

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED NINETY-FOURTH MEETING

SEPTEMBER 29, 2005

A Regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, September 29, 2005 at the Manufacturing Alliance Service Corporation, 173 Interstate Lane, Waterbury, CT. Those present were:

Chairman Michael Pace

Directors: Steve Cassano (Present until 12:45 p.m.)
Benson Cohn
Mark Cooper
James Francis
Michael Jarjura (Present from 10:00 a.m. – 11:45 a.m.)
Edna Karanian
Mark Lauretti (Present from at 10:00 a.m. – 11:45 a.m.)
Theodore Martland
Raymond O'Brien

Present from the CRRA staff:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs and Development
Floyd Gent, Director of Operations
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
James Ruel, Purchasing Manager
Donna Tracy, Executive Assistant
Nhan Vo-Le, Director of Accounting
Kristen Greig, Secretary to the Board/Paralegal

Also present were: Dave Arruda of MDC, Alan Curto of Halloran & Sage, Virginia Gerena of HEJN, Rob Howard of Carlin, Charron & Rosen, Margaret Japp of HEJN, Frank Marci of USA Hauling & Recycling, Mark Mitchell of CCEJ, Balbena Smickle of HEJN, Lynn St. James of Covanta, Cheryl Thibeault of Covanta, Scott Trenholm of Carlin, Charron & Rosen

Chairman Pace called the meeting to order at 9:31 a.m. and stated 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 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.

Chairman Pace noted that there were no comments from the public and that the Regular meeting would commence.

APPROVAL OF THE MINUTES OF THE JULY 28, 2005 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the July 28, 2005 Regular Board Meeting. The motion was made by Director O'Brien and seconded by Director Cohn.

The minutes as presented were approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

APPROVAL OF THE MINUTES OF THE AUGUST 23, 2005 SPECIAL BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the August 23, 2005 Special Board Meeting. The motion was made by Director O'Brien and seconded by Director Cooper.

The minutes were approved. Vice-Chairman Cassano abstained as he was not present at the meeting.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano			X
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		

Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING FINANCE COMMITTEE RECOMMENDATIONS TO BOARD OF DIRECTORS REGARDING RENEWAL OF CASUALTY INSURANCE PROGRAM

Chairman Pace requested a motion regarding the referenced item. Director O'Brien made the following motion:

RESOLVED: That the Board of Directors authorizes the renewal of the \$1 million Commercial General Liability policy through American International Group (AIG) for a premium of \$166,062; and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of \$1 million of Automobile Liability insurance through AIG Commerce & Industry for a premium of \$69,620; and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of \$30 million Umbrella/Excess Liability through AIG covering Commercial General Liability, Automobile Liability and Employers Liability for a premium of \$290,287; and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of \$30 million Pollution Legal Liability insurance through AIG for a premium of \$344,509; and

FURTHER RESOLVED: That the Board of Directors authorizes the purchase of Workers Compensation at Statutory Limits and Employers Liability at \$1 million through Connecticut Interlocal Risk Management Agency (CIRMA) for a premium of \$51,227.

The aggregate premium for all above described premiums is \$921,705 for the period 10/1/05 – 10/1/06. CRRA's budget for these policies was \$1,157,000.

The motion was seconded by Director Cooper.

Chairman Pace noted that this matter was discussed at length at the Finance Committee meeting and pointed out that CRRA had secured further savings in the renewal of its Casualty Insurance Program.

Director Martland asked if it was possible for CRRA to purchase two-year policies. Mr. Bolduc responded that carriers are not offering anything beyond a one-year policy and informed the Board that it had been a challenge to obtain quotes as far in advance as CRRA required. Director Francis stated that he had similar experience with insurance renewals in the Town of West Hartford.

Chairman Pace asked Mr. Bolduc to review the bid process, savings obtained and CRRA’s coverage for the Board. Mr. Bolduc explained that CRRA’s broker, Marsh, goes to the market to secure bids on CRRA’s various policies, in this case, General Liability, Excess Umbrella, Auto, Pollution Liability and Worker’s Compensation. Mr. Bolduc noted that it has been difficult for CRRA to attract interest from the large carriers and said that the responses were limited. Mr. Bolduc explained that this is partially due to the favorable bids that CRRA has received from AIG over the years. Mr. Bolduc stated that as a result of the bidding process, AIG submitted premium quotes that reflected reductions. Mr. Bolduc referred the Board to Page 4 of Tab 3 and said that, combining all the various insurances, AIG came up with an 11% reduction from comparable ’05 to ’06 policies. Mr. Bolduc noted that there were not significant changes in the actual coverages in the policies. Mr. Bolduc stated that the savings from what CRRA estimated in the budget was approximately \$370,000. Mr. Bolduc indicated that CRRA does not want to appear a captive market for one carrier and said there have been lengthy discussions regarding possible ways that CRRA might maintain the interest of the other carriers.

Chairman Pace asked Mr. Bolduc to review the auto insurance. Mr. Bolduc stated that Lynn Martin, CRRA’s Risk Manager, reviewed the coverage on CRRA’s older vehicles and recommended that based on the age, condition and mileage of CRRA’s vehicles, CRRA has decided to drop the Comprehensive and Collision on all but two of CRRA’s vehicles.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING THE FISCAL YEAR 2005 FINANCIAL STATEMENT AND AUDIT REPORT

Chairman Pace requested a motion regarding the referenced item. Director O’Brien made the following motion:

RESOLVED: That the Board hereby approves and endorses the Fiscal Year 2005 Financial Statement and Audit Report, substantially as discussed and presented at this meeting.

The motion was seconded by Director Cooper.

Mr. Bolduc distributed a revision to page 4 of the Management Discussion and Analysis. Mr. Bolduc explained that the hand-out included suggestions from the Finance Committee regarding unrestricted assets. Mr. Bolduc noted that the Finance Committee had a very lengthy discussion regarding the year-end audit. Mr. Bolduc recognized Mrs. Vo-Le and her department for a job well done on the audit and requested that Mr. Trenholm comment on the audit.

Mr. Trenholm gave a thorough review of the audit and in his review stated that Carlin, Charron & Rosen will be issuing an unqualified opinion on the financial statements of CRRRA. Mr. Trenholm noted that the Enron settlement had been reflected in the financial statements for this year and informed the Board that the transaction is presented in a couple of places because of accounting requirements in terms of the portion of the transaction that was under the control of management (the sale of the claim) as opposed to the actual receipt of the estimated value of the claim. Mr. Trenholm stated that in connection with that, the Board defeased a portion of the Mid-Connecticut Project bonds so the financial statements no longer reflect approximately \$95,000,000 of debt which has been legally defeased. Mr. Trenholm stated that there has been a significant decrease in the liabilities of the Authority as a result of the removal of the \$95,000,000 of debt from the balance sheet.

Mr. Trenholm continued his review of the audit, covering management estimates and said that Carlin, Charron & Rosen determined that the estimates used by management and the judgments used were reasonable and there were no adjustments in that area. Mr. Trenholm noted that there were no significant adjustments that needed to be recorded as part of the audit this year and there were no past adjustments proposed by Carlin, Charron & Rosen. Mr. Trenholm informed the Board that there were no disagreements with management on matters of accounting principle and accounting reporting. Mr. Trenholm explained that the auditors were pleased that they were able to deal with the significant, complex transactions as they arose and work with management to make sure that those transactions were properly accounted for at the time that they took place. Mr. Trenholm stated that management was ready when Carlin commenced the audit and Carlin was able to complete the audit in the time frame that had been mutually agreed upon.

Director O'Brien asked if the State deadline for the audit report was September 30. Mr. Bolduc replied that the due date was Monday, October 3 as September 30 falls on a Saturday. Director O'Brien asked if the report would be filed by October 3. Mr. Bolduc and Ms. Vo-Le replied in the affirmative.

Chairman Pace stated that the audit report had been reviewed at length with the Finance Committee and that the Finance Committee was recommending that the Board approve the report.

Director Martland indicated that there were a couple of subtleties of language that were suggested at the Finance Committee and asked if those revisions been made. Mr. Trenholm replied in the affirmative.

Mr. Kirk stated that management was pleased with the results of the audit. Chairman Pace added that as CRRA moves forward and the balance sheet gets stronger and the complexities and problems that arose from Enron begin to unwind, CRRA will be in a better position to address the public's interests.

Chairman Pace recognized Ms. Vo-Le. Chairman Pace stated that Ms. Vo-Le was critical in holding CRRA together during some very difficult times. Chairman Pace thanked her for a job well done and said that the Board respected her professionalism.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING CONTRACT WITH CT DEP FOR REIMBURSEMENT OF COSTS ASSOCIATED WITH ANNUAL STACK TESTING AT MID-CT RRF FOR CALENDAR YEARS 2006 AND 2007

Chairman Pace requested a motion regarding the referenced item. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to enter into a contract with the Connecticut Department of Environmental Protection for reimbursement of costs associated with the annual stack testing at the Mid-Connecticut RRF for calendar years 2006 and 2007, substantially as discussed and presented at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk explained that this resolution refers to a reimbursement of what is commonly called a dioxin tax, which is levied against operators of trash-to-energy facilities. Mr. Kirk stated that the tax was originally passed to cover the costs associated with testing for dioxin. Mr. Kirk stated that cost associated with testing for dioxin has decreased, but the tax has not. Mr. Kirk said that CRRA recovers its costs for stack testing from a credit at the DEP and this action will allow CRRA to recover \$175,000 for 2006 & 2007 (\$87,500 for each year).

Mr. Egan informed the Board that the stack testing will be done in the spring. When CRRA is invoiced from its contractor, CRRA pays the invoices and then in turn submits them to the Connecticut DEP for reimbursement. Director Karanian noted that Mr. Egan had made a comment in the information supplied that the DEP may or may not offer reimbursement for 2008. Director Karanian asked if there was a reason this reimbursement may not be offered for 2008. Mr. Egan explained that there was no specific reason, simply that CRRA can not predict what the DEP would do in 2008 and noted that there was no specific concern.

Chairman Pace asked Mr. Egan to elaborate on the dioxin testing. Mr. Egan stated that beginning in calendar year 2001, new regulations were promulgated that governed municipal waste combustion facilities. Mr. Egan explained that a list of emissions limits and testing schedules are prescribed in the regulations. Mr. Egan stated that every year all seven of the combustors in the State of Connecticut are obligated to test their emissions. Mr. Egan stated that the CT DEP is on-site during the testing period and CRRA's contractor assembles an intent to test protocol, which is essentially a detailed plan on how they are going to do the sampling and analysis. Mr. Egan explained that the DEP reviews that, approves it, and the testing is conducted. Mr. Egan stated that the emissions of the CRRA waste-to-energy facilities are all well below the prescribed emission limits for municipal waste combustors.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING DELIVERY OF COVER SOILS TO THE HARTFORD LANDFILL

Chairman Pace requested a motion regarding the referenced item. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to enter into an amended contract with Newcarp First LLC for delivery of contaminated soil to be used as daily cover 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 Cooper.

Mr. Egan stated that this resolution was for approval of a market driven sale. Mr. Egan explained that this was additional soil associated with a site of generation that the Board approved in June and again in July. Mr. Egan said that the site continued to generate soil. Mr. Egan noted that this soil is so benignly contaminated that it does not even fit the definition of a special waste in the State of Connecticut. Mr. Egan stated that the analytical testing data on the soil indicated that it is below the residential direct exposure criteria under the Connecticut Remediation Standards Regulations and also is below what is called “pollutant mobility criteria” for GA class groundwater areas. Mr. Egan noted that CRRA received a favorable price for the soil.

Director O’Brien thanked and commended Mr. Egan for the information he presented on the approval procedure used by CRRA for the Hartford Landfill. Director O’Brien said that the package was thorough and comprehensive and suggested that Mr. Egan make a presentation on the information at a later date.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Edna Karanian	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING THE O&M AMENDMENT NO. 2 TO THE MANAGEMENT AND OPERATIONS AGREEMENT DATED MAY 30, 2000, AS AMENDED BY AMENDMENT NO. 1 DATED DECEMBER 9, 2000 BETWEEN CONNECTICUT RESOURCES RECOVERY AUTHORITY AND NORTHEAST GENERATION SERVICES COMPANY

Chairman Pace requested a motion regarding the referenced item. Director O’Brien made the following motion:

RESOLVED: The President is hereby authorized to enter into Amendment No. 2 to the Management and Operations Agreement dated May 30, 2000, amended by Amendment No. 1 dated December 9, 2000 between Connecticut Resources Recovery Authority and Northeast Generation Services Company, substantially in the form discussed at this meeting.

The motion was seconded by Director Martland.

Mr. Kirk explained that this was a renewal of CRRA's maintenance contract. Mr. Gent explained that CRRA currently has a contract with Northeast Generation Services Company (NGS), which is a subsidiary of Northeast Utilities. Mr. Gent stated that when CRRA acquired the jet turbines from CL&P, CRRA had a contract for an initial five-year period with NGS. Mr. Gent stated that the contract had a provision that the contract would renew on an annual basis. Mr. Gent noted that 18 months before the expiration of that five-year term, the parties would negotiate in good faith what the fee would be subsequent to that initial period.

Mr. Gent stated that the price has two components; a fixed fee component which covers the basic operations and maintenance services and a variable fee component that deals primarily with funding a reserve for rebuilding the engines. Mr. Gent gave a detailed explanation of how running the units under capacity resulted in NGS not being able to build sufficient reserves to fund engine rebuilds. Mr. Gent said that when it came time to extend the contract, NGS stated that they would need to increase the fee substantially to fund those reserves. NGS estimated that it would need an increase to \$1,000 per operating hour per engine. In response, Mr. Gent stated that CRRA restructured the contract in two ways: 1) the fixed fee would be increased by 15% (a 3% compounded increase in escalation for the last five years) and 2) rather than the suggested increase to \$1,000 per hour, CRRA said that it would take responsibility for rebuilding the engines. CRRA would set aside funds in a reserve to cover engine rebuilds and then dramatically reduce the fees that CRRA pays NGS on an hourly basis. Mr. Gent stated that part of the motivation for the restructure is that there is a possibility that CRRA could be running 120-150 hours per year and if CRRA is paying \$1,000 per hour per engine, CRRA could be paying NGS a substantial amount more than it would cost to rebuild the engines.

Director Karanian asked what the magnitude of the rebuild would be. Mr. Gent replied that the engines are about \$500,000 to rebuild and noted that CRRA has a capital expense in its FY06 budget. Mr. Gent explained that the engines were built in the 1970's and CRRA's concern is that there are limited people who have the knowledge to rebuild and service these engines. As a result, CRRA felt that it was important to maintain that expertise. Mr. Gent said that CRRA was concerned about locking in the rate through 2012 without an opportunity to terminate the contract with a one-year notice so CRRA hired R. W. Beck to review the cost structure of this. Mr. Gent stated that R. W. Beck's analysis concludes that the contract that CRRA has negotiated with NGS is well below market.

Director Martland asked if CRRA's net was roughly \$5.4 million. Mr. Gent replied in the affirmative but added that you would then have to subtract out what CRRA pays for the steam turbines. Mr. Gent said that looking at the jet turbine as a business individually, the net is somewhere in the \$4.5 million to \$5 million range.

Director O'Brien asked what happens to the funds that are put in reserve by NGS. Mr. Gent responded that the way the contract was structured, NGS keeps the reserve funds because they are taking the risk. Mr. Gent stated that NGS told CRRA that if CRRA did not restructure the agreement, NGS would give notice to terminate. Mr. Gent stated that the benefit of this structure is that by setting the variable rate down to only \$150/hour, it covers NGS's minimum variable cost to cover annual inspections and other variable costs. CRRA would then set aside the hourly savings for any rebuilds that need to be done in the future. Director O'Brien asked if

CRRA would be putting these monies into a reserve. Mr. Gent responded in the affirmative and added that CRRA already has a \$20 million reserve already. Mr. Bolduc stated that when the Finance Committee meets in October to look at all the reserves, this will be one of the reserves that will be reviewed. Chairman O'Brien asked if the \$20 million was for the steam generating equipment. Mr. Bolduc responded that the reserve was to cover the expected cost of operating the jets and turbines over the remaining life of the contract to 2012.

Director Lauretti asked what the life expectancy of the turbines was. Mr. Gent replied that the units are typically measured on hours, so even though these units were built in the 1970's, they still have value. Mr. Gent added that the turbines are only good for "peaking" and are not very efficient units from the standpoint of gas cost per megawatt hour. CRRA would anticipate at the end of 2012, the units would no longer be in use and would be sold. A lengthy discussion regarding the economic evaluation of replacing the units followed.

Director O'Brien suggested that the subtitle on page two of Tab 7 be changed from "Feasibility Study on Expanding the Mid-Connecticut Waste-to-Energy Facility" to the correct title of the resolution. Mr. Gent indicated that this correction will be made.

Director Martland indicated that Director Lauretti made a very salient point with regard to replacing the jet turbines. Chairman Pace stated that when CRRA looks at the future, there are numerous issues to consider and said that Director Lauretti's points were well taken. Director Lauretti stated that if this contract is locked into 2012, that does not move the issue forward at all. Chairman Pace stated that it moves the issue forward after 2012 as CRRA is still maintaining the integrity of this business going to 2012. Chairman Pace said that this allows CRRA to plan for the future and still perform its essential functions. Chairman Pace stated that before CRRA commits to a major investment right now, the organization must plan to see how this will affect the entire model of the future CRRA.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION ESTABLISHING A SPECIAL COMMITTEE TO STUDY OPTIONS FOR MUNICIPAL SOLID WASTE DISPOSAL FOLLOWING THE EXPIRATION OF THE BRIDGEPORT SOLID WASTE DISPOSAL AGREEMENT

Chairman Pace requested a motion regarding the referenced item. Director O'Brien made the following motion:

RESOLVED: That a Special Committee is hereby formed and charged to study options for the disposal of solid waste from the Bridgeport Project municipalities post 2008 and report thereon to this Board; and

FURTHER RESOLVED: That three employees and two Board members of the Authority shall represent the Authority on the said Special Committee, as presented and discussed at this Board meeting.

The motion was seconded by Director Cooper.

Mr. Kirk explained that CRRA has a statutory requirement to convene a special committee three years before the expiration of the Bridgeport Project to examine the options available to CRRA's participating communities. Mr. Kirk stated that CRRA has a responsibility to find five members from the participating communities who, in this case, would be representatives of SWAB. Mr. Kirk informed the Board that SWAB has voted for their five members and CRRA management is recommending naming an additional five individuals from CRRA headquarters and the CRRA Board to complete the committee. Mr. Kirk stated that the committee will evaluate options available to the communities, at a minimum two years before the expiration of the present contract, which would be December of 2006. Mr. Kirk said that management's recommendation is that three employees, Mr. Kirk, Mr. Bolduc, and Mr. Gent be members of the committee as well as up to three Board members associated with the Bridgeport Project.

Director Martland asked if CRRA owned anything in the Bridgeport Project. Mr. Kirk responded that CRRA owns the landfill and the transfer station in Shelton, the Waterbury Landfill, and most importantly, the requirement of the current vendor to negotiate in good faith an extension of the agreement. Mr. Kirk indicated that this was the key asset to the project.

Chairman Pace indicated that Director O'Brien had expressed an interest in serving on this special committee. Directors Martland and Laretti also said they would be interested.

Mr. Kirk stated that there might be a conflict or the appearance of a conflict with Director O'Brien serving on the committee because he is a member of the HRRRA Board and the HRRRA Board has a long-term contract with Wheelabrator and disposes HRRRA waste in the Bridgeport Project under Wheelabrator's account, in competition with CRRA. Director O'Brien said that he had mentioned this to Chairman Pace and Ms. Hunt and said that if they thought there would be a conflict, he would not serve on the committee. Director O'Brien stated that he did not think there would be a conflict because HRRRA has a long-term contract with Wheelabrator. Mr. Kirk suggested that Ms. Hunt raise the issue with the SWAB Board.

Mr. Gent explained that there was previously a dispute between CRRA and Wheelabrator regarding whether Wheelabrator could bring in HRRR waste as a priority over any waste that CRRA delivers. Mr. Gent said that the issue was resolved for the inclusion of CRRA waste from Stamford, but noted that HRRR has been an issue between CRRA and Wheelabrator.

Chairman Pace stated that it was gratifying to see so many Board members willing to serve on this committee.

Chairman Pace made a motion to recommend that three persons from the Board be appointed to this committee, Directors Lauretti, Martland and O'Brien.

The motion was seconded by Director Jarjura.

Chairman Pace reiterated that the only caveat to this is if there is an issue raised by the SWAB Board that Director O'Brien is serving on this committee. Chairman Pace noted that Director O'Brien has been able to separate issues very professionally.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RETURN TO PUBLIC PORTION

Chairman Pace invited Dr. Mark Mitchell to address the Board.

Dr. Mitchell, as President of the Connecticut Coalition for Environmental Justice, stated that he had two items to present to the Board. Dr. Mitchell stated that the jet engines referred to earlier in the meeting are very old and are not required to meet the same air pollution standards as current engines are. Dr. Mitchell said that his group is very concerned about the continuing use of these jet engines. Dr. Mitchell stated that when the engines are on, there are big clouds of smoke rising up and, even though it looks like the smoke is coming from the other stacks, it is actually coming from jet engines. Dr. Mitchell explained that the older jet engines release more nitrogen oxide than a newer engine would. Dr. Mitchell stated that his coalition is encouraging

the Board to replace the jet engines as soon as possible. Dr. Mitchell indicated that he was aware that CRRA is a quasi-governmental agency and CRRA's mission from the coalition's point of view is not just a financial mission, but also to protect the health of the community. Dr. Mitchell stated that the coalition is concerned that there is so much pollution in the city. Dr. Mitchell said that the trash-to-energy facility is the largest source of pollution in the City of Hartford and the jet engines are the fourth or fifth largest source of air pollution in the City of Hartford. Dr. Mitchell asked that CRRA look at those sources of pollution.

Dr. Mitchell informed the Board that he also served as Chair of the Hartford Advisory Commission on the Environment. Dr. Mitchell stated that he was aware that CRRA was in the process of closing the Hartford Landfill. Dr. Mitchell stated, in reviewing CRRA's financial statement, that the landfills would be closing in one year and that CRRA would be making recommendations to DEP on a closure plan by the end of this year. Dr. Mitchell stated that the Hartford Advisory Commission on the Environment has decided that the Commission will undertake public hearings in the City of Hartford regarding the closure. Dr. Mitchell indicated that there were a number of groups in Hartford holding public meetings and that there were many people in Hartford who are scared of the landfill. Dr. Mitchell stated that he did not know if the fear was justified and proposed that CRRA reschedule a tour of the landfill that had been postponed. Dr. Mitchell stated that the Hartford Advisory Committee would like to hold public hearings and hear recommendations from the community, as well as from other experts, on the usage of the landfill after it is closed. Dr. Mitchell indicated that the Hartford Advisory Committee would like to make recommendations by February 2006. Dr. Mitchell stated that he did not know if the recommendations should go to CRRA or to the DEP.

Chairman Pace requested that Dr. Mitchell send the recommendations to both CRRA and to the DEP. Chairman Pace stated to Dr. Mitchell that the current CRRA Board has always taken the operation of its facilities very seriously for the citizens of Hartford, as demonstrated by the visual and operational adjustments that have been made. Chairman Pace stated that CRRA is putting a lot of planning into seeing that the landfill has beneficial use to the City based on input from city leaders and DEP. CRRA does not intend to just walk away from the landfill. Chairman Pace said that CRRA's intent is to close the landfill with the full cooperation of the City and with the full advisement that the State of Connecticut provides.

Dr. Mitchell indicated that the Hartford Advisory Committee is supporting the proposal by DEP that a synthetic cover be placed over the landfill. Chairman Pace said that CRRA proposed putting that synthetic cover over the landfill to DEP. Mr. Kirk indicated that the final closure will take place in 2008; there is about two and a half years of space left at the landfill. Mr. Kirk indicated that the City of Hartford is the owner and that CRRA's responsibility is limited to closure. Mr. Kirk explained that CRRA has escrowed the proper amount for closure according to the permit. Mr. Kirk stated that CRRA is on the record as wanting and insisting that the landfill be closed properly and that means with the advanced cover, either impermeable geomat or a HDPE plastic cover. Mr. Kirk noted that the unanswered question is who pays for that. Mr. Kirk stated that hopefully this issue will be resolved well before 2008. CRRA's position is that the landfill should and will be covered by state-of-the-art engineering methods. Mr. Kirk said the current issue is funding, which should not impact either the timing or the method of closure. Mr. Kirk stated that CRRA is just now creating the means and methods for obtaining community input into the closure plan. Mr. Kirk said that CRRA welcomes all community members that would have insight the post-use plan, but environmental regulations and state-of-

the-art engineering considerations will drive the actual closure. Mr. Kirk said that post-closure use, to the extent there are choices to be made, should be made with the full insight and comments of the neighborhood residents.

**RESOLUTION REGARDING ADOPTION OF REVISED SECTION 4.2.3
PROCUREMENT POLICIES AND PROCEDURES**

Chairman Pace requested a motion regarding the referenced item. Director Cohn made the following motion:

RESOLVED: That the Board of Directors hereby adopts the revised section 4.2.3 of CRRA’s Procurement Policies and Procedures substantially as discussed and presented at this meeting.

The motion was seconded by Director O’Brien.

Director Cohn indicated that the resolution was a procedural change to allow Division Heads to assign proxies, who would approve invoices totaling \$5,000 or less. Director Cohn stated that adopting this revision would allow the approval process to be more efficiently handled.

Chairman Pace asked if the issues brought up at the Policies & Procurement Committee regarding the Purchasing Manager’s approval had been resolved. Mr. Kirk stated that prior to the presentation given to the Committee by Mr. Ruel, there had been some misunderstanding of the process. Mr. Kirk stated that when Mr. Ruel went through the entire E-Procurement process, those concerns were addressed. Director Cohn stated that one of the issues was a concern that someone could approve their own requisition and it was explained to the Committee that it was not possible for someone to approve their own requisition. Mr. Kirk stated that, at the Policies & Procurement Committee’s request, the presentation had been included in the Board package. Mr. Kirk stated that if the Board had any questions, Mr. Ruel was there to answer them. Mr. Kirk explained that the E-Procurement system is very controlled and has made the procurement process more efficient. Director O’Brien added that the system also allowed for better tracking of budgets.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Laretti	X		
Theodore Martland	X		
Raymond O'Brien	X		

Non Eligible Voters			
NONE			

RESOLUTION REGARDING AMENDMENT TO TRAVEL POLICY AND EXPENSE REPORTING

Chairman Pace requested a motion regarding the referenced item. Director Cohn made the following motion:

WHEREAS the Policies and Procurement Committee established the CRRA Travel Policy and Expense Reporting Procedure; and

WHEREAS the CRRA Board of Directors subsequently adopted the Travel Policy and Expense Reporting Procedure on May 20, 2004; and

WHEREAS the Policies and Procurement Committee reviewed the proposed Amendment to the Travel Policy and Expense Reporting Procedure at its meeting on June 23, 2005; and

WHEREAS it has been determined that the average physical damage (comprehensive and collision) deductible is \$500.00; and

WHEREAS it is equitable to allow for reimbursement of an employee’s personal vehicle deductible if the employee is involved in an accident while conducting CRRA business and if the employee only occasionally uses his/her personal vehicle on company business; and

NOW, THEREFORE, be it

RESOLVED: The Policy and Procurement Committee has discussed the amendment allowing payment of employee personal physical damage automobile deductible in the event of an accident while utilizing their personal vehicle on CRRA business if the employee drives less than 2,500 miles per year or less (\$500 divided by \$.405 the current reimbursement rate equals 1,235 miles) and recommends that the CRRA Board of Directors adopt this amendment as presented and discussed at this meeting.

The motion was seconded by Director O’Brien.

Director Cohn explained that this resolution pertains to reimbursement to employees for their collision deductible in cases where an employee has an accident while using their personal vehicle for company business. Director Cohn stated that the current Travel Policy does not allow reimbursement of an employee’s deductible in cases of accident and this resolution will provide up to \$500 reimbursement of an employee’s deductible in case of an accident for employees who drive less than 2,500 miles per year with their own vehicles. Director O’Brien stated that, at the Policies & Procurement Committee meeting, an incident was discussed involving an employee damaging their car at the Shelton landfill. In this case, CRRA did reimburse the employee for their deductible. Mr. Kirk stated that management has now directed employees not to use their

own vehicles when driving through the landfill. Director O'Brien stated that this change to the policy was not "opening a floodgate" of claims. Mr. Kirk indicated that he would be surprised if CRRA ever had to reimburse an employee for their deductible.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING AMENDMENT TO MID-CONNECTICUT PERMITTING, DISPOSAL AND BILLING PROCEDURES

Chairman Pace requested a motion regarding the referenced item. Director Cohn made the following motion:

RESOLVED: The Board of Directors hereby adopts the amended Mid-Connecticut Permitting, Disposal and Billing Procedures, substantially as presented and discussed at this meeting.

The motion was seconded by Director O'Brien.

Director Cohn explained to the Board that this resolution will allow the Mid-Connecticut Recycling Center to start accepting junk mail as part of the recyclables.

Chairman Pace asked Mr. Kirk if management had received any feedback from any of the towns on this new recycling initiative. Mr. Kirk replied that there had been mixed feedback. Mr. Kirk stated that, overall, towns are delighted and there was tremendous feedback from the media with the benefits of expanding the recyclables. Mr. Kirk stated that he did receive a letter that pointed out a concern that the Board should be aware of. Mr. Kirk stated that some towns are already recycling junk mail and this has been a revenue source for these towns. Mr. Kirk explained that now, because of the Municipal Service Agreements and because the Board will be including junk mail as a mandatory recyclable, all of that junk mail will have to be transported to

the CRRA facility. Mr. Kirk stated that this may decrease revenues for some towns. Mr. Kirk informed the Board that CRRA management would look into some way of softening the blow to towns that are receiving revenue from junk mail recycling. Mr. Kirk indicated that management will examine methods or means to minimize any cost or inconvenience to the towns. Mr. Kirk stated that the towns will benefit in lower tip fees for many years to come, and is a net positive for the project and member towns.

Chairman Pace stated that Old Saybrook was one of those towns. Mr. Kirk added that he was aware of a few towns in this position.

Director O'Brien made a motion to amend the resolution to allow a transition period for any town that is presently recycling junk mail through the end of this fiscal year. Director Cohn seconded the motion for discussion.

Director O'Brien stated that towns have already completed and approved their budgets. Director O'Brien said that those budgets are already going to be tremendously strained by fuel costs and explained that any loss of revenue to the towns would not be in anyone's best interest, including CRRA. Director O'Brien stated that it would be better for CRRA to allow the towns to continue their current recycling activities through June 30 and then develop their next budget based on the knowledge that the junk mail recyclables will be going to CRRA.

Chairman Pace recused himself from the discussion because Old Saybrook would be affected by this matter.

Vice-Chairman Cassano said that he was surprised that some towns actually received revenues from the recycling of junk mail because the paper market has been down. Mr. Kirk stated that the paper market has just recently grown and typically the haulers that have been collecting money to take away the junk mail were not offering towns a payment to take the junk mail away. Mr. Kirk stated that management knows of two towns that are receiving revenue from junk mail recycling and there may be others.

Mr. Gent said that since CRRA has not provided junk mail recycling in the past, CRRA will have to deal with towns that currently have contracts for that service, especially if those contracts do not expire for two or three years. Mr. Gent explained that towns with a junk mail recycling contract that will expire shortly can be dealt with differently. Mr. Gent stated that it was CRRA's intent to send a letter to all the towns outlining their obligations under the MSA's to deliver junk mail to CRRA. Mr. Gent explained that the towns are getting a substantial benefit from recycling junk mail and this needs to be weighed in any decision to change the delivery requirements.

Director Laretti stated that the towns' benefit comes in the reduction of the MSW. Mr. Kirk indicated that the benefit is spread over 70 towns and only a few towns would be giving up revenue from the junk mail recycling. Mr. Kirk stated that management recommends that the Board pass this resolution to establish junk mail as a recyclable and then management can proceed on a case-by-case basis with every town to ensure that the steps taken are in the best interest of both the towns and CRRA.

There was a lengthy discussion regarding the current list of items acceptable for recycling and how recycling requirements need to be minimally restrictive in order to be most effective. In this discussion it was determined that there needs to be a clear distinction between office paper and home office paper. Director Karanian suggested that the recyclables list be revised to indicate that home office paper is acceptable. Mr. Kirk stated that any restrictions become an issue when the market starts falling, but currently, the market is very good, so restrictions are less of an issue. Mr. Kirk indicated that CRRA may have to deal with restrictions when recyclers are required to take these items. Mr. Kirk stated that it is a great time to be recycling fibers and CRRA should not do anything to discourage our towns to participate. It was agreed that "Home Office Generated Paper" should be included in the list of acceptable recyclables.

Director O'Brien stated that the town budgets, at this point, are fixed. Director O'Brien stated that the tip fee will not go down this year and revenue would be lost for those towns that have contracts for recycling. Director O'Brien indicated that, in fairness to the towns, CRRA should offer a transition period.

Vice-Chairman Cassano stated that he thought this was fair and made sense, but asked Mr. Kirk if the amount of waste generated is reduced, if there is a direct correlation to the savings. Mr. Kirk replied in the affirmative. Vice-Chairman Cassano said that the savings could potentially be greater than the income from the recycled junk mail. Vice-Chairman Cassano added that CRRA should know what these numbers are before offering a transition period. Vice-Chairman Cassano explained that if we have a town's monthly delivery totals and new monthly totals show the reduced tonnage due to recycling junk paper, CRRA can demonstrate to towns the savings in deliveries, which could then be compared to the revenues they are earning through their own recycling programs. Director O'Brien pointed out that those towns that currently recycle their junk mail do not put this in the waste stream anyway, so they would not see a savings.

Director Karanian suggested that it might be premature to vote on this amendment at this time and perhaps it would be more appropriate to vote on this amendment next month when the Board knows more about the magnitude of the issues and what the financial impacts might be. Mr. Kirk stated that CRRA could, by next month, have a better picture of who is at risk of lost revenue, but could not promise CRRA would have information on all 70 towns. Director Karanian stated that CRRA also had to consider whether the amendment is in compliance with the contract with FCR. Vice-Chairman Cassano suggested sending a letter to each town asking them to inform CRRA if they receive revenue from recycling junk mail. Upon receipt of this information, the Board could make a decision based on real numbers.

Director O'Brien stated that he appreciated Director Karanian's comment on the resolution, but that he still felt that if a town presently has a contract and is generating revenue from their recyclables, he felt regardless if it's two towns or 68 towns, the agreement should be transitioned. Director O'Brien restated that the town budgets are already set and that revenue is part of those budgets. The towns will not get an offset on tip fees because they are not going to reduce the amount of waste that they are sending to the landfill.

Director Karanian asked if CRRA knows for a fact that towns have, in their original budgets, the revenue stream. Mr. Kirk stated that in the case of RRDD #1, the revenues are

reportedly included in their budget. Mr. Kirk said that if towns are currently receiving revenue from this, CRRA wants to be sure if relief is being considered to those towns.

Director Karanian stated that because of all the questions being raised, it was her feeling that the Board should think this through before taking a vote. Director Karanian said that she agrees with the concept of taking care of the towns that are receiving revenue from junk mail recycling, but said that the Board should be absolutely certain the Board decision is thoroughly thought out and does not have any unintended consequences.

Vice-Chairman Cassano stated that CRRA is collecting junk mail beginning October 1 and should have an amendment that is consistent with our collection policy. Vice-Chairman Cassano stated that his town has notified the public that junk mail can now be included with the recyclables. Vice-Chairman Cassano pointed out that for the Board not to pass this motion would be inconsistent with what CRRA has told the towns to do.

Mr. Gent pointed out that this policy change requires a 30-day public notice and CRRA has sent notices. The towns and haulers are all anticipating this change. Mr. Gent suggested that the Board approve the resolution with respect to expanding the recyclables and allow management to collect additional information on the towns' current revenues and contractual obligations. Mr. Gent said that once that information is available, CRRA would be in a better position to craft a resolution to address whether CRRA would provide a subsidy, allow towns not to provide junk mail until their contract expires, or CRRA could help them exit out of their contract. Mr. Gent stated that there were so many unknowns it would be best to approve the current resolution and come back later with any necessary revisions.

Vice-Chairman Cassano stated that he felt the Board needed better numbers before authorizing the amendment. Vice-Chairman Cassano stated that there will be a loss of revenue to CRRA and the Board just does not have an idea of the magnitude of the loss. Vice-Chairman Cassano said he agreed with Director O'Brien intention, but felt that the Board needed better information to implement that. Director Martland stated that the towns needed a chance to respond to CRRA to inform them if the junk mail recycling program would hurt their revenue. Director Martland pointed out that CRRA has a commitment to deliver a certain amount of junk mail. Vice-Chairman Cassano stated that towns that already have contracts should be given notice that CRRA is developing a plan for them, but to allow them to continue with their current contracts.

Mr. Kirk stated that Mr. Gent's suggestion would accomplish this. Mr. Kirk indicated that the burden would be on management to understand and provide a plan for mitigating potential revenue impacts to the towns. Mr. Kirk confirmed that it was the Board's consensus to not enforce this change on all towns until the Board gets more information.

Vice-Chairman Cassano called for a vote on the amendment to the resolution. In favor of the amendment were Directors Cooper, Francis, Jarjura, and O'Brien. Opposed to the amendment were Vice-Chairman Cassano, Directors Cohn, Karanian, Lauretti, and Martland. Chairman Pace abstained from the vote. The amendment was not passed.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman			X
Stephen Cassano		X	
Benson Cohn		X	
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian		X	
Mark Lauretti		X	
Theodore Martland		X	
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

Vice-Chairman Cassano called for a vote on the original resolution. The motion was approved. Chairman Pace abstained.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman			X
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

RESOLUTION REGARDING PAYMENT OF DEFERRED LEGAL EXPENSES

Chairman Pace requested a motion regarding the referenced item. Director Cohn made the following motion:

RESOLVED: That the President of the Authority is hereby authorized to pay to Anderson Kill & Olick \$20,000 in satisfaction of a deferred billing of that amount for legal services provided in 2002.

FURTHER RESOLVED: That AKO be invited to provide additional evidence to this Board, in writing or in person, supporting the firm's additional claim for payment.

The motion was seconded by Director Martland.

Director Cohn stated that this motion relates to a claim by Anderson Kill, the firm that represented CRRA on the Enron bankruptcy matter. Director Cohn explained that Anderson Kill is claiming that they are owed \$163,182.73 in back fees, based on an oral agreement with Ann Stravalle-Schmidt. Director Cohn said Anderson Kill had frozen their rates at the original contract level and now wished to recover the rate increases over the years that the proceedings took. Director Cohn added that Anderson Kill also wishes to recover \$20,000 for payment deferred by Anderson Kill. Director Cohn stated that there is nothing in writing in a subsequent amendment to the contract to support Anderson Kill’s claim for the fee increases. Director Cohn explained that if Ms. Stravalle-Schmidt did promise this, she has no clear recollection of it, she told no other people on CRRA staff and there was no effort made to amend the contract. Director Cohn stated that the Policies & Procurement Committee concluded that the \$20,000 that Anderson Kill deferred is due to them as there is sufficient basis for that, but that there is no sufficient basis at this time for the additional claim.

Director Lauretti stated that it is very clear that an employee does not have the authority to obligate the intentions of the Board. Director Lauretti stated that he hoped the Board would not even go in that direction. Director Lauretti said that he was not sure if the “Further Resolved” portion of the motion was necessary because it goes without saying and he did not want to formally invite that.

Director Cohn stated that he would agree to a friendly amendment to the original resolution to remove the “Further Resolved” section of the resolution.

Mr. Kirk asked if he could take the position that the Board is not being hostile to any attempt by Anderson Kill to make a case for it, but the Board would still welcome them to make their case. Director Cohn stated that the issue was if a staff member made an agreement in excess of \$50,000 without obtaining Board approval.

The motion previously made and seconded, as amended, was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

**RESOLUTION REGARDING HUMAN RESOURCES COMMITTEE
RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING ACTION TO
TAKE IN RESPONSE TO THE REPORT AND MANDATORY MINIMUM
PROCEDURES FOR COMPENSATION AND BENEFIT MANAGEMENT AT
CONNECTICUT'S QUASI-PUBLIC AGENCIES**

Chairman Pace requested a motion regarding the referenced item. Vice-Chairman Cassano made the following motion:

RESOLVED: That the Board of Directors directs the CRRA Organizational Synergy & Human Resources Committee and management to adopt changes as appropriate for CRRA with respect to the Report and Mandatory Minimum Procedures for Compensation and Benefit Management at Connecticut's Quasi-Public Agencies.

The motion was seconded by Director Cooper.

Vice-Chairman Cassano indicated that the Quasi-Public Compensation Review Panel compiled policy recommendations for the quasi-public agencies and said that much of what CRRA has done in the last two years with respect to its policies was a building block of the task force's report.

Mr. Kirk stated that the one area in the Governor's report where CRRA needed to make a change was compensatory time for senior management. Based on these recommendation, the Organizational Synergy and Human Resources Committee is recommending that CRRA eliminate compensatory time for senior management, which CRRA has defined as the President, Chief Financial Officer, Director of Operations, Director of Environment and Director of Legal Services. Mr. Kirk noted that compensatory time was in no way abused at CRRA. Mr. Kirk said that compensatory time at CRRA, as it exists, is limited to an accumulation of 37.5 hours so the opportunity for abuse or suspected abuse did not exist.

Mr. Kirk explained that the other two changes are minor administrative changes; essentially documenting and providing in writing processes that are already in practice at CRRA.

Chairman Pace stated that the Quasi-Public Compensation Review Panel was put together at the Governor's request and the Governor's staff conducted the review. Chairman Pace indicated that the Governor's Office and the quasi-publics worked collaboratively. Chairman Pace stated that it became very apparent that each agency was unique. Chairman Pace said that the resulting document combined what the Governor thought was necessary to instill uniformity and what was necessary to also allow the agencies to conduct their business. Chairman Pace indicated that as he and Director Francis participated in these meetings, they brought up many of CRRA's policies and noted that CRRA was not out of line with the panel's recommendations.

Chairman Pace explained that the entire process was very well executed by the Governor's office and well attended by all the quasi-publics. Chairman Pace called on Director Francis for his comments on the process. Director Francis stated that the meetings were very enlightening as far as learning what all the other quasi's were doing. Director Francis indicated

that each quasi has different operations, different policies and the employees are covered differently.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

**RESOLUTION REGARDING HUMAN RESOURCES COMMITTEE
RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING CREATION
OF THE POSITION OF GOVERNMENT RELATIONS LIAISON**

Chairman Pace requested a motion regarding the referenced item. Vice-Chairman Cassano made the following motion:

RESOLVED: That the Board of Directors authorizes hiring a full-time Government Relations Liaison as approved by the CRRA Organizational Synergy & Human Resources Committee.

The motion was seconded by Director Jarjura.

Vice-Chairman Cassano explained that many of the other quasi-public agencies currently employ a Government Relations Liaison. Vice-Chairman Cassano stated that CRRA has faced many challenges at the Legislature. Mr. Kirk informed the Board that this concept was first introduced at an Executive Committee meeting (formerly the Steering Committee) and the consensus of the Executive Committee was that management should investigate the possibility of pursuing a full-time government liaison. Mr. Kirk continued, stating that the statutory prohibition against lobbying firms allows a quasi-public agency to have a full-time employee provide services as a government liaison. Mr. Kirk said that most quasi-public and government agencies do have a full-time government liaison.

Mr. Kirk said that CRRA's decision to pursue this grew out of a concern that CRRA's story was not being sufficiently told over at the legislature. Mr. Kirk stated that should, in no way, be viewed as a shortfall of Mr. Nonnenmacher, CRRA's Director of Public Affairs and

Government Relations, who also has communications responsibilities. The Steering Committee felt that it was necessary, and management's investigation confirmed, that to be effectively represented in front of the Legislature, CRRA needs to be there all the time. CRRA needs to have a presence there and build relationships with legislators so that before proposed legislation gets out of hand, for example, prohibitions against telephone meetings, there is someone there able to communicate how our agency utilizes phone meetings or administers issues. Mr. Kirk stated that proper education of the legislature at the ground level is vital to preventing that "snowball" effect. Mr. Kirk indicated that CRRA had been fortunate in being able to stop damaging legislative proposals that were ill-considered and not well thought out. Mr. Kirk stated that stopping such legislation after it has gained momentum is very difficult. Mr. Kirk explained that having someone at the Legislature full-time is key to not only ensuring that bad legislation is not damaging the interests of the CRRA, but more importantly in years come, that legislation necessary to CRRA's mission in working in the best interests of the towns of Connecticut has a chance to get through.

Mr. Kirk explained that management had spoken with many of the other quasi-publics and management met with the DPUC's government liaison to understand, particularly, what this person would do when the legislature is not in session. Mr. Kirk stated that management is absolutely convinced that this is a full-time job and this person would be challenged with the mission that CRRA has in front of it.

Mr. Kirk noted that although this position is not a budgeted item for this year, management has reviewed the budget and found that because of vacant positions and other favorable variances, there would not be a problem in regard to the budget.

Director Francis stated that it was his feeling that there are so many issues in CRRA's future that CRRA needs to have this position filled. Director Cooper stated that it was his feeling that CRRA needed more representation at the legislature to advance CRRA's interests.

Director O'Brien, regarding the last bullet in the job description, said that he would like to see the miscellaneous responsibilities expanded, particularly when the legislature is out of session. Director O'Brien also suggested that there should be an explicit reference to compensatory time for this position, such as if this position is eligible and how much could be accumulated. Director O'Brien stated that based on the length of some of the legislative sessions, the amount of compensatory time could be excessive. Mr. Kirk explained that under the CRRA Compensatory Time Policy an employee can only accrue a maximum of 37.5 hours at any time.

Director Martland asked what the pay scale for this person would be. Mr. Kirk replied that the pay scale had been adjusted downward from our consultant's market survey results, as a result of committee's suggestion, to \$70,000-\$106,000.

Chairman Pace stated that this position was not a lobbying position. Chairman Pace indicated that the Government Liaison would be protecting CRRA's interests which in turn, protect the towns that CRRA serves. In addition, Chairman Pace stated that this person would keep CRRA informed of all activities at the State Capitol that would impact CRRA.

Director Karanian stated that she felt it was important to have representation at the Legislature to get misinformation corrected early on in the legislative process. Director Karanian said that the Board had seen misinformation that needed to be corrected and this position would alleviate that. Director Karanian further stated that in the off-season there was still a lot of policy, strategy, education and relationship-building that needed to be done.

Chairman Pace summarized the job description should be revised to reflect the Board’s suggestions. Chairman Pace stated that the Board agreed that CRRA needed this position filled, but the details and cost needed to be worked out.

Chairman Pace requested a motion to amend the resolution to include the stipulation that the job description be revised to further define responsibilities and include the expected number of hours worked during the year.

Mr. Kirk stated that all the issues mentioned are management responsibilities for every position. Chairman Pace reiterated that he just wanted to make the Board’s position clear.

Vice-Chairman Cassano stated that the process would be that the Board would approve the position and management would come back to the Board with the revisions to the job description. Vice-Chairman Cassano indicated that the Committee had discussed Director Karanian’s points regarding the year-round position. Vice-Chairman Cassano said that he felt the position would be most effective when the legislature is not in session because that time can be spent building relationships with the legislators.

Vice-Chairman Cassano made a motion to approve the amendment, which was seconded by Director Cohn.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano	X		
Benson Cohn	X		
Mark Cooper	X		
James Francis	X		
Michael Jarjura	X		
Edna Karanian	X		
Mark Lauretti	X		
Theodore Martland	X		
Raymond O'Brien	X		
Non Eligible Voters			
NONE			

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, attorney-client communications and personnel matters with appropriate staff. The motion made by Director Cohn and seconded by Director Cooper was approved unanimously. Chairman Pace requested that the following people be invited to the Executive Session:

Tom Kirk
Jim Bolduc
Floyd Gent
Laurie Hunt
Alan Curto

The Executive Session began at 11:45 a.m. and concluded at 12:50 p.m. Chairman Pace noted that no votes were taken.

The meeting was reconvened at 12:50 p.m.

Chairman Pace noted that, due to a lack of a sufficient number of directors available for a vote on the remaining item, a Special telephone meeting would be necessary on Monday, October 3 at a time to be determined and said there would be one item on the agenda.

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn made by Director Cohn and seconded by Director Cooper was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 12:52 p.m.

Respectfully submitted,

Kristen B. Greig
Secretary to the Board/Paralegal