

**RESOLUTION REGARDING THE ADOPTION OF
THE FISCAL YEAR 2010 RECOMMENDED
METROPOLITAN DISTRICT COMMISSION
MID-CONNECTICUT PROJECT ANNUAL OPERATING BUDGET**

WHEREAS, The Metropolitan District Commission (MDC) prepared a fiscal year 2010 annual operating budget for the Mid-Connecticut Project (the fiscal year 2010 Proposed) and submitted such operating budget to the Authority for review on February 2, 2009, in accordance with the requirements of the CRRA/MDC Mid-Connecticut Project Agreement (the "Agreement"); and

WHEREAS, upon its review, the Authority determined that the fiscal year 2010 Proposed Administration budget submitted by the MDC included \$8.3 million for a line item entitled MDC Contract Separation Costs, as well as certain other personnel-related items, which the Authority does not believe fall within its obligation to pay "the actual cost of the services and materials provided" by the MDC under the terms of the Agreement; and

WHEREAS, the Authority has revised the MDC budget to delete such separation costs, and has reduced other personnel-related and maintenance costs; and

WHEREAS, upon its review, the Authority has reduced the fiscal year 2010 Proposed Waste Processing Facility (WPF) budget submitted by the MDC by a total of approximately \$2.4 million. The reduction reflects a decrease in personnel costs related to pension by \$1.8 million and regular and overtime pay by \$0.3 million, deletion of maintenance costs for treatment equipment by \$0.3 million, and associated indirect costs by \$0.3 million. The Authority has included a contingency fund of \$0.3 million; and

WHEREAS, the Authority believes that the MDC annual budget, as revised above and adopted hereby, satisfies the Authority's obligation to provide for the appropriation of funds to meet its FY 2010 responsibilities under the Agreement;

NOW, THEREFORE, it is

RESOLVED: That the Board hereby adopts the fiscal year 2010 Mid-Connecticut Annual Operating Budget as submitted by the MDC and revised by the Authority in the form presented at this meeting.

Board Meeting
HANDOUT

FEB 26 2009

FROM: Finance