

**Policies & Procurement Committee  
Oct. 14, 2010 Meeting**

**Draft Minutes**

Members Present: Dave Damer, Committee Chairman (present by telephone)  
Dot Kelly (present by telephone)  
Nicholas H. Mullane (present by telephone)

CRRA Staff Present: Tom Kirk, President  
Peter Egan, Director of Environmental Affairs  
Laurie Hunt, Director of Legal Services  
Moira Benacquista, Secretary to the Board/Paralegal

Members of the Public: Geoffrey McAlmond of M.B. Bushnell, LLC.

Chairman Damer called the meeting to order at 9:47 a.m. and noted that a quorum was present.

Chairman Damer requested that everyone stand for the Pledge of Allegiance whereupon the Pledge was recited. Noting that there were no members of the public present which cared to speak during public comment, Chairman Damer stated that the regular meeting would commence.

**1. APPROVAL OF MINUTES OF THE SEPT. 16, 2010, POLICIES & PROCUREMENT COMMITTEE MEETING**

Chairman Damer requested a motion to accept the minutes of the Sept. 16, 2010, Policies & Procurement Committee meeting. The motion to approve the minutes was made by Director Kelly and seconded by Director Mullane.

The minutes were approved unanimously by roll call.

**2. REVIEW AND RECOMMEND FOR BOARD APPROVAL RESOLUTION REGARDING CONTRACT FOR SOIL DELIVERY TO THE HARTFORD LANDFILL**

Chairman Damer requested a motion on the above-referenced item. Director Mullane made the motion, which was seconded by Director Kelly.

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

Chairman Damer asked if CRRA is likely to see the funds described in the write-up as the last contracted soil delivery ended up going elsewhere. He noted the soil is coming from MDC.

Mr. Egan said historically management looks for soil approved by the Connecticut Department of Environmental Protection (hereinafter referred to as "CT DEP") to be delivered to the landfill for final shaping and contouring. He said this is preferably soil which CRRA can charge money for as it is

tainted. He said CRRA publically noticed the availability of capacity for prospective soil generators and in response there were several inquiries. Mr. Egan said two of those were larger deals, and a contract was put into place to accept soil located in the City of Hartford (which was generated by MDC) for \$9.00 a ton. He said the Project moved more quickly than the approval process by the CT DEP and as a result none was delivered to the Hartford landfill.

Mr. Egan said this contract with Manafort is also from soil generated from the MDC sewer Project and will bring in soil at a \$15.00 a ton rate. He said CRRA has been receiving loads for two weeks. He said there have been multiple inquires by companies which are trying to dispose of soil however the quantity of the soil is often too low and/or the contaminant level is unacceptable. Mr. Egan said there is another agreement in place which involves a much smaller increment. He said due to the particulars of the regulatory status the price will be much higher than \$15.00 a ton however that agreement has yet to be executed.

Mr. Egan said this contract was established at the maximum level CRRA may need over the next year. Chairman Damer asked how much soil is needed and over what time period is it required. Mr. Egan said CRRA has until the next summer to fill the remaining space on the East side of the river with about 60,000-70,000 yards of air space available much of which hopefully will be filled by this contract. He said the final closure of that back side will begin next spring and will continue for two construction seasons.

Chairman Damer asked if he is correct in assuming that this soil will not be used in the final cover but only for contouring. Mr. Egan said that was correct. He said this soil will be placed under the synthetic cap due to its quality and level of contaminants Mr. Egan said management is looking for soil to place over the cap and has several leads on stockpiling soil which can be used to supplement the construction contractor's needs.

Chairman Damer said if this material is brought in it may satisfy the required material needed for under the cap. Mr. Egan agreed. He asked if excess material will be brought in as well for the contouring the next spring. Mr. Egan said yes. Chairman Damer asked if CRRA is obligated to take up to 100,000 yards. Mr. Egan replied no, he explained CRRA is not obligated to take in more soil than it requires.

Director Mullane asked how much material is above the cap. Mr. Egan said there is about 2 feet of earthen materials over 34 acres which is comprised of about 18 inches of relatively high permeability material in the form of dirt and then 6 inches of soil which serves as the vegetative support layer. He said it is a significant piece of the closure construction costs.

The Committee thanked management for their thoroughness.

The motion was approved unanimously by roll call.

3. **NOTIFICATION – MANAGEMENT INTENDS TO EXERCISE AN OPTION TO EXTEND CONTRACTS FOR OPERATION OF THE MID-CONNECTICUT TRANSFER STATIONS**

Mr. Egan said five years ago CRRA went out to bid and identified and contracted with two separate companies to operate the four Mid-Connecticut solid waste transfer facilities. He said CWPM

operates Essex, Ellington and Watertown and Copes Rubbish Removal operates Torrington. Mr. Egan said those contracts are each for a base five year term with two one year extensions. He said the extensions were included as CRRA anticipated the need to avoid the contract process during the transition from the existing Mid-Ct Project to the Future Project. Mr. Egan said it is not appropriate to go out to bid for another five year contract to operate the transfer stations due to the uncertainty of how much waste will be controlled. He said it is appropriate to exercise the first of the two year extensions. Mr. Egan said the five year term contract expires June 30, 2011, and this extension would begin July 1, 2011, and continue through June 30, 2012, at which time there would be one final year option. He said there is a prescribed inflator in the contract which management is going to exercise in this option with these two contractors.

Director Mullane agreed that given the current transition of the project this exercise is prudent.

Chairman Damer said he had difficulty understanding how the estimated contract values for these extensions compares to the current year. Mr. Egan said a table which compares the previous year and estimated contract values can be inserted in the write-up. He said there are two components to the contract an operation and maintenance fixed lump sum fee which is paid monthly to the operator and a per ton transportation fee for each ton, which may escalate.

Director Kelly said the write-up does not contain information concerning whether a similar price would be secured if management went out to bid. Mr. Kirk said management would provide information on the evaluation of the current market. He said last time this was bid there were not many bidders, which management feels would occur again if they were to go out to bid currently. Mr. Kirk said management feels there would not be an improvement in pricing and there may even be higher figures as those bidders are aware competition is limited.

Director Mullane asked if transportation costs are running higher today. Mr. Kirk said yes. He said the existing five contract and extensions contain escalators. Director Mullane said the market is interesting as there are often few bidders involved due to the closure of existing business as a result of the economy. Mr. Kirk agreed. He said the operating expenses for this type of business involve a huge capital investment.

Chairman Damer thanked Ms. Hunt for including an explanation of the process by which the Committee and Board will be alerted to this action by management.

#### **4. DISCUSSION – MID-CONNECTICUT RESOURCE RECOVERY FACILITY SOLID WASTE PERMIT RENEWAL**

Mr. Egan said management is in the process of renewing the solid waste permit for the Hartford waste to energy plant which was submitted for renewal in 2004. He said the CT DEP approached issuing the permit after five years of discussions between management and the CT DEP both of which wish to get this renewal issued.

Chairman Damer said the original permit continues in effect until the CT DEP issues a new one. Mr. Egan said that was correct. He said there are two new conditions which were inserted in the permit renewal which were only recently brought to management's attention. Mr. Egan said that Wheelabrator Bridgeport has already agreed to these conditions when they were issued a new permit after CRRA submitted an application to be removed from the existing permit. He said these conditions

have also been inserted and accepted in the Covanta Wallingford permit when the Wallingford Project ended June 30 and CRRA submitted an application to remove its name from the solid waste permit. Mr. Egan said the CT DEP issued the new permit to Covanta in September with this new language without giving Covanta an opportunity to comment.

Mr. Egan said when he saw a draft version of the permit for the Hartford Resource Facility these requirements were included as well. He explained the conditions will place additional time and financial burdens on CRRA and it is his sense this is not an issue that the CT DEP will change its mind on. Mr. Egan said in summary there is one condition which requires that CRRA inspects 5%, or 3,150 a year, 262 a day, or 13 loads a day of the deliveries which come into the plant every year which will take more time and effort by the enforcement group. He said enforcement does not currently inspect that many loads a day. Mr. Egan said the standard prescribed in the permit involves taking photos of the load; writing up any issues, and mailing a letter if there is an issue to the hauler and the municipality as well as documenting the issue in CRRA. He said typically without any issues the inspections take about a half an hour. He said if there is an issue which requires follow ups and possible violations the process can take about an hour per inspection. Mr. Egan said this will impact the haulers.

Mr. Egan said the other change in the permit is a definition of what a significant quantity of recyclable material within the load is. He explained the CT DEP would like enforcement to go through the load and if 10% or more of recyclables are discovered CRRA is expected to notice the hauler and the municipality and include those findings in the monthly report submitted to the CT DEP. Mr. Egan said historically the law and the regulation used the term “significant” to describe around 20-30% of recyclables. He said an example is a load which comes in from a condo containing a big slug of cardboard. Mr. Egan said this change will require enforcement to look at each load and assess whether there is more than 10% of recyclables.

Mr. Egan said the other condition contained in this permit concerns engaging a third party consultant or professional engineer to conduct a comprehensive compliance inspection of the facility four times a year. He said they would go through the permit and all applicable regulations and produce a report after CRRA identifies an inspector (which requires approval from the CT DEP) four times a year. Mr. Egan said he is presently unsure of the time and cost this change may make as it is dependent on the scope of work. He said on one end it may take 40 hours a week for the consultant to be assured they have looked at everything or on the other hand a more condensed check list could take far less depending on the scope written by CRRA and how the third party consultant decides how they need to certify a report to the CT DEP in order to be sure CRRA is in compliance. Mr. Egan said the consultant also has to inspect ten trucks for recyclables on a quarterly basis.

Mr. Egan said there is also a condition whereby CRRA has to describe any outreach efforts regarding pay as you throw programs. He said this could be read as a legally enforceable condition in a permit for CRRA to establish pay as you throw programs. He said he is not inclined to agree with that and has informed CT DEP he objects.

Mr. Egan explained he has written a letter to the CT DEP objecting to these proposed new additions and proposing in the case of the pay as you throw provisions to have that removed entirely as it is not appropriate in a solid waste permit. He said he has proposed the inspection for compliance be annual rather than quarterly and that the third party inspect trucks twice a year versus four times. Mr. Egan said he is proposing with regards to the 5% load inspection internally that CRRA be allowed to

do 1% of the load which is thirteen loads a week rather than thirteen loads a day. Mr. Egan said he hopes to have a meeting with CT DEP soon and has asked that a tentative determination not be issued until management has a chance to meet with CT DEP. He said however the fact is that this language is already in a couple of permits and is in at least one permit for a volume reduction facility. Mr. Egan said CT DEP intends for all solid waste facility permits to contain this language as they come due for renewal over the next few years including CRRA's four transfer stations. He is going to try and negotiate the best terms possible without elevating it to the level of simply objecting. Mr. Egan said at that point a judicatory hearing with a CT DEP hearing officer would be held.

Chairman Damer asked if he was correct that all of these draft conditions have been inserted and accepted by the Bridgeport Facility and the Wallingford facility. Mr. Egan replied yes. Chairman Damer said the inspectors on a quarterly basis will replace or supplement inspections performed by a CT DEP inspector. He asked how often a CT DEP inspector does their inspections or audits. Mr. Egan replied every two or three years from a solid waste perspective.

Director Mullane asked if there are any on data on the compliance for these restrictions by the other plants which have had this imposed. Mr. Egan replied no. Director Mullane asked if suspected haulers are targeted during inspections. Mr. Egan replied no. He said they are random and unscheduled which is what CT DEP is suggesting be done concerning these changes as well. Director Mullane asked what type of fines and penalties are involved. Mr. Egan said the permit only required that enforcement inform the municipalities and hauler that more than 10% of recyclables was found. He said CRRA has a separate enforcement program and penalty for loads with recyclables and hazardous waste as well as a fine schedule for waste that comes in from communities where there is a contract issue.

Director Mullane asked if there has been push back or complaints from the haulers. Mr. Egan said it has come as a surprise to some of them. He said management will inform the haulers of this condition at the next quarterly hauler meeting.

Mr. Egan said he would not accept a 60 day time frame as CRRA would need to identify, hire a consultant, and receive CT DEP's agreement to place a contract in place within that short time frame. Chairman Damer asked that this information be brought to the municipalities at their quarterly meeting as well, management agreed.

A discussion on the positive and negative aspects for these permit changes was undertaken.

## 5. **INFORMATIONAL**

Chairman Damer said that the informational section had been thoroughly reviewed.

## 6. **EXECUTIVE SESSION**

Chairman Damer requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, and feasibility estimates and evaluations. The motion made by Director Mullane and seconded by Director Kelly was approved unanimously. Chairman Damer requested that the following people remain for the Executive Session, in addition to the Committee members:

Tom Kirk  
Laurie Hunt, Esq.  
Peter Egan

The Executive Session commenced at 10:45 a.m. and concluded at 11:20 a.m. Chairman Damer noted that no votes were taken.

The meeting was reconvened at 11:20 a.m., the door was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

**ADJOURNMENT**

Chairman Damer requested a motion to adjourn the meeting. The motion made by Director Mullane and seconded by Director Kelly was approved unanimously by roll call.

The meeting was adjourned at 11:20 a.m.

Respectfully submitted,

Moira Benacquista  
Secretary to the Board/Paralegal