREAS, CRRA expects to incur greater than authorized legal expenses for 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 2010:

| <u>Firm:</u> | <u>Amount:</u> |
|---------------|----------------|
| Brown Rudnick | \$100,000 |

The motion was seconded by Director Savitsky.

The motion was approved unanimously by roll call. Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

| Directors | Aye | Nay | Abstain |
|-----------------------------|------------|------------|----------------|
| | | | |
| Vice-Chairman Jarjura | X | | |
| David Damer | X | | |
| Timothy Griswold | X | | |
| Dot Kelly | X | | |
| Mark Lauretti | X | | |
| Theodore Martland | X | | |
| Nicholas Mullane | X | | |
| Linda Savitsky | X | | |
| | | | |
| Ad-Hocs | | | |
| Stephen Edwards, Bridgeport | | | |
| Mark Tillinger, Bridgeport | | | |
| Warren Howe, Wallingford | | | |

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 11:59 a.m.

Respectfully submitted,

Moira Benacquista