

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND FORTY-FOURTH

JANUARY 29, 2009

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, January 29, 2009, at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: David B. Damer
Alan Desmarais
Michael Jarjura (present beginning 12:10 p.m.)
Mark Lauretti
Theodore Martland
James Miron
Raymond O'Brien
Linda Savitsky
Steve Edwards, Bridgeport Project Ad-Hoc
Warren Howe, Wallingford Project Ad-Hoc
Geno Zandri, Wallingford Project Ad-Hoc

Present from CRRA management:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Michael Bzdyra, Government Relations Liaison
Jeffrey Duvall, Manger of Budgets and Forecasting
Peter Egan, Director of Environmental Affairs & Development
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Virginia Raymond, Senior Analyst
Lisa Bremmer, Executive Assistant
Moira Kenney, Secretary to the Board/Paralegal

Also present were: John Pizzimenti of USA Hauling & Recycling; Jim Sandler of Sandler and Mara; Jerry Tyminski of SCRRRA.

Chairman Pace called the meeting to order at 10:00 a.m. and noted that there was a quorum.

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 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.

With no comments from the public, Chairman Pace stated that the regular meeting would commence.

APPROVAL OF THE MINUTES OF THE DECEMBER 18, 2008, REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the December 18, 2008, Regular Board Meeting. Vice-Chairman O’Brien made a motion to approve the minutes, which was seconded by Director Damer.

The minutes were approved as amended and discussed by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
Jim Miron	X		
Raymond O’Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren H, Howe, Jr., Wallingford	X		
Geno Zandri, Jr., Wallingford	X		

APPROVAL OF THE MINUTES OF THE DECEMBER 29-30, 2008, SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the December 29-30, 2008, Special Board Meeting. Vice-Chairman O’Brien made a motion to approve the minutes, which was seconded by Director Savitsky.

The minutes were approved unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
Jim Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford	X		
Geno Zandri, Jr., Wallingford	X		

FINANCE COMMITTEE UPDATE

Director Savitsky said the Finance Committee held a lengthy discussion concerning the Wallingford Project budget. She explained the meeting was concluded with no action taken on the budget as there were a number of questions posed by the committee which needed to be addressed by management. She said the questions concerned an appropriate and legal use of the Tip Fee Stabilization Fund by CRRA. Director Savitsky said the tip fee presented by CRRA to the Wallingford Policy Board and the tip fee approved by the Policy Board were different. She said that the Finance Committee asked management to explore the history of establishing the tip fee by examining the past minutes. She said the Board is now reviewing the outcome of those questions.

RESOLUTION REGARDING THE ADOPTION OF THE FISCAL YEAR 2010 WALLINGFORD PROJECT OPERATING BUDGET, TIP FEES, AND CAPITAL BUDGET

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O'Brien made the motion, which was seconded by Director Martland.

RESOLVED: That the fiscal year 2010 Wallingford Project operating and capital budgets be adopted substantially in the form as presented and discussed at this meeting.

FURTHER RESOLVED: That a fiscal year 2010 municipal solid waste tip fee of \$60.00 per ton be adopted for contracted member waste, and a tip fee based on market rate for spot waste;

FURTHER RESOLVED: That the Board approve the use of the Tip Fee Stabilization Fund to offset loss in electricity revenue;

FURTHER RESOLVED: That the Board approve the establishment of a Project Closure Reserve to cover costs associated with project closure; and

FURTHER RESOLVED: That the Board approve the transfer of \$820k from the Future Use Reserve to the newly established Project Closure Reserve. Any residual funds will be distributed back to the towns.

Mr. Bolduc said that management had met with the Wallingford Policy Board as well as the finance directors of the member towns to present a tip fee based on the net cost of operations. He explained that management calculated the gross cost of operations and the contributions to the reserve which resulted in the net cost of operations. Mr. Bolduc said the net cost proposed by management resulted in a tip fee of \$48.50.

Mr. Bolduc explained the Tip Fee Stabilization Fund was created with the understanding that the electric rate revenue would be dropping precipitously in the last year of the project because the contract for the EPA purchase agreement was not coterminous with the MSAs. Mr. Bolduc said that the change can be seen in the budget where the kilowatt hour rate under the agreement was 20 cents which then dropped to 14 cents in FY'09 down to 6 cents in FY'10. He said the contract expires at the end of 2009 and that the 6 cents is based on discussions with CRRA's electric purchase consultants.

Mr. Bolduc said funds were set aside in the Tip Fee Stabilization Fund to mitigate that decline because management had anticipated the significant drop. He said that dollars have also been put aside in the last few years in the future planning reserve. Mr. Bolduc said that two years ago the project was looking uneconomical and that a tip fee of \$80-\$85 was expected. Mr. Bolduc said these expectations resulted in the decision by CRRA and the Wallingford Policy Board to put funds aside to assist with the expected high tip fee.

Mr. Bolduc said because of the additional contract and renewal the \$80-\$85 out of state hauling rate is now \$65.00. Mr. Bolduc said that management proposed to the Wallingford Policy Board that there was no justification to put more into the tip fee and that what was originally proposed was to equalize the FY'10 electricity revenue at the same FY'09 level.

Mr. Bolduc said that the finance directors of the Wallingford towns did not agree with management's proposal and asked that the tip fee be kept at \$60.00. He explained as a result the Tip Fee Stabilization Fund usage is only about \$1.7 million used per the Wallingford Town's request.

Mr. Bolduc said there were other small adjustments made concerning the post-closure reserve. He explained the Wallingford Policy Board wanted to reduce the roughly \$1 million management had put into the post-closure reserve. He explained once the project ends on June 30, 2010, there will still be post-project costs relating to accounts receivable and payable. Mr. Bolduc said when the post-project related costs are completed any residual money will be returned. He explained funds were put aside because when the project ends so do the contracts and MSAs and there is no way to bill for those anticipated costs.

Mr. Bolduc said that the Wallingford Policy Board voted to retain the \$60.00 tip fee and withdraw only \$1.7 million out of the Tip Fee Stabilization Fund. He explained the resolution is

a result of that vote. Mr. Bolduc said that CRRA's Finance Committee had a lengthy discussion concerning the Wallingford Policy Board's vote. He said there had still been an open question concerning the authority of the CRRA Board and the Wallingford Policy Board regarding the MSAs.

Mr. Bolduc said the provisions in the MSAs were addressed by CRRA's general legal counsel, Halloran & Sage. He explained that the tip fee stays where it was as a concept of fair and reasonable behavior if there is a disagreement and that CRRA's Board has a history of deferring to the Wallingford Policy Board.

Mr. Bolduc said that the operating fund, tip fee stabilization account and the future use reserve (not including the trustee accounts used to pay off the bonds) total roughly \$44 million. He said the next question that needs to be asked is who makes the decision concerning where that money goes and how does it get dispersed to either the towns and/or the Wallingford Policy Board.

Mr. Bolduc said the second question up for consideration is when those funds would be dispersed. He explained, according to Halloran & Sage some of those funds could not be dispersed until the expiration of the MSAs. Ms. Hunt clarified that the CRRA Board must determine that the funds are a surplus before it is dispersed, a decision which would occur after a final audit.

Vice-Chairman O'Brien asked that the opinion referenced by Mr. Bolduc be made available to the Board. Mr. Bolduc explained it was a draft and that he had only just received the document that morning. Vice-Chairman O'Brien asked whether management could guarantee the CRRA Board of Directors no exposure if they approved the Wallingford budget as approved and requested by the Wallingford Policy Board. He explained his concern is that by approving the budget as requested by the Wallingford Policy Board that CRRA may not be using the Tip Fee Stabilization Fund in accordance with the enabling resolution.

Mr. Kirk said that general counsel will not provide a definite answer concerning CRRA's liability. He said if the Wallingford Policy Board was to be sued that CRRA would be named as a counterparty. Ms. Hunt said that the CRRA Board does not have the ability to unilaterally take money out of the Tip Fee Stabilization Fund. Mr. Kirk said that discussions with the Wallingford Policy Board show management repeatedly noting that the CRRA Board would prefer to extract money from the reserve and use it. He said the CRRA Board has deferred to the Wallingford Policy Board and the towns while still making that point clear.

Mr. Kirk said CRRA's general counsel has informed management that no one party can pull money out of the Tip Fee Stabilization Fund. He said that is there is no agreement on how much money to take from the fund but that a tip fee and a budget agreement can still be reached.

Director Howe said he did not understand why funds were being taken out of the reserve to reduce the tip fee to \$48.50 in the tip fee and budget recommended by CRRA's management. He said the reduced prices may invite haulers to bring trash to the Wallingford plant. Director Howe said it seemed to make more sense to leave funds in the reserve and leave the tip fee at \$60.00.

Mr. Kirk said these concerns were raised by the Wallingford Policy Board as well. He explained that management does not feel that it has the authority to manage the tip fee to a number that suits the market. He explained the tip fee must be set at net cost of operations which can and must include reserves that meet a justifiable and reasonable expectation. Mr. Kirk said the \$48.50 tip fee utilizes the reserve under the rules under which the reserve was constructed which takes into account the dropping rate of the electricity revenue.

Mr. Kirk said CRRA was fortunate in past years to be able to contribute to the reserve fund in anticipation of this drop off in revenues which had a secondary effect of keeping the tip fee at a level which did not flood the plant with excessive garbage. Mr. Kirk said unfortunately that is not justification and the tip fee must be set at net cost of operations. He said the Wallingford Policy Board did not agree with that recommendation and has approved a \$60.00 tip fee.

Director Zandri said that he had also heard concerns from the Wallingford Policy Board regarding the tip fee. He said the policy board was concerned that the tip fee would be set too low, which would require monitoring the trash coming into the plant. Mr. Kirk said if the tip fee is \$48.50 that enforcement levels will have to be redoubled and that is a real concern. Mr. Kirk said that managements' question is whether the Wallingford Policy Board has the authority to set a tip fee, based on market rate.

Vice-Chairman O'Brien asked who is responsible for selling the electricity. Mr. Kirk said that is still part of the contract until 2012. He said that notice from CL&P had recently been received detailing that the contract is ending in 2010 and that a new agreement will have to be reached with Covanta.

Director Howe asked if the funds which reside in the tip fee stabilization reserve will revert back to the Wallingford towns on some basis. Mr. Kirk said it was his understanding that after the CRRA Board determined that those funds are indeed surplus that it would revert to the Wallingford towns, most likely on a pro rata basis. He said the final draft of that opinion has not been drafted yet.

Director Savitsky said for the record that the final decision concerning the return of any possible surplus will most likely not be reached until FY'11. She said there are many post-closure activities which will drive this distribution into FY'11.

Mr. Kirk said in the past the Board has determined excess funds from operating accounts and authorized distributions. He said that may be available before the end of the deliberation period if the CRRA Board determines there is sufficient surplus for that distribution.

Director Lauretti said that the operating surplus does not have to revert back to the stabilization fund. Mr. Kirk said this was correct as the operating surplus is essentially the checking account and that checks could be written to the five towns. Director Lauretti asked who determines what the tip fee is set at.

Ms. Hunt said the CRRA Board determines the tip fee but that the CRRA Board and the Wallingford Policy Board have to agree on what amount if any will come out of the Tip Fee Stabilization Fund to reduce or be added to the tip fee. Director Lauretti said that the CRRA

Board makes its decision absent the usage of the stabilization fund. Ms. Hunt said that this was technically correct, however it has been set as one number and that it is a joint number.

Director Savitsky said regarding the distribution of the operating fund that a distribution could not be made until the end of the project after all liabilities are accounted for and an audit has been performed. She said when considering the possible distribution of excess funds that time frame is still into FY'11 . Mr. Kirk said in order to assure what truly is surplus that is correct.

Director Zandri asked whether Director Savitsky's statement would apply to all funds related to the Wallingford Project or just those two. Ms. Hunt said that the Tip Fee Stabilization Fund is the only fund that is set up by the MSAs and therefore governed by the MSAs. She said the operating fund being discussed is the annual budget. She said the other funds to the best of her knowledge are governed by the bond indenture or structured by the CRRA Board and governed by the terms of the Board resolution.

Director Desmarais asked what is the earliest that the towns could consider use of the proceeds that may come out of these funds. Director Savitsky said that she believes it will be FY'11 after all audits. She said the only one that could have been potentially realized was the debt service reserve.

Mr. Bolduc clarified that the future use planning reserve has (at the end of November 2009) roughly \$11.5 million and was set up by the CRRA Board and the Wallingford Policy Board to establish funding termination costs for existing projects and reviewing extensions and projects. He said that is an unrestricted Board-esignated reserve which means that the CRRA Board can undesignate it. He said it was set up for the purpose of funding closing activities for the last three years. Mr. Bolduc said management's recommendation had been to evaluate this fund when the future options study is no longer needed. He said that he would say that fund is most likely available but that is the decision of the CRRA Board and the Wallingford Policy Board.

Vice-Chairman O'Brien said if the Policy Board came to the CRRA Board with a request for some amount of money that the request should be considered next year when there is a better picture of the costs and closing activities. He said that he would advise that consideration of this matter not be taken up until after FY'10.

Director Martland asked if funds from the last account identified could be used for attorney fees. Mr. Bolduc said this was correct.

Chairman Pace said it was his understanding that the Wallingford Policy Board's approved tip fee and budget recommendation are being considered by the CRRA Board.

Director Savitsky said that she felt there was an informal consensus at the Finance Committee that the tip fee should be \$48.50. She said however there was also a strong sense that the correct decision should be made concerning those funds.

Director Lauretti said that it is his feeling that the CRRA Board be consistent in its decision making. He said if the Board is required to set a budget that is the net cost of operations that it should be done and that a budget without artificial inflation should be set.

Director Desmarais said that is the CRRA Board's responsibility. He said there was also discussion concerning appropriate use of the reserve funds.

Vice-Chairman O'Brien said management set a budget based on the net cost of operations. He said, however the Wallingford Policy Board has asked the CRRA Board to approve the use of less money from the Tip Fee Stabilization Fund which he views as a separate request from setting the budget. He said that as a result he has changed his opinion and will support this request after Wallingford's review.

Vice-Chairman O'Brien said the motion should have added to it that the Wallingford Policy Board has asked the CRRA Board to not take as much money from the Tip Fee Stabilization Fund into that budget as would normally be used to offset the reduced electric revenues. He said the Board is being asked to honor that request and that he believes the Board should do that as CRRA has always worked cooperatively with the Project.

Director Lauretti asked Vice-Chairman O'Brien if that is actually two separate requests. Chairman Pace said that his understanding is that if there is no agreement then no money comes out of the Tip Fee Stabilization Fund. He said obviously there is no agreement and that the tip fee would have to be set higher at \$60.00.

Director Savitsky said that the tip fee and budget can not be separated.

Director Desmarais suggested several whereases be added to the resolution. He suggested that one state, after careful consideration that after the net cost of operations would produce a tip fee of \$48.50, whereas at the request of the Wallingford Policy Board to reduce the use of the Tip Fee Stabilization Fund. He explained this way the resolution states what the CRRA Board needs to do according to its obligations and is setting the tip fee according to the request of the Wallingford Policy Board. Director Martland said that he was in agreement with Director Desmarais' amendments as they chart the discussion and thought process by the CRRA Board.

Vice-Chairman O'Brien said that he would accept those amendments as friendly amendments but would add a further comment that the tip fee of \$48.50 set with the revenues from the Tip Fee Stabilization Fund totally offset the reduction in electricity revenues.

Director Lauretti asked if the tip fee is set at \$48.50 is there a requirement that the monies come from the Tip Fee Stabilization Fund or should the monies come from another source.

Ms. Hunt asked Mr. Bolduc what the tip fee would be if no money was taken out of the Tip Fee Stabilization Fund based on the net cost of operations. Mr. Kirk said that it would be around \$70.00. Mr. Bolduc said the debate centers around the electric revenues of \$3.3 million. Mr. Bolduc explained the Policy Board has asked that less money be taken out of the reserve and to bring in less money to offput the electricity revenues decline thereby creating a higher tip fee.

Ms. Hunt said that it takes the agreement of the both CRRA Board and the Wallingford Policy Board for any money to be removed from that fund. She explained without an agreement that the tip fee would be roughly \$70.00.

Ms. Hunt said that she would add the following to the resolution “whereas the Finance Committee has made the following recommendation and whereas the Wallingford Policy Board disagreed with taking that amount out of the Tip Fee Stabilization Fund and the MSAs require agreement by both parties in order for any funds to come out of the Tip Fee Stabilization Fund”.

Director Desmarais suggested adding to the first whereas “that the use of the reserves for electrical revenue replacement was anticipated in the creation of the reserve and that the CRRA Board is adhering to that original plan.”

AMENDMENT TO THE MOTION

Chairman Pace requested a motion to approve the motion previously made as amended. Vice-Chairman O’Brien accepted the friendly amendments as made by Director Desmarais and Ms. Hunt. Director Martland agreed with the friendly amendments as made.

WHEREAS: The valuation of the budget for the Wallingford Project for fiscal year ending June 30, 2010, results in a tip fee to support gross cost of operations of approximately \$72.00 a ton; and

WHEREAS: The Finance Committee and the Chief Financial Officer recommended to the Wallingford Policy Board the use of sufficient moneys from the Tip Fee Stabilization Fund to completely offset the reduction in electricity revenue between FY’09 and FY’10, as contemplated during the creation of the Tip Fee Stabilization Fund, which would have resulted in a net cost of operations tip fee of \$48.50 a ton; and

WHEREAS: The Wallingford Policy Board has requested a smaller withdrawal from the Tip Fee Stabilization Fund, to arrive at a tip fee for FY’10 of \$60.00 per ton; and

WHEREAS: Pursuant to the Municipal Services Agreements, the withdrawal of any funds from the Tip Fee Stabilization Fund requires the agreement of both the CRRA Board and the Wallingford Policy Board;

Now therefore, it is

RESOLVED: That the fiscal year 2010 Wallingford Project operating and capital budgets be adopted substantially in the form as presented and discussed at this meeting;

FURTHER RESOLVED: That a fiscal year 2010 municipal solid waste tip fee of \$60.00 per ton be adopted for contracted member waste, and a tip fee based on market rate for spot waste;

FURTHER RESOLVED: That the Board approve the use of the Tip Fee Stabilization Fund to offset loss in electricity revenue, and accede to the determination by the

Wallingford Policy Board of the amount to be withdrawn from said Fund for such purpose;

FURTHER RESOLVED: That the Board approve the establishment of a Project Closure Reserve to cover costs associated with project closure; and

FURTHER RESOLVED: That the Board approve the transfer of \$820,000k from the Future Use Reserve to the newly established Project Closure Reserve. Any residual funds will be distributed back to the towns.

The motion previously made and seconded was approved an amended and discussed by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford	X		
Geno Zandri, Jr., Wallingford	X		

RESOLUTION REGARDING THE ADOPTION OF THE 2010 SOUTHWEST DIVISION OPERATING BUDGET AND TIP FEE

Chairman Pace requested a motion to approve the above referenced motion. Vice-Chairman O'Brien made the motion, which was seconded by Director Savitsky.

RESOLVED: That the fiscal year 2010 SouthWest Division operating budget be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That a fiscal year 2010 municipal solid waste tip fee of \$63.00 per ton be adopted for contracted member waste.

Director Edwards said that he was concerned that there is a total of 261,000 tons in the budget but it is being approved as 265,000. Mr. Bolduc said that was a typographical error.

Director Martland said the last time he reviewed the minimum amounts for the tonnage for the towns that the minimum was way off. He asked Director Edwards if this resolution was more accurate. Director Edwards said that the agreement reflects what each town signed up for as far as its estimated tonnage. He explained it is a big deviation from what the towns signed up for 20 years ago.

Vice-Chairman O'Brien said that there was tremendous effort put in by management in order to come to this agreement with the project. Director Savitsky seconded his statement.

Director Martland asked whether the commercial garbage for the Bridgeport Project receives the same tip fee. Director Edwards said that the MSAs allow for the individual municipalities to enforce or not enforce their flow controls. He explained if the municipalities choose not to enforce flow control that commercial garbage is the property of whoever happens to be collecting it. Director Edwards said that it will result in some challenges for enforcement for the project. He explained garbage is coming into the Bridgeport plant as spot waste that is municipal garbage within the system and creating issues. He said those towns that are not enforcing flow control are going to have a problem with their minimums. Director Edwards said the most favored nation clauses will be almost impossible to enforce.

The motion previously made and seconded was unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron			X
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

PRESIDENT'S REPORT

Mr. Kirk said that all documents concerning the SouthWest Project were completed by all 12 towns. He said the transfer of the transfer stations is complete and all permits have rolled over. Mr. Kirk said there was a huge effort in obtaining all the necessary paperwork by the required deadline.

Mr. Kirk said the SWEROC recycling project for the SouthWest towns is in the developmental process. He explained management is developing alternatives to the existing contractor FCR one-year renewal. Mr. Kirk said that pricing remains problematic as a result of the crash of the commodities market and that management hopes to have something for the towns in the next month that is preferable to the existing deal.

Mr. Kirk explained that the existing deal will require a payment or tipping fee of about \$20-\$30 for recyclables. He said this is an unfortunate outcome related to the crash of the commodities market and the exit of Norwalk, Stamford, and Greenwich from the project.

Mr. Kirk said that the Wallingford Project agreement was signed with Covanta providing CRRA access to \$55.00 in 2010 with a \$1.00 per year escalation. He said that CRRA's right of first refusal has been confirmed which is a favorable outcome for CRRA. Mr. Kirk said the member towns maintained their negotiated deal of \$65.00 with Covanta.

Mr. Kirk said the Franklin landfill development continues to meet expectations for suitability.

Mr. Kirk said that management has a meeting scheduled with the MDC towns to encourage negotiations with the present dispute.

Mr. Kirk said that management is concerned that trash tonnage is still trending downward. He explained that management believes there has been a pick-up in tonnage related to the \$10.00 reduction in tip fees in January, however tonnage across the board is very low and that diversion in the Mid-Conn Project continues to be a problem.

Mr. Kirk said that he and Vice-Chairman O'Brien had met with Mayor Boughton of Danbury, CT to assure him that CRRA was available to assist in the City's attempt to buy and operate the former Galante transfer station. He explained there are numerous issues for the City to deal with and Mayor Boughton, although declining the offer of help, noted that it was available if needed. Vice-Chairman O'Brien said that it was important that this transfer station stay publicly owned.

RESOLUTION REGARDING THE AUTHORIZATION OF A CHANGE ORDER FOR DECONTAMINATION OF THE TRACK HOPPER ROOM AT THE SOUTH MEADOWS POWER BLOCK FACILITY

Chairman Pace requested a motion to approve the above-captioned item. Vice-Chairman O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to execute a change order to the Exit Strategy TM Contract between CRRRA and TRC Companies, Inc., for activities involving decontamination of the Track Hopper Room at the South Meadows Power Block facility, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk said the track hopper room is a sub-basement in the facility which was not included in the original mitigation plan. He said this is a change order to address this issue and that it was thoroughly examined and vetted by the Policies & Procurement Committee.

The motion previously made and seconded was approved unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

DISCUSSION REGARDING O&M OF THE GROUNDWATER FLOW CONTROL SYSTEM INTENTION TO EXERCISE A ONE YEAR OPTION TO EXTEND

Vice-Chairman O'Brien noted that this item required no action and was provided for informational purposes only.

RESOLUTION REGARDING REFURBISHMENT OF BELT CONVEYORS CV-123/223 AT THE MID-CONNECTICUT WASTE PROCESSING FACILITY

Chairman Pace requested a motion to approve the above-captioned item. Vice-Chairman O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to enter into a contract with FGF Construction Network Services, Inc., for refurbishment of belt conveyors CV-123/223 at

the Mid-Connecticut Waste Processing Facility substantially as discussed and presented at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk said this item details a rebuild of a large conveyor at the Mid-Conn facility into a trowel configuration. He explained the existing conveyor was a flat conveyor which had substantial spillage. He explained the trowel belt reduces spillage by nearly 90 percent.

Chairman Pace asked whether this amount was budgeted for. Mr. Kirk replied that the answer was yes.

The motion previously made and seconded was approved unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

RESOLUTION REGARDING ASSIGNMENT OF EXISTING SECONDARY SHREDDER MOTOR AGREEMENT

Chairman Pace requested a motion to approve the above-captioned item. Vice-Chairman O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to assign an agreement with American Rotor Company, LLC, to Woods Engineering and Consulting to provide two converted secondary shredder motors rated to 1250 horsepower to be located at the Mid-Connecticut Waste Processing Facility, substantially as presented and discussed at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk said the company which was initially doing this work for CRRA is closing its doors. He explained that the work orders are being transferred to a new company which will do the work for the same price. Mr. Tracey said an officer from the original company will be associated with completing the work.

The motion previously made and seconded was approved unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

GUEST APPEARANCE

Mayor Miron introduced some school children who were visiting the Stratford Garbage Museum. They thanked the CRRA Board for letting them observe the meeting and shared a recycling song with the CRRA Board and management. The children asked the CRRA Board to keep the museum open.

CHAIRMAN'S REPORT

Chairman Pace said that he had received a nice letter from a gentleman in Shelton thanking CRRA.

Director Lauretti explained that several years ago at the Shelton landfill a deal was negotiated between CRRA and the owners of a large sports complex. He explained CRRA was able to structure programs for school children at the facility as well as a scholarship program by working out an agreement with the complex's owners. Director Lauretti said the Shelton High School hockey team was able to take advantage of the agreement.

Mr. Kirk said that the Sports Center encroached on CRRA property by a few feet and an agreement was made so that CRRA did not stop construction (as was within its rights.) He explained the agreement which had been made was not fully utilized until Mayor Lauretti was able to convert the usage into ice time for Shelton High School. Mr. Kirk said that there is a \$1,000.00-a-year CRRA scholarship as well. He said that the scholarship has been awarded annually to a Shelton resident studying environmental science.

Chairman Pace said that he had also received a letter from a young man from West Hartford schools. He said that he had contacted the young man's teacher and that Mr. Nonnenmacher will be contacting him as well to organize a school trip to the plant.

Director Savitsky noted that the CRRA Annual Meeting will take place on March 4, 2009, and encouraged the presence of the CRRA Board of Directors.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation with appropriate staff. The motion made by Director O'Brien and seconded by Director Savitsky was approved unanimously by roll call. 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, Esq.

The Executive Session began at 12:10 p.m. and concluded at 12:50 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:53 p.m., the door was opened, and the Board secretary and all members of the public were invited back in for the continuation of public session.

ADDITION OF ITEM TO THE AGENDA CONCERNING ARBITRATION WITH MDC

Chairman Pace requested a motion to add the above referenced item to the agenda. Vice-Chairman O'Brien made the motion which was seconded by Director Savitsky.

The motion to add an item to the agenda was approved unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

RESOLUTION REGARDING THE MDC CLAIM FOR PAYMENT OF ESTIMATED POST-PROJECT COSTS

Chairman Pace requested a motion to approve the above-captioned item. Vice-Chairman O'Brien made the following motion:

RESOLVED: That the President is hereby directed to proceed as discussed in Executive Session.

Chairman Pace said that he and the CRRA Board of Directors hope that this issue can be resolved in a professional manner in the best interest of the 70 towns and the taxpayers of the State of Connecticut.

The motion was seconded by Director Miron.

The motion previously made and seconded was approved unanimously by roll call.

Directors	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Dave Damer	X		
Alan Desmarais	X		
Mike Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
James Miron	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Warren H, Howe, Jr., Wallingford			
Geno Zandri, Jr., Wallingford			

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion made by Director Lauretti and seconded by Director Savitsky was passed unanimously.

The meeting was adjourned at 12:57 p.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal