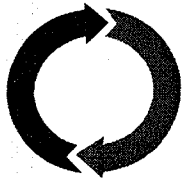


**CRRA
BOARD MEETING
Feb. 25, 2010**



**CONNECTICUT
RESOURCES
RECOVERY
AUTHORITY**

**100 Constitution Plaza • Hartford • Connecticut • 06103 • Telephone (860)757-7700
Fax (860)757-7745**

MEMORANDUM

TO: CRRA Board of Directors
FROM: Moira Kenney, Secretary to the Board/Paralegal
DATE: Feb. 19, 2010
RE: Notice of Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, Feb. 25, 2010 at 9:30 a.m. The meeting will be held in the Board Room of 100 Constitution Plaza, Hartford, Connecticut.

Please notify this office of your attendance at (860) 757-7787 at your earliest convenience.

Connecticut Resources Recovery Authority
Board of Directors Meeting

Agenda
Feb. 25, 2010
9:30 AM

I. Pledge of Allegiance

II. Public Portion

A ½ hour public portion will be held and the Board will accept written testimony and allow individuals to speak for a limit of three minutes. The regular meeting will commence if there is no public input.

III. Minutes

1. Board Action will be sought for the approval of the Jan. 28, 2010, Board Meeting Minutes (Attachment 1).

1.a Action Items

IV. Board Committee Reports

A. Finance Committee Reports

1. Board Action will be sought for the FY10 MDC Mid-Conn Operating Budget (Attachment 2).
2. Board Action will be sought for the FY10 Mid-Conn Budget (Attachment 3).
3. Board Action will be sought Regarding the 3 Year Contract for Economic Advisor (Attachment 4).

B. Policies & Procurement Committee

1. Report to Board on RFS for Single-Stream Recycling Marketing and Public Relations Campaign (Attachment 5).

C. Organizational Synergy & Human Resources Committee

1. Report to Board on Organizational Synergy & Human Resources Committee meeting.

V. Chairman and President's Reports

VI. Executive Session

An Executive Session will be held to discuss pending litigation, real estate acquisition, pending RFP's, and personnel matters with appropriate staff.

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND SEVENTY-SECOND

JANUARY 28, 2010

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, January 28, 2010, in the Board Room at CRRA Headquarters, 100 Constitution Plaza, Hartford, Connecticut. Those present in Hartford were:

Chairman Michael Pace

Directors: David B. Damer
Alan Desmarais
Michael Jarjura
Mark Lauretti (present by phone until arrival in person at 10:19 a.m.)
Theodore Martland (present by telephone)
Nicholas Mullane
Raymond O'Brien (present by telephone)
Linda Savitsky
Stephen Edwards, Bridgeport Project Ad-Hoc
Warren Howe, Wallingford Project Ad-Hoc

Present from CRRA management:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Jeffrey Duvall, Manger of Budgets & Forecasting
Peter Egan, Director of Environmental Affairs & Development
Laurie Hunt, Director of Legal Services
Paul Nonnenmacher, Director of Public Affairs
Moira Kenney, Secretary to the Board/Paralegal

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

Chairman Pace called the meeting to order at 10:08 a.m. and said 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.

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

APPROVAL OF THE DECEMBER 29, 2009, SPECIAL BOARD MINUTES

Chairman Pace requested a motion to approve the Dec 29, 2009, regular meeting minutes. Director Savitsky made the motion which was seconded by Director Damer.

The motion to approve the minutes was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

APPROVAL OF THE DECEMBER 17, 2009, REGULAR MINUTES

Chairman Pace requested a motion to approve the Dec 17, 2009, regular meeting minutes. Director Savitsky made the motion which was seconded by Director Damer.

The motion to approve the minutes was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien, Director Savitsky, Director Edwards and Director Howe voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford	X		

FINANCE COMMITTEE REPORTS

ADDITION OF AN ITEM TO THE AGENDA CONCERNING THE ADOPTION OF THE SOUTHWEST DIVISION OPERATING BUDGET AND TIP FEE FOR THE STUB PERIOD OF JANUARY 1, 2010 – JUNE 30, 2010

Chairman Pace requested a motion to add an item to the agenda.

Director Savitsky made the motion to add an item to the agenda concerning the Southwest division operating budget and tip fee for the stub period of January 1, 2010 – June 30, 2010.

Director Desmarais seconded the motion to add an item to the agenda.

Director Savitsky said this resolution was inadvertently overlooked and was determined necessary after the Finance Committee meeting. She explained it requires Board approval and covers a six month period.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien, Director Savitsky, Director Edwards and Director Howe voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford	X		

RESOLUTION REGARDING THE ADOPTION OF THE SOUTHWEST DIVISION OPERATING BUDGET AND TIP FEE FOR THE STUB PERIOD OF JANUARY 1, 2009 – JUNE 30, 2010

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Desmarais:

RESOLVED: That the SouthWest Division operating budget for the period of January 1, 2010, through the June 30, 2010 be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That \$100,485 of the prior year contract year's fuel settlement be used to offset the increase in the Wheelabrator service charge; and

FURTHER RESOLVED: That a municipal solid waste tip fee of \$63.00 per ton be adopted for contracted member waste for the period of January 1, 2010, through June 30, 2010.

Director Damer seconded the motion.

Mr. Bolduc said the contract, which was signed the first year with the Bridgeport Southwest towns, was for twelve months, not a fiscal year but a calendar year which went from January to December. He said that the contract had a stub period budget, the goal of which was to set the contract back to a fiscal year budget starting in July 2010 which is the FY'11 budget.

Mr. Bolduc said that that budget went to the Finance Committee. He explained while reviewing the budget with Director Edwards management realized it had not brought the stub six-month budget forward. Mr. Bolduc said that there is nothing unusual about this budget. He said the contracts for these towns are fixed and use the CPI index defined in the contract. He said that the only variable in the whole equation is that the contract has a baseline for diesel fuel at \$4.25 a gallon which is reconciled at the end of each period. He said in this case it was reconciled at the end of December. Mr. Bolduc said that it yielded approximately \$150,000 of potential rebate dollars that would go back to the towns.

Mr. Bolduc said that in discussion with Director Edwards, because this period falls in the middle of the town budgets, it was agreed to hold the tip fee at \$63.00. He said the towns' fiscal year budget ran July of last year through December of last year. He said essentially management is using up \$100,485 to keep the tip fee at \$63.000 for the remainder of these six months. Mr. Bolduc said that Director Edwards has a slight change that he wishes to make to the resolution.

Director Edwards said that this was an oversight as the contract has a stub budget and this will get us back on an annual year. He said unfortunately the towns have set their budget this fiscal year with the understanding that the tip fee is \$63.00. He said that he believes it is advantageous to use the rebate money to augment the tip fee in order to avoid placing the financial burden on the project member towns. Director Edwards said the resolution for the prior contracts is based on the deliverable which was based on meeting the minimum commitment of 130,000 tons. He said based on the reality of production that number should be about 111,000 tons because the project is not meeting its commitment. Director Edwards said the \$100,000 is really going to be over what is needed. He suggested the verbiage be changed to state "up to \$100,485" in order to avoid putting in more than what is necessary.

The Board agreed that the intent of this discussion concerning the resolution is to make it clear for the record that any money which is not needed to balance the budget out will be put back into the operating fund which is reallocated.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien, Director Savitsky and Director Edwards voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford			

RESOLUTION REGARDING THE ADOPTION OF THE 2011 SOUTHWEST DIVISION OPERATING BUDGET AND TIP FEE

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Desmarais:

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

FURTHER RESOLVED: That a fiscal year 2011 municipal solid waste tip fee of \$64.16 be adopted for contract member waste.

Director Damer seconded the motion.

Mr. Bolduc said that these budgets are less complex than budgets typically brought before the Board as they are driven by fixed contracts with Consumer Price Index (hereinafter referred to as "CPI") indexes. He said that this one has the same proviso with the reconciliation of the diesel fuel because every year it resets back to the \$4.25. Mr. Bolduc said at the end of the year reconciliation is done and any excess funds are available for a potential rebate.

Chairman Pace asked Mr. Bolduc to explain what he meant by 75% of the CPI. Mr. Bolduc said that the 2.42% number represents the CPI index for the Northeast Region, which includes New York, northern New Jersey, Long Island, Connecticut, and Pennsylvania. He said that it is the CPI for urban wage earners and clerical workers and the 75% is the contract factor to be applied to the operator fee.

Mr. Edwards said that the fact that these conditions are stipulated in the contract makes the budget process easier as there is a set fee using the CPI index.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien, Director Savitsky and Director Edwards voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport	X		
Warren Howe, Wallingford			

RESOLUTION REGARDING THE DISBURSEMENT OF AUTHORITY FUNDS

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Desmarais:

RESOLVED: That the funds of the Authority deposited or invested in any financial institution (except Trustee-held funds) be subject to withdrawal at any time through checks, notes, drafts, bills of exchange, acceptance, or other instruments (including wire transfer and electronic banking) for the payment of money when made, signed, accepted or endorsed on behalf of the

Authority, by two of the following: Tom Kirk, Jim Bolduc, Bettina Ferguson, Jeff Duvall or Tina Mateo, provided however that Tom Kirk, Jim Bolduc or Bettina Ferguson must at least be one of the two signers.

FURTHER RESOLVED: That any funds transferred solely between Authority bank accounts shall require a signature from only one of the individuals authorized above.

FURTHER RESOLVED: That funds of the Authority held by the Trustee be subject to withdrawal at any time upon written requisitions or instructions for the payment of money, when made, signed, accepted or endorsed on behalf of the Authority by any one of the individuals authorized above.

Director Savitsky seconded the motion.

Director Savitsky said that this item was passed on by the Finance Committee and tabled by the full Board. She said the current resolution contains changes discussed by the Finance Committee and Board. Director Savitsky said at this point the resolution has been discussed in great detail.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

FINANCE COMMITTEE UPDATE

Director Savitsky said that the Finance Committee has plans to discuss the Mid-Conn budget as its approval takes place under a time constraint. She said that the February Finance Committee meeting will be reviewing that budget and urged any Board members to join the Committee for further discussion.

POLICIES & PROCUREMENT COMMITTEE

RESOLUTION REGARDING SIGNATORY AUTHORITY FOR HAZARDOUS WASTE MANAGEMENT REPORTS AND OTHER APPLICABLE INFORMATION

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Jarjura:

RESOLVED: Pursuant to Conn. Gen. Stat. Section 22a-277(c) the board hereby authorizes the President to delegate to David M. Bodendorf, Senior Environmental Engineer, and Christopher R. Shepard, Environmental Engineer, as duly authorized representatives of the Authority, the authority to sign permit-required reports and other applicable information submitted by CRRA to the Connecticut Department of Environmental Protection, in connection with hazardous waste management and permitting programs, substantially as presented and discussed at this meeting. This delegation of authority, in the President's opinion, would be appropriate for the prompt and orderly transaction of the business of the Authority.

Director Damer seconded the motion.

Vice-Chairman O'Brien said this resolution is fairly straightforward and beneficial to CRRA.

Mr. Egan said that CRRA has many environmental permits, under different regulations, most of which require that when information is submitted to the Government it is certified as correct by someone from CRRA. He said typically he is that signatory.

Mr. Egan said that in 2009 some signatory authority concerning water related matters was delegated to Chris Shepard. He said that six months prior there were two new permits for two landfills under the hazardous waste regulations. Mr. Egan said this resolution gives authority to Mr. Bodendorf and Mr. Shepard to sign monitoring reports and landfill inspection reports. He said he is in close contact with these employees for questions and issues and is comfortable delegating this authority to them.

Chairman Pace pointed out the Mr. Bodendorf is also responsible for the day to day operations and is first hand with these responsibilities and is then signing directly off on work that he has performed. Vice-Chairman O'Brien agreed.

Director Desmarais asked what the purpose of the delegation is.

Mr. Egan said that it reduces his personal workload and delegates the workload to someone who is equally competent.

Director Desmarais said there is a benefit to having review of a document. He said in reference to internal controls, would Mr. Egan maintain review of these documents and asked whether there will be upper-level oversight of those documents.

Mr. Egan replied yes. He explained that he has regular conversations and meetings with his staff and any issues which are relevant will be discussed. He said that he does not scrutinize these reports and Mr. Bodendorf and Mr. Shepard do. Mr. Egan said that he makes sure the reports are submitted in a timely manner through his reviews of the compliance calendar.

Director Desmarais asked if the Connecticut Department of Environmental Protection (hereinafter referred to as the "CT DEP") and the Environmental Protection Agency (hereinafter referred to as "EPA") are comfortable with the change in signatories.

Mr. Egan said that the CT DEP and EPA will be notified of the change.

Vice-Chairman O'Brien said that although this resolution provides for efficiency it does not relive Mr. Egan or Mr. Kirk of their responsibility with compliance. Mr. Egan said that was correct.

Director Damer said that he was concerned any item which goes to the CT DEP is important. However discussion during the Policies & Procurement Committee provided assurance that Mr. Egan would have oversight on these matters.

Director Edwards asked, from an internal point of view, whether these changes in delegations may cause a request for a salary increase with these new job responsibilities. Mr. Egan replied no.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

RESOLUTION REGARDING ENGINEERING SUPPORT ASSOCIATED WITH INSTALLMENT OF A FUEL TANK FOR THE JET TURBINE FACILITY AT THE SOUTH MEADOWS SITE

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Damer:

RESOLVED: That the President is hereby authorized to enter into a contract with TRC Environmental Corporation to provide engineering support associated with the installation of a new fuel tank at the South Meadows Jet Turbine Facility, substantially as discussed and presented at this meeting.

Director Desmarais seconded the motion.

Director Damer said that the Board has already provided authorization in proceeding with the replacement of the jet fuel tank at the South Meadows facility. He said that this resolution details some changes in managing the bids for that work.

Mr. Egan said that the jet fuel tank at the South Meadows site is approximately 60 years old. He explained that it holds jet fuel and supports the four jet peaking units' twin packs on site. Mr. Egan said that an inspection the past summer revealed that there is corrosion around a bottom chime and the engineers' report indicates that it should be replaced by the summer of 2011. He said this matter was discussed at the September meeting and the Board authorized funding to replace the fuel tank.

Mr. Egan said at that time NGS was managing the tank replacement and had provided CRRA with an estimated price. He said that after further investigation NGS determined that it was not capable from a staffing and knowledge standpoint to undertake contract management of the investigation to design the engineering and perform the bidding to identify and install the tank. Mr. Egan said that this resolution is to give the engineering design project to an engineering firm to bid out to the private-sector installation of the new tank.

Mr. Egan said that the tank's size is going down from 5 million gallons to 500,000 gallons, which will serve a pivotal need for the facilities' black-start capabilities for which CRRA recovers a payment from ISO New England. He said he hopes the construction will be done this calendar year. Mr. Egan said the tank needs to be taken out of service by the summer of 2011 and this project needs to be started now. He said TRC is the appropriate contractor for this matter as it has the information and experience at this site as well as remediating with the contractors at the site for the past eight years which gives them an advantage and insight on how to manage this project effectively and assemble a bid package to attract installation and fabrication companies to assemble the tank.

Director Laretti asked if this resolution is just for the engineering services for installation. Mr. Egan said that was correct.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Laretti, Director Martland, Director Mullane, Vice-Chairman O'Brien and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

CHAIRMAN'S REPORT

Chairman Pace said that CRRA is still in the process of moving forward and looking at organizational structure as Wallingford is phased out. He said there are also many political issues he is also working to address with management. Chairman Pace said that there was a meeting at the Legislative Office Building called by Mayor Currey in an initiative with other towns which are looking to change the governance of the CRRA Board through legislative action. He said she made several comments which are incorrect. He said for example she said that CRRA's overhead and administrative fee were substantially higher than they actually are. Chairman Pace said he was somewhat taken by surprise when the meeting was closed suddenly. He said he approached the microphone and stated that he wanted to speak and the meeting was re-opened so he could say a few words.

Director Savitsky said for the record that the group which has been meeting for a long time under the auspice of a CRCOG committee is required to hold such meetings in public. She asked whether minutes are available for these meetings which have taken place and asked management to procure notes of the meetings.

Chairman Pace said he thinks it is interesting that Mayor Currey opened the meeting by discussing transparency and accountability with Mr. Barlow and another gentleman who discussed efficiency. He said he would be curious concerning not only the minutes of those meetings but also regarding contracts with other individuals.

Chairman Pace said the make-up of the CRCOG Board is something to be explored for the best interest of the towns. Chairman Pace said he was a volunteer brought to CRRA to work with management by order of the Legislature to bring the company back. He said Mayor Currey was invited to join the Board, as she is critical of it, however she declined.

Chairman Pace said at the end of the day the feeling he got from attending that meeting is that the CRCOG group wants to take over CRRA. Director Jarjura asked how the Legislature felt about these efforts. Chairman Pace said he believes there are some inside discussions taking place and possible affiliations with other organizations.

Director Savitsky asked whether the Chairman of the Environment Committee was there. Mr. Kirk said that the Chairman of the Committee was not present.

Chairman Pace said there are questions that need to be answered by the Legislature before putting the seventy Mid-Conn Project towns at risk.

Director Lauretti said he has expressed commentary regarding these matters over the years. He said he was in attendance at the meeting with the intention of offering his own commentary. He said he did not have to as Chairman Pace represented the interest of the Board, the Towns, and the State of Connecticut quite well.

Director Savitsky asked whether there was indication of further meetings by this group. Director Desmarais said that the meeting just ended any handouts were a compilation of other material that has been seen before. Director Savitsky asked whether there was an independent analysis done that would show how costs could be changed and or saved.

Vice-Chairman O'Brien asked whether this message would be discussed further at the CRRA Annual Meeting. Chairman Pace said that could be a possibility. Vice-Chairman O'Brien said the Board has to look at the cost for manning the Waste Processing Facility which comes out to \$31.50 a ton. Mr. Kirk said that item is on the agenda for the CRRA Annual Meeting. He said that management wants to make sure any comparisons which may be made are accurate.

PRESIDENT'S REPORT

Mr. Kirk said the recent forensic audit revealed a mathematical presentation discrepancy concerning CRRA cumulative spending over \$50,000. He said the issue was brought to the attention of the Policies & Procurement Committee and a correction was made, the correct version of which is included in the Supplemental Package.

Mr. Kirk said the dispute between CRRA and MDC concerning post-expiration costs is in arbitration. He said CRRA has not made much progress on the arbitration road. He said that the sub-dispute is over MDC's choice for arbitrator, a choice which CRRA does not feel is independent. Mr. Kirk said that the issue of whether or not arbitrators must be independent will be decided by a judge hopefully within the next 6-8 weeks.

Mr. Kirk said concerning the SouthWest division a settlement was made with Wheelabrator to eliminate any possibility of shortfall charge for the tons that were not delivered according to the minimum commitment of the contract. He said the agreement works for CRRA and the Towns.

President Edwards asked Mr. Kirk whether this was for the past year or the contract. Mr. Kirk said he believes it is for the past year, although Wheelabrator seems to be in agreement that as long as it continues to accept spot waste from flow-controlled towns it does not have the right to an under-delivery charge.

Mr. Kirk said that new hauler agreements for the Mid-Conn facilities and new MSAs for post-2012 are under development. He said that management hopes to have MSA drafts out to the towns and returned back with comments by April 30th.

Mr. Kirk said that the SouthWest division continues in discussion in an effort to find a solution to allow conversion of the Stratford facility to single-stream. He said that the Project is struggling to find enough tons. Mr. Kirk said with Greenwich the Project has just about 40,000 tons, which barely permits economic sense of a conversion to single stream. He said it is a struggle to find those tons and as a result a multitude of options are being considered.

Mr. Kirk said one option is to shut down the facility and truck the single stream items to Hartford or even using a third-party contractor to process the waste.

Director Edwards said it is questionable whether Greenwich will remain a SWEROC member town after June. He explained that Greenwich's transportation costs have been offset in an effort to keep its membership and tonnage in SWEROC. Director Edwards said that Greenwich has been dealing with issues related to transportation.

Mr. Kirk said the SWEROC project runs on a net-cost basis. He said in the past management has subsidized recycling with tipping fees from waste disposal, which are not available in the new agreement. He said management is trying to negotiate a deal which will most likely not offer the types of rebates offered in Hartford. Mr. Kirk said it is management's goal to keep that site a publically owned facility which frankly may not be possible.

Mr. Kirk said keeping Greenwich is very important. Director Edwards said, ideally, picking up West Haven or North Haven is a better option as they are located centrally for transportation costs however they are currently contracted with Willimantic Waste. Mr. Kirk said the commitment of the SWEROC towns to the SWEROC project is through June 30, 2011, and they have until June 30, 2010, to provide notice of whether or not they are exiting the Project.

The Board undertook a discussion concerning ownership of the Stratford facility.

Mr. Kirk said that the Policies & Procurement Committee and Future Options Committee have been updated on the Summit Bio Fuel option. He said management is still struggling to find an acceptable return to match the risk and is hopeful to find a solution in the future.

SHORT RECESS

Chairman Pace said that there would be a five min. recess followed by the Executive Session.

The meeting was recessed from 11:15 a.m. until 11:20 a.m.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, real estate acquisition, pending RFP's, and personnel matters with appropriate staff. The motion made by Director Jarjura and seconded by Director Damer 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 motion to enter into Executive Session was approved unanimously by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien and Director Savitsky voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mike Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

The Executive Session began at 11:20 a.m. and concluded at 12:01 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 12:02 p.m., the door to the Board room was opened, and the Board secretary and all members of the public (of which there were none) were invited back in for the continuation of public session.

RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL EXPENDITURES

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Jarjura:

WHEREAS, the Attorney General has entered into a Professional Services Agreement with the law firm of Pepe & Hazard LLP for the prosecution of the Enron Global litigation, pursuant to which Agreement, the Authority pays the out-of-pocket expenses of such litigation; and

WHEREAS, the Board of Directors has previously authorized a certain amount for payment of such projected expenses during fiscal year 2010; and

WHEREAS, CRRA expects to incur additional legal expenses in connection with this matter;

NOW THEREFORE, it is RESOLVED: That the following additional amount be authorized for payment of legal expenses to be incurred through June 30, 2010:

Firm:

Amount:

Pepe & Hazard

\$35,000

Further RESOLVED: That the President be authorized to expend up to \$35,000 from the Post Litigation Reserve Account for payment of legal expenses incurred in the remaining months of fiscal year 2010 in connection with the Enron Global litigation continuing under the aegis of the Attorney General.

The motion was seconded by Director Damer.

Chairman Pace asked that a letter be forwarded to the Attorney General on the basis that he is able to make a legal decision.

Vice-Chairman O'Brien asked for a letter of opinion on the vote concerning this resolution.

The motion to approve the resolution was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Martland, Director Mullane and Vice-Chairman O'Brien, voted yes. Director Lauretti and Director Savitsky voted no.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti		X	
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky		X	
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

RESOLUTION REGARDING ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING PERFORMANCE AND MERIT INCREASE OF CERTAIN SENIOR MANAGEMENT

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Jarjura:

RESOLVED: That the Board of Directors authorizes a merit increase of 1.9% for certain Senior Management.

Director Savitsky seconded the motion.

Director Jarjura read for the record that the resolution in the original package read, "That the Board of Directors authorizes a merit increase of 1.9% for the Senior Management."

Chairman Pace said that his definition of Senior Management is currently four positions.

MOTION TO AMEND THE RESOLUTION REGARDING ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING PERFORMANCE AND MERIT INCREASE OF CERTAIN SENIOR MANAGEMENT

Director Jarjura made a motion to amend the resolution which he had read from the original package.

RESOLVED: That the Board of Directors authorizes a merit increase of 1.9% to the Director of Legal Services and the Director of Environmental Affairs and Development.

Vice-Chairman O'Brien seconded the motion to amend the original resolution.

Director Savitsky offered a friendly amendment to change the resolution to say "incumbent members thereof."

Chairman Pace said that the Board is voting to amend the original resolution to define certain Senior Management is exclusive of four and but only two.

The motion to approve the resolution as amended was approved by roll call. Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien and Director Savitsky voted yes. Chairman Pace voted no.

Directors	Aye	Nay	Abstain
Chairman Pace		X	
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

VOTE ON THE ORIGINAL MOTION ON A RESOLUTION REGARDING ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE RECOMMENDATION TO THE BOARD OF DIRECTORS REGARDING PERFORMANCE AND MERIT INCREASE OF CERTAIN SENIOR MANAGEMENT

Chairman Pace requested a motion regarding the above-captioned matter. The following motion was made by Director Savitsky:

RESOLVED: That the Board of Directors authorizes a merit increase of 1.9% to the incumbent thereof Director of Legal Services and the Director of Environmental Affairs and Development.

Director Damer seconded the motion.

The motion to approve the resolution as amended was approved by roll call. Chairman Pace, Director Damer, Director Desmarais, Director Jarjura, Director Lauretti, Director Martland, Director Mullane, Vice-Chairman O'Brien and Director Savitsky voted yes.

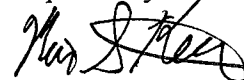
Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Alan Desmarais	X		
Michael Jarjura	X		
Mark Lauretti	X		
Theodore Martland	X		
Nicholas Mullane	X		
Raymond O'Brien	X		
Linda Savitsky	X		
Ad-Hocs			
Stephen Edwards, Bridgeport			
Warren Howe, Wallingford			

ADJOURNMENT

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

There being no other business to discuss, the meeting was adjourned at 12:08 p.m.

Respectfully submitted,



Moira Kenney
Secretary to the Board/Paralegal

TAB 2

(MAY BE SUBJECT TO FURTHER REVISION)

**RESOLUTION REGARDING THE ADOPTION OF
THE FISCAL YEAR 2011 RECOMMENDED
METROPOLITAN DISTRICT COMMISSION
MID-CONNECTICUT PROJECT ANNUAL OPERATING BUDGET**

WHEREAS, The Metropolitan District Commission (MDC) failed to meet the contractual due date of February 1st for submitting the fiscal year 2011 annual operating budget for the Mid-Connecticut Project (the fiscal year 2011 Proposed Budget). The MDC submitted such operating budget to the Authority on February 3, 2010, two days beyond the contractual due date, which caused difficulty in the Authority's budget review process; and

WHEREAS, the budget prepared by the MDC demonstrated an increase of \$16,724,195 in expenditures or additional \$22.37 per ton as compared to their fiscal year 2009 actual expenses; and

WHEREAS, The Authority immediately reviewed and submitted questions to the MDC to assist in the evaluation of the Proposed Budget; and

WHEREAS, as of February 18, 2010 no response to the Authority's request for documentation or additional information has been forthcoming from MDC; and

WHEREAS, upon its review, the Authority determined that the fiscal year 2011 Proposed Budget for the Administration submitted by the MDC included \$12,440,500 for a line item entitled "MDC Contract Separation Costs". The Authority recommends the elimination of such contract expiration costs, and further recommends maintaining the existing managerial complement level and reducing the Administration regular pay budget by an estimated \$94,550 and reducing other personnel-related costs estimated at \$497,100 which collectively will result in a reduction in Indirect Cost by \$14,900; and

WHEREAS, upon its review, the Authority determined that the fiscal year 2011 Proposed Budget for Waste Processing Facility (WPF) submitted by the MDC included an increase in a line item entitled Pension Regular for pension contribution which appears to include contract expiration costs estimated at \$3,700,900. The budget also reflected an increase in personnel-related costs due to additional headcount estimated at \$165,000. In addition, the Authority recommends a number of other reductions as follows:

- Reduce Outside Services and Consulting Services by \$118,000 to a combined total of \$32,000 which is consistent with Fiscal Year 2009 actual expenditures.
- Reduce Pest Control Services by \$5,000 to \$5,000 which is consistent with Fiscal Year 2009 actual expenditures.
- Reduce Power Operated Equipment by \$127,800 to \$852,000 which is consistent with Fiscal Year 2010 projected expenditures.
- Reduce Indirect Costs by \$31,600 to \$2,067,200 which is the related reduction to the above-mentioned reductions in expenditures.

The Authority recommends a reduction in these amounts and deletion of additional headcount. The Authority also recommends a capital budget of \$200,000 for the upgrade of primary shredder.

NOW, THEREFORE, it is

RESOLVED: That the Board hereby adopts the fiscal year 2011 Mid-Connecticut Annual Operating Budget as submitted by the MDC and revised by the Authority in the form presented at this meeting.

Fiscal Year 2011 Recommended Metropolitan District Commission Mid-Connecticut Project Annual Operating Budget

February 25, 2010

Executive Summary

The Connecticut Resources Recovery Authority (Authority) is required to submit to the Mid-Connecticut Project Municipalities an annual Fiscal Year Budget (Budget) 120 days prior to the applicable Fiscal Year. Approximately 20% of this Budget is based on the budget submitted by the Metropolitan District (MDC). Based on Article III section 1 of the Operating Agreement between the Authority and the MDC, the MDC shall prepare and submit an annual budget at least five months in advance of the applicable Fiscal Year and the Authority must adopt an annual budget prior to the first day of the applicable Fiscal Year. The MDC budget represents one fifth the Mid-Connecticut Project Budget and therefore, the management recommends adoption of the MDC budget must be adopted prior the Mid-Connecticut Project Budget.

Below highlights the chronological events pertaining to the budget review process:

- On December 2, 2009, the Authority submitted to the MDC the baseline assumptions for fiscal year 2011.
- On January 5, 2010, the Authority met with MDC and discussed several items related to their budget and invoice submittals. The Authority requested that MDC submit their portion of the Budget as soon as possible, and if MDC could not submit their portion of the Budget early, the Authority requested that MDC provide information for review as soon as it became available.
- On February 1, 2010 at 5:49 pm, Peter Egan sent an e-mail to Scott Jellison of MDC to notify the MDC that their contractual deadline of February 1st had not been met and to question when the Authority would receive the MDC portion of the Budget.
- On February 2, 2010, MDC replied to the e-mail that their portion of the Budget would be delivered later that day. However, no delivery was received from the MDC.
- On February 3, 2010 at 10:15 am, MDC delivered their budget by e-mail and by US mail.
- On February 4, 2010, the Authority's management reviewed the MDC's budget and compiled a list of 11 questions to assist the Authority in evaluating the proposed budget.
- On February 5, 2010, the Authority hand delivered the list to the MDC and requested that supporting documentation for each question be provided by February 9, 2010.
- On February 9, 2010, the Authority's management reconvened over the MDC budget to review the supporting documentation for the areas in question, however since MDC had not provided a response for any of the 11 items in question, the Authority

prepared reasonable estimates for each of the items in question with the knowledge available to the Authority's management. The Authority made the following adjustments based on its best information available regarding the proposed budget:

Administrative

1. Current levels of supervision are sufficient to run the Waste Processing Facility (WPF) and therefore the position of Manager of Solid Waste is not necessary. This position was designed to manage the Mid-Connecticut waste system which included the four transfer stations and the Hartford Landfill. The Landfill closed in December 2008 and the Authority now manages the four transfer station.
2. Disputed costs associated with the expiration of the MDC contract should not be included in this budget. MDC represented that the termination (expiration) cost in the budget is \$16.6 million. The Authority identified four line items with significant increase from the Fiscal Year 2009 actual expenditures and reduced them to funding similar to the actual expenditures for a total reduction in Administration of \$12.9 million.

Waste Processing Facility

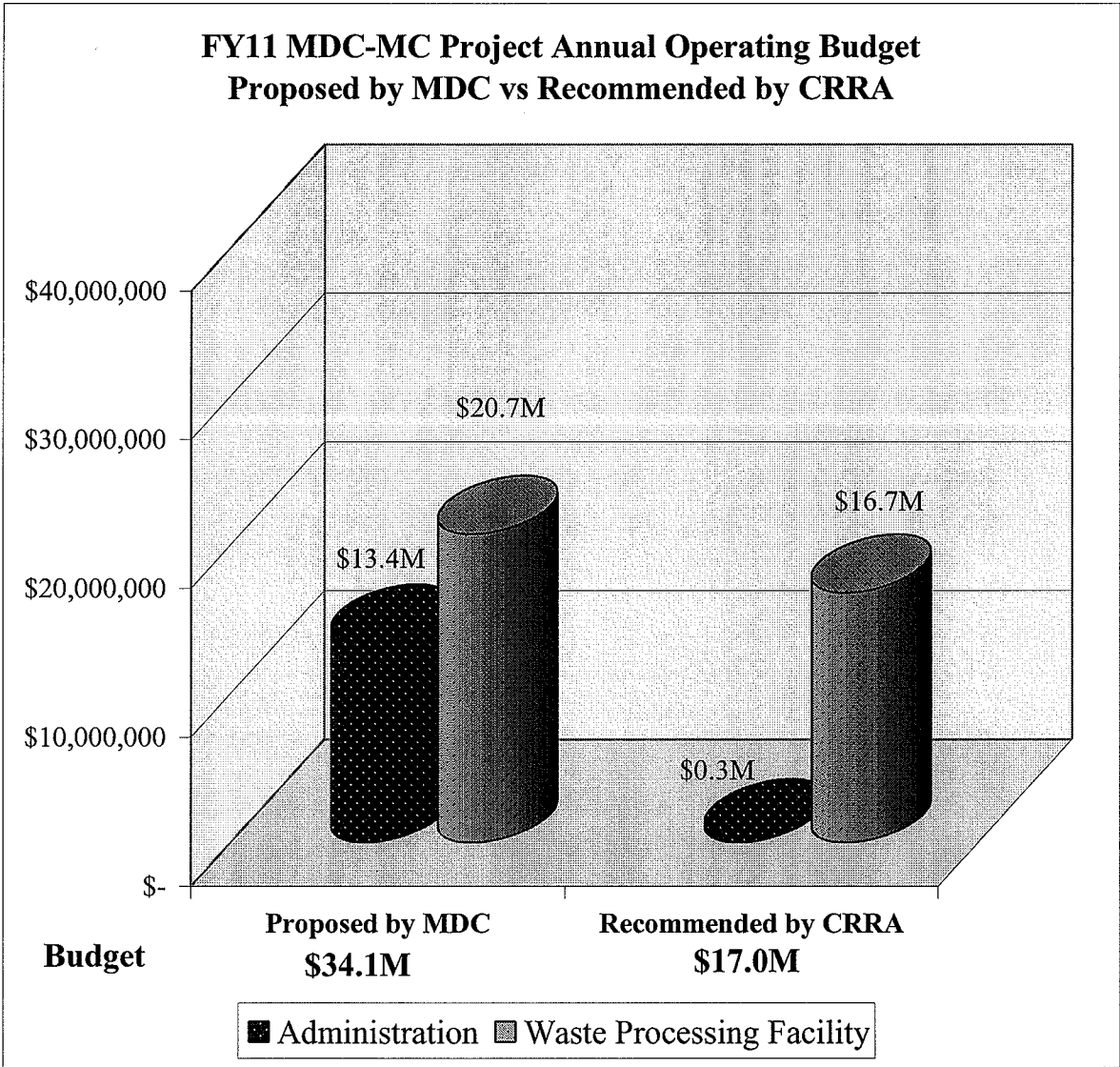
1. Elimination of two SWP Plant Operators in training. The Facility currently operates with one person in this position and the Authority believes this level is correct.
2. Elimination of one Staff Engineer. The Facility currently operates without this position and the Authority believes its engineers are sufficient for the Facility.
3. Reduce Power Operating Equipment to the projected Fiscal Year 2010 level which includes all equipment currently in operation including the mobile shredder with proviso that any expenditure over \$5,000 must be approved in advance by CRRA management.
4. Reduce Outside Services and Consultant Services to the Fiscal Year 2009 actual levels of \$32,000.
5. Reduce Pest Control Services to the Fiscal Year 2009 actual levels of \$5,000.
6. Adjustment to the Indirect Costs to reflect the true budget cost of the reduced MDC budget.
7. The Authority identified and eliminated \$3.7 million in pension costs which the Authority estimates were included regarding Contract expiration claims.

Capital Expenditures

1. The Authority identified the project of shredder bearing cooling system replacement at an estimated cost of \$200,000 that MDC will complete in the Fiscal Year 2011 Budget. Any other capital project will be completed by the Authority.

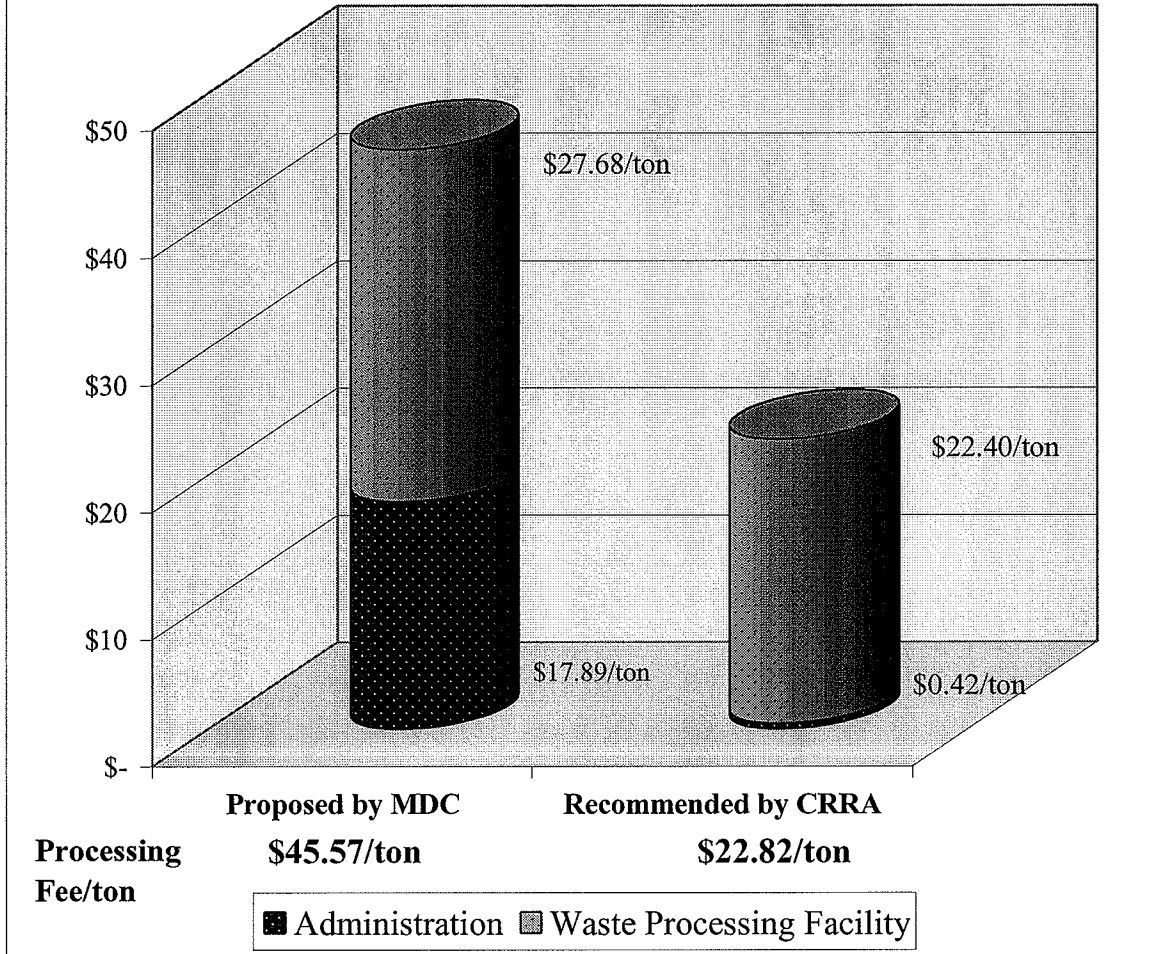
Attached is the fiscal year 2011 recommended Metropolitan District Commission Mid-Connecticut (MDC-MC) Project Annual Operating Budget.

Under the agreement with the MDC, the CRRA Board of Directors (the “Board”) is required to adopt fiscal year 2011 proposed project annual operating budget submitted by MDC. On February 5, 2010, the Authority sent a letter to the MDC requesting further details on certain budget line items. To date, the Authority has not received a response from the MDC. After a thorough review by CRRA management, the Authority reduced the proposed budget by approximately \$17 million. Hence, Management recommends the approval of the fiscal year 2011 recommended project annual budget (the “fiscal year 2011 Recommended budget”) as presented.



The fiscal year 2011 Recommended budget by CRRA is lower than fiscal year 2011 Proposed Budget by the MDC by approximately \$17 million (50%) primarily due to deletion of direct MDC Contract expiration claims of \$12.4 million and additional estimate related contract expiration claims of \$4.2 million.

**Processing Fee per Ton *
Proposed by MDC vs Recommended by CRRA**



* based on 747,500 tons

The fiscal year 2011 Recommended Budget by CRRA reflects a processing fee of \$22.82 per ton, which is approximately 50% less than processing fee of \$45.57 per ton as proposed by the MDC.

The following table compares the fiscal year 2011 Recommended budget to fiscal year 2010 Adopted budget by Activity.

Activity	FY10	FY11		FY11 Recommended by CRRA vs FY10 Adopted Increase / (Decrease)	
	Adopted	Proposed by MDC	Recommended by CRRA	\$	%
Administration	\$ 398,100	\$ 13,374,200	\$ 312,000	\$ (86,100)	-22%
Waste Processing Facility	\$ 16,943,080	\$ 20,691,175	\$ 16,742,875	\$ (200,205)	-1%
Total	\$ 17,341,180	\$ 34,065,375	\$ 17,054,875	\$ (286,305)	-2%

- The fiscal year 2011 Recommended budget for Administration is lower than fiscal year 2010 adopted budget by \$86k (22%) primarily due to decreases in payroll and benefits.

The fiscal year 2011 Recommended budget for Administration does not include the \$12.4 million MDC Contract Separation Costs requested in the fiscal year 2011 Proposed budget submitted by the MDC.

- The fiscal year 2011 Recommended budget for Waste Processing Facility (WPF) is lower than fiscal year 2010 adopted budget by \$200k (1%) due to decreases in payroll and benefits and operating costs, offset by increases in maintenance costs and capital outlay.

The fiscal year 2011 Recommended budget for WPF does not include the \$3.5 million increase in pension contribution and three additional headcount requested in the fiscal year 2011 Proposed budget submitted by the MDC.

The following table compares the fiscal year 2011 Recommended budget to fiscal year 2010 Adopted budget by Expenditure.

Expenditure	FY10	FY11		FY11 Recommended by CRRA vs FY10 Adopted Increase / (Decrease)	
	Adopted	Proposed by MDC	Recommended by CRRA	\$	%
Payroll and Benefits	\$ 10,329,090	\$ 14,404,125	\$ 9,931,425	\$ (397,665)	-4%
Operations	\$ 1,621,300	\$ 13,882,650	\$ 1,319,150	\$ (302,150)	-19%
Maintenance	\$ 2,869,900	\$ 3,319,900	\$ 3,192,100	\$ 322,200	11%
Capital Outlay	\$ -	\$ -	\$ 200,000	\$ 200,000	100%
Contingencies	\$ 305,000	\$ 305,000	\$ 305,000	\$ -	0%
Indirect Costs	\$ 2,215,890	\$ 2,153,700	\$ 2,107,200	\$ (108,690)	-5%
Total	\$ 17,341,180	\$ 34,065,375	\$ 17,054,875	\$ (286,305)	-2%

- The fiscal year 2011 Recommended budget for Payroll and Benefits is lower than fiscal year 2010 adopted budget by \$398k (4%) due to decreases in pension contribution and regular pay associated with deletion of additional headcount as proposed by the MDC.
- The fiscal year 2011 Recommended budget for Operations is lower than fiscal year 2010 adopted budget by \$302k (19%) due to decreases in consulting services and fuel costs.
- The fiscal year 2011 Recommended budget for Maintenance is higher than fiscal year 2010 adopted budget by \$322k (11%) primarily due to an increase in maintenance of treatment equipment.
- The fiscal year 2011 Recommended budget for Capital Outlay pertains to the upgrade of primary shredder bearing cooling system.

MDC-MC PROJECT ANNUAL OPERATING BUDGET
FISCAL YEAR 2011 BUDGET SUMMARY

Expenditure Classification	FY10 Adopted Budget	FY11 Budget			FY11 Recommended by CRRA vs FY10 Adopted
		Proposed by MDC	Recommended by CRRA	Difference	
<u>SUMMARY BY ACTIVITY</u>					
Administration	\$ 398,100	\$ 13,374,200	\$ 312,000	\$ (13,062,200)	\$ (86,100)
Waste Processing Facility	16,943,080	20,691,175	16,742,875	(3,948,300)	(200,205)
Total	\$ 17,341,180	\$ 34,065,375	\$ 17,054,875	\$ (17,010,500)	\$ (286,305)
<u>RECAP BY MAJOR OBJECTS OF EXPENDITURE</u>					
Payroll and Benefits					
Regular Pay	\$ 5,589,687	\$ 5,624,950	\$ 5,365,400	\$ (259,550)	\$ (224,287)
Overtime	1,751,403	1,773,775	1,773,775	-	22,372
Standby and Premium Pay	132,200	142,200	142,200	-	10,000
Longevity Pay	3,900	5,200	5,200	-	1,300
Other Employee Benefits	2,851,900	6,858,000	2,644,850	(4,213,150)	(207,050)
Subtotal Payroll and Benefits	10,329,090	14,404,125	9,931,425	(4,472,700)	(397,665)
Operations	1,621,300	13,882,650	1,319,150	(12,563,500)	(302,150)
Maintenance	2,869,900	3,319,900	3,192,100	(127,800)	322,200
Capital Outlay	-	-	200,000	200,000	200,000
Indirect Costs	2,215,890	2,153,700	2,107,200	(46,500)	(108,690)
Contingencies	305,000	305,000	305,000	-	-
Subtotal Other Expenditures	7,012,090	19,661,250	7,123,450	(12,537,800)	111,360
TOTAL BUDGET	\$ 17,341,180	\$ 34,065,375	\$ 17,054,875	\$ (17,010,500)	\$ (286,305)

Authorized Positions

Activity	FY10 Adopted Budget	FY11 Budget			FY11 Recommended vs FY10 Adopted
		Proposed by MDC	Recommended by CRRA	Difference	
Administration	2	3	2	(1)	-
Waste Processing Facility	81	82	79	(3)	(2)
Total Authorized Positions	83	85	81	(4)	(2)

MDC-MC PROJECT ANNUAL OPERATING BUDGET

Administration

Expenditure Classification	FY09 Actual	FY10 Budget		FY11 Budget			FY11 Recommended by CRRA vs FY10 Adopted
		Adopted	Projected *	Proposed by MDC	Recommended by CRRA	Difference	
<u>PAYROLL AND BENEFITS</u>							
Regular Pay	\$ 87,862	\$ 141,900	\$ 75,900	\$ 288,550	\$ 194,000	\$ (94,550)	\$ 52,100
Administrative Services	121,484	\$ 110,500	110,500	-	-	-	(110,500)
Overtime	192	\$ 2,500	1,000	1,000	1,000	-	(1,500)
Workers Compensation	943	\$ 1,500	1,500	1,650	1,650	-	150
Blue Cross	2,884	\$ 7,500	3,352	306,500	2,900	(303,600)	(4,600)
Blue Shield	3,806	\$ 5,000	786	53,500	3,800	(49,700)	(1,200)
Group Life	191	\$ 400	102	400	400	-	-
Pension Regular	10,400	\$ 13,800	13,800	154,200	10,400	(143,800)	(3,400)
Social Security	6,669	\$ 12,000	10,093	22,150	7,000	(15,150)	(5,000)
Subtotal Payroll and Benefits	234,431	295,100	217,033	827,950	221,150	(606,800)	(73,950)
<u>OPERATIONS</u>							
Clothing and Apparel	\$ 84	\$ 400	\$ 84	\$ 450	\$ 450	\$ -	\$ 50
MDC Contract Separation Costs	-	\$ -	-	12,440,500	-	(12,440,500)	-
Office Supplies and Expenses	13,429	\$ 15,000	15,000	15,000	15,000	-	-
Gasoline	-	\$ 500	-	-	-	-	(500)
Printed Forms	140	\$ 2,500	1,000	1,000	1,000	-	(1,500)
Seminars and Conventions	-	\$ 5,000	-	2,500	2,500	-	(2,500)
Business Travel	-	\$ 5,000	-	-	-	-	(5,000)
Consultant Services	-	\$ -	4,000	4,000	4,000	-	4,000
Telephone	6,405	\$ 7,500	7,500	8,400	8,400	-	900
Computer Equipment and Supplies	8,873	\$ 7,500	7,500	7,500	7,500	-	-
Subtotal Operations	28,931	43,400	35,084	12,479,350	38,850	(12,440,500)	(4,550)
<u>MAINTENANCE</u>							
Communication Equipment	\$ -	\$ 2,700	\$ 2,700	5,000	5,000	\$ -	\$ 2,300
Office Furniture and Equipment	3,692	1,000	1,000	2,000	2,000	-	1,000
Subtotal Maintenance	3,692	3,700	3,700	7,000	7,000	-	3,300
<u>CONTINGENCIES</u>							
Contingency	-	5,000	5,000	5,000	5,000	-	-
<u>INDIRECT COSTS</u>							
MDC	38,724	50,900	38,516	54,900	40,000	(14,900)	(10,900)
Total Expenditure Classification	\$ 305,778	\$ 398,100	\$ 299,333	\$ 13,374,200	\$ 312,000	\$(13,062,200)	\$ (86,100)

* Revised fiscal year 2010 projection by the MDC

MDC-MC PROJECT ANNUAL OPERATING BUDGET

Waste Processing Facility

Expenditure Classification	FY09 Actual	FY10 Budget		FY11 Budget			FY11 Recommended by CRRA vs FY10 Adopted
		Adopted	Projected *	Proposed by MDC	Recommended by CRRA	Difference	
PAYROLL AND BENEFITS							
Regular Pay	\$ 4,279,113	\$ 5,447,787	\$ 5,149,117	\$ 5,336,400	5,171,400	\$ (165,000)	\$ (276,387)
Overtime	1,378,979	1,748,903	1,858,617	1,772,775	1,772,775	-	23,872
Workers Compensation	490,396	623,500	623,500	672,150	672,150	-	48,650
Standby and Premium Pay	120,079	132,200	146,918	142,200	142,200	-	10,000
Blue Cross	777,378	431,200	433,650	570,000	570,000	-	138,800
Blue Shield	267,693	308,000	308,000	247,000	247,000	-	(61,000)
Group Life	8,192	7,500	7,708	7,500	7,500	-	-
Pension Regular	564,900	750,000	750,000	4,265,800	564,900	(3,700,900)	(185,100)
Social Security	431,381	579,000	552,937	555,150	555,150	-	(23,850)
Unemployment Compensation	-	2,000	2,000	2,000	2,000	-	-
Longevity Pay	3,500	3,900	3,900	5,200	5,200	-	1,300
Subtotal Payroll and Benefits	8,321,611	10,033,990	9,836,347	13,576,175	9,710,275	(3,865,900)	(323,715)
OPERATIONS							
Meal Allowances	\$ 4,545	\$ 3,000	\$ 5,230	\$ 5,000	\$ 5,000	\$ -	\$ 2,000
Clothing and Apparel	49,228	55,500	55,302	55,000	55,000	-	(500)
Travel Gas/Mileage	146	-	-	-	-	-	-
Electrical Supplies	29,877	50,000	50,000	50,000	50,000	-	-
Janitorial Supplies	8,614	7,000	13,241	12,000	12,000	-	5,000
Small Tools	62,190	25,000	25,000	25,000	25,000	-	-
Communication Equipment and Supplies	8,995	5,000	5,000	5,000	5,000	-	-
Safety and First Aid Supplies	18,353	18,700	18,700	18,700	18,700	-	-
Fire Equipment	1,407	20,000	5,000	5,000	5,000	-	(15,000)
Refuse Collection	3,799	15,000	15,000	200	200	-	(14,800)
Agency Hire	438,329	450,000	450,000	420,000	420,000	-	(30,000)
Care of Grounds	18,193	25,000	25,000	20,000	20,000	-	(5,000)
Propane Gas	14,513	11,200	11,200	12,000	12,000	-	800
Fuel for Heating	102,769	150,000	150,000	150,000	150,000	-	-
Gasoline	17,511	17,500	6,500	7,500	7,500	-	(10,000)
Oil and Lubricants	52,021	70,000	59,856	40,000	40,000	-	(30,000)
Diesel Fuel	337,237	415,000	358,971	339,500	339,500	-	(75,500)
Employees Education Program	24,431	20,000	19,338	20,000	20,000	-	-
Outside Services	15,156	40,000	40,000	40,000	16,000	(24,000)	(24,000)
Outside Testing and Lab Services	1,000	3,000	3,000	3,000	3,000	-	-
Consultant Services	15,236	110,000	110,000	110,000	16,000	(94,000)	(94,000)
Pest Control Services	4,531	7,500	7,500	10,000	5,000	(5,000)	(2,500)
Equipment Rental	23,306	18,000	18,000	1,000	1,000	-	(17,000)
Natural/Industrial Gases	10,765	10,500	10,500	10,500	10,500	-	-
Water	16,142	12,000	14,000	16,400	16,400	-	4,400
Sewer User Fees	15,693	8,000	16,000	21,500	21,500	-	13,500
Computer Equipment	5,645	6,000	6,000	6,000	6,000	-	-
CRRA Reimbursement	-	5,000	-	-	-	-	(5,000)
Subtotal Operations	1,299,632	1,577,900	1,498,338	1,403,300	1,280,300	(123,000)	(297,600)
MAINTENANCE							
Communication Equipment	\$ 376	\$ 500	\$ 500	\$ -	\$ -	\$ -	\$ (500)
Power Operated Equipment	856,963	852,000	852,000	979,800	852,000	(127,800)	-
Tool and Work Equipment	57,048	25,000	75,097	50,000	50,000	-	25,000
Transportation Equipment	89,357	186,400	186,400	186,400	186,400	-	-
Treatment Equipment	1,841,334	1,522,300	1,712,300	1,821,700	1,821,700	-	299,400
Other Equipment	8,863	15,000	15,000	10,000	10,000	-	(5,000)
Buildings	223,182	260,000	260,000	260,000	260,000	-	-
Service Roads	10,099	5,000	5,000	5,000	5,000	-	-
Subtotal Maintenance	3,087,222	2,866,200	3,106,297	3,312,900	3,185,100	(127,800)	318,900
CAPITAL OUTLAY							
Treatment Equipment	806,542	-	-	-	-	-	-
Primary shredder bearing cooling system	-	-	-	-	200,000	200,000	200,000
Subtotal Capital Outlay	806,542	-	-	-	200,000	200,000	200,000
CONTINGENCY							
Contingency	-	300,000	300,000	300,000	300,000	-	-
INDIRECT COSTS							
MDC	1,715,158	2,164,990	2,049,679	2,098,800	2,067,200	(31,600)	(97,790)
Total Expenditure Classification	\$ 15,230,165	\$ 16,943,080	\$ 16,790,661	\$ 20,691,175	\$ 16,742,875	\$ (3,948,300)	\$ (200,205)

* Revised fiscal year 2010 projection by the MDC

MDC-MC PROJECT ANNUAL OPERATING BUDGET

Administration

Authorized Positions	FY09 Actual	FY10 Budget		FY11 Budget			FY11 Recommended by CRRA vs FY10 Adopted
		Adopted	Projected *	Proposed by MDC	Recommended by CRRA	Difference	
Manager of Solid Waste	-	-	-	1	-	(1)	-
Management Analyst	1	1	1	1	1	-	-
Administrative Clerk	1	1	1	1	1	-	-
Total	2	2	2	3	2	(1)	-

* Revised fiscal year 2010 projection by the MDC

MDC-MC PROJECT ANNUAL OPERATING BUDGET

Waste Processing Facility

Authorized Positions	FY09 Actual	FY10 Budget		FY11 Budget			FY11 Recommended by CRRA vs FY10 Adopted
		Adopted	Projected *	Proposed by MDC	Recommended by CRRA	Difference	
Assistant Manager of Solid Waste	1	1	1	1	1	-	-
Staff Engineer 1	1	-	-	1	-	(1)	-
SWP Inventory Stock Clerk	2	2	2	1	1	-	(1)
Stock Clerk Crew Leader	1	1	1	1	1	-	-
SWP Plant Superintendent	1	2	2	2	2	-	-
SWP Plant Maintenance Supervisor	2	2	2	2	2	-	-
SWP Electronic and Instrumentation Supervisor	-	1	1	1	1	-	-
Assistant SWP Plant Maintenance Supervisor	1	1	1	1	1	-	-
SWP Plant Shift Supervisor	3	3	3	3	3	-	-
Electronics Technician	3	3	3	3	3	-	-
SWP Plant Crew Leader	3	3	3	3	3	-	-
SWP Yard Crew Leader	1	1	1	1	1	-	-
Electrician 1	2	2	2	2	2	-	-
Electrician 2	-	1	1	1	1	-	-
Senior Maintenance Mechanic	2	2	2	2	2	-	-
Maintenance Mechanic	12	12	12	12	12	-	-
Picking Station Operator	9	9	9	9	9	-	-
SWP Plant Operator	22	22	22	22	22	-	-
SWP Plant Maintainer	2	2	2	2	2	-	-
SWP Plant Equipment Operator	6	8	8	7	7	-	(1)
Custodian	1	1	1	1	1	-	-
SWP Plant Operator in Training	1	1	1	3	1	(2)	-
Transfer Truck Driver		1	1	1	1	-	-
Total	76	81	81	82	79	(3)	(2)

* Revised fiscal year 2010 projection by the MDC

TAB 3

Fiscal Year 2011
Mid-Connecticut Project
Proposed Operating and Capital Budgets
and Tip Fees

February 25, 2010

Executive Summary

The Connecticut Resources Recovery Authority (Authority) is required to submit to the Mid-Connecticut Project Municipalities an annual Fiscal Year Budget (Budget) 120 days prior to the applicable Fiscal Year. Approximately 20% of this Budget is based on the budget submitted by the Metropolitan District (MDC). Based on Article III section 1 of the Operating Agreement between the Authority and the MDC, the MDC shall prepare and submit an annual budget at least five months in advance of the applicable Fiscal Year and the Authority must adopt an annual budget prior to the first day of the applicable Fiscal Year. The MDC budget represents one fifth the Mid-Connecticut Project Budget and therefore, the management recommends adoption of the MDC budget must be adopted prior the Mid-Connecticut Project Budget.

As part of the preparation of the MDC budget, the Authority submits to the MDC the baseline assumptions for the applicable Fiscal Year. On December 2, 2009 the Authority completed this submission. In order to facilitate the MDC budget process, the Authority arranged a meeting on January 5, 2010 with MDC to discuss several items related to their budget and invoice submittals. The Authority requested that MDC submit their portion of the Budget as soon as possible and if MDC could not submit their portion of the Budget early, the Authority requested that MDC provide information for review as soon as it became available.

At 5:49pm on February 1st, Peter Egan sent an e-mail to Scott Jellison of MDC to notify the MDC that their contractual deadline of February 1st had not been met and to question when the Authority would receive the MDC portion of the Budget. On February 2nd, MDC replied to the e-mail that their portion of the Budget would be delivered later that day. No delivery was received from the MDC until 10:15 am February 3rd when MDC delivered their budget by e-mail and by US mail.

The Authority's management reviewed the MDC's budget on February 4th and compiled a list of eleven questions to assist the Authority in evaluating the proposed budget. The Authority hand delivered the list to the MDC on February 5 and requested that supporting documentation for each question be provided by

February 9th. On February 9th the Authority's management reconvened to discuss the MDC budget and review the supporting documentation for the areas in question, however since MDC had not provided a response for any of the eleven areas in question, the Authority prepared reasonable estimates for each of the areas in question with the knowledge available to the Authority's management. The Authority made adjustments based on its best information available regarding the proposed budget.

Based on the MDC adjustments, management recommends that the Finance Committee recommend for Board approval the following resolution for the Mid-Connecticut Project Budget as presented at the February meeting. This resolution proposes a \$70.00 per ton member tip fee, an increase of \$1.00 per ton or 1% from fiscal year 2010 adopted tip fee. Had the MDC adjustments not been incorporated with the Mid-Connecticut Budget, the increase expenditures would have resulted in a \$93.00 per ton tip fee.

MAY BE SUBJECT TO FURTHER AMENDMENT

**RESOLUTION REGARDING THE APPROVAL OF
THE FISCAL YEAR 2011 MID-CONNECTICUT PROJECT
OPERATING AND CAPITAL BUDGETS AND TIP FEES**

WHEREAS, The Connecticut Resources Recovery Authority (the “Authority”) is required by the municipal service agreement with the Mid-Connecticut project towns to submit the next succeeding fiscal year budget on a timely basis (i.e., 120 days before the beginning of the next fiscal year).

NOW THEREFORE, it is

RESOLVED: That the proposed fiscal year 2011 Mid-Connecticut Project operating budget be adopted in the form presented and discussed at this meeting;

FURTHER RESOLVED: That the following tip fees be adopted for fiscal year 2011 operating budget;

WASTE STREAM	TIP FEES
Member and Commercial Solid Waste Tip Fee (per ton)	\$ 70.00
Spot Solid Waste Tip Fee (per ton)	Market Rate
Municipal Bulky Waste (per ton)	\$90.00
Ferrous Residue (per ton)	Market Rate
DEP Certified Soils /Cover Material (per ton)	Market Rate
Mattress fee (per unit)	\$45.00
Recycling Tip Fee (per ton)	\$0.00

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the following Mid-Connecticut Project Reserves, as appropriate, to pay for costs and fees incurred during fiscal year 2011 in accordance with the capital budget adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority’s Procurement Policy:

- Hartford Landfill Closure Reserve
- Landfill Development Fund
- Jets/EGF Reserve
- Facility Modification Reserve
- Rolling Stock Reserve
- Risk Fund

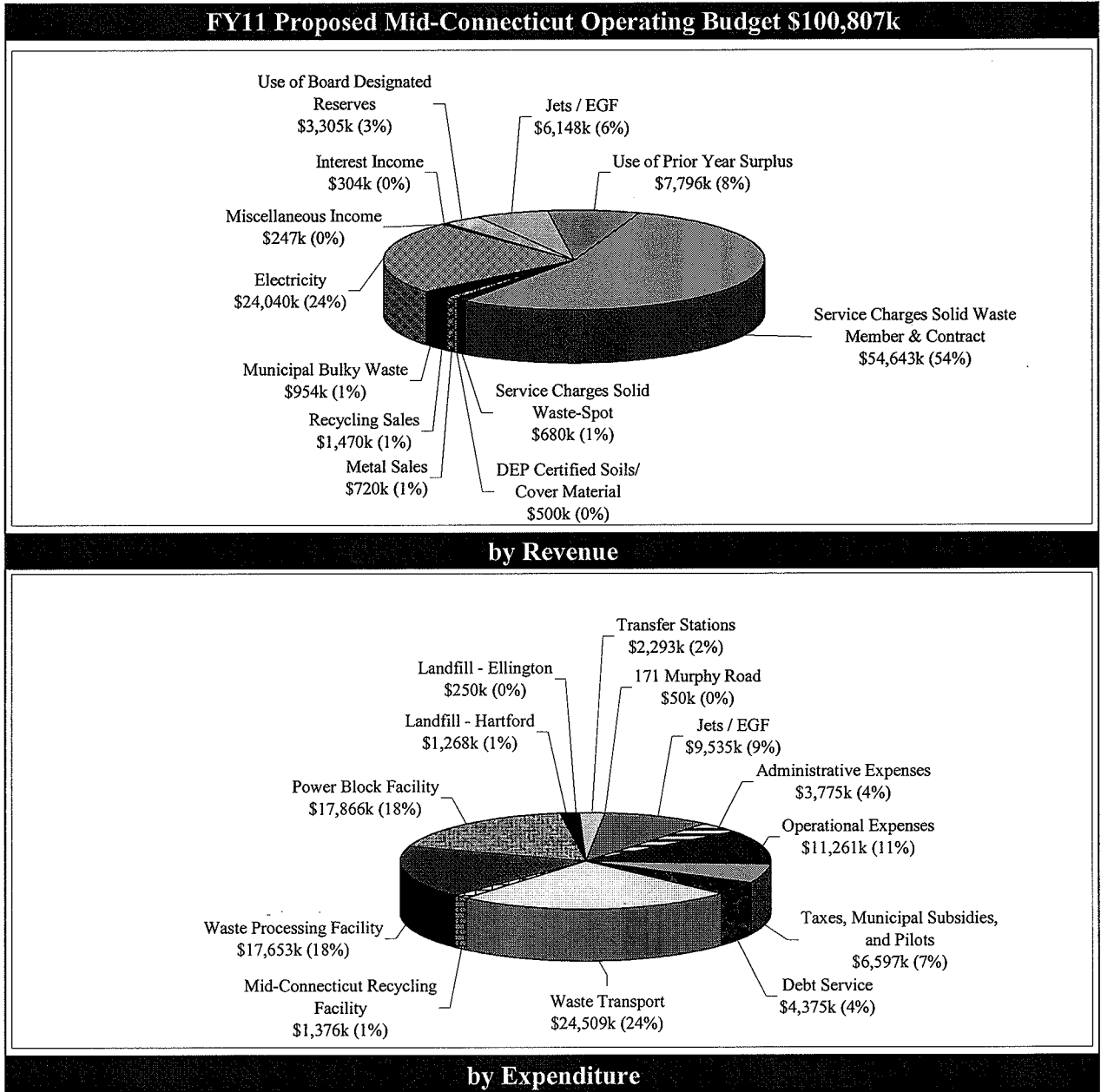
Fiscal Year 2011
Mid-Connecticut Project
Proposed Operating and Capital Budgets
and Tip Fees

February 25, 2010

Attached are the proposed operating and capital budgets and tip fees for fiscal year 2011 Mid-Connecticut Project. The following summarizes the attached budgets.

- The fiscal year 2011 proposed operating budget totals \$100,806,824, reflecting an increase of \$2,613k (3%) from fiscal year 2010 adopted budget.
- The fiscal year 2011 proposed capital budget totals \$8,991,000, reflecting an increase of \$4,386 (49%) from fiscal year 2010 adopted budget.

The following chart shows the fiscal year 2011 proposed revenues and expenditures.



- The fiscal year 2011 proposed operating budget is higher than fiscal year 2010 adopted budget due to projected increases in member tonnages and tip fee and the use of board designated reserves.
- The fiscal year 2011 proposed capital budget is higher than fiscal year 2010 adopted budget primarily due to increases in facility modification and Jets/EGF.

FY11 PROPOSED OPERATING BUDGET

The table below shows the budget changes by revenue category.

Mid-Connecticut Project Revenues (in \$000's)	Adopted	Proposed	Increase / Decrease	
	FY10	FY11	\$	%
Service Charges Solid Waste -Member & Contract	\$ 54,095	\$ 54,643	\$ 548	1%
Service Charges Solid Waste - Spot	\$ 908	\$ 680	\$ (228)	-25%
DEP Certified Soils/Cover Material	\$ 150	\$ 500	\$ 350	233%
Metal Sales	\$ -	\$ 720	\$ 720	100%
Recycling Sales	\$ 2,071	\$ 1,470	\$ (601)	-29%
Municipal Bulky Waste	\$ 723	\$ 954	\$ 231	32%
Electricity	\$ 23,983	\$ 24,040	\$ 57	0%
Miscellaneous Income	\$ 400	\$ 247	\$ (153)	-38%
Interest Income	\$ 593	\$ 304	\$ (289)	-49%
Use of Board Designated Reserves	\$ -	\$ 3,305	\$ 3,305	100%
Jets / EGF	\$ 6,314	\$ 6,148	\$ (166)	-3%
Use of Prior Year Surplus	\$ 8,958	\$ 7,796	\$ (1,162)	-13%
TOTAL	\$ 98,194	\$ 100,807	\$ 2,613	3%

Service Charge Solid Waste – Member & Contract (Increase of \$548k or 1%)

The proposed member and commercial solid waste tipping fee for fiscal year 2011 is \$70.00 per ton. The proposed revenue also includes waste coming from New Haven.

Service Charge Solid Waste – Spot (Decrease of \$228k or 25%)

The proposed spot waste tipping fee is based on market rate for out-of-state spot waste and ferrous residue.

DEP Certified Soils/Cover Material (Increase of \$350k or 100%+)

The proposed DEP Certified Soils/Cover Material refers to soil/cover materials for the closure of the Hartford landfill.

Recycling Sales (Decrease of \$601k or 29%)

The proposed Recycling Sales is lower than fiscal year 2010 adopted budget due to lower contract rates for single stream recyclables.

Municipal Bulky Waste (Increase of \$231k or 32%)

The proposed Municipal Bulky Waste is higher than fiscal year 2010 adopted budget due to increases in tip fee for bulky waste and mattress fee.

Interest Income (Decrease of \$289k or 49%)

The proposed Interest Income is lower than fiscal year 2010 adopted budget due to lower interest rate based upon current market condition. The fiscal year 2011 budgeted interest rate of 1% compared to fiscal year 2010 adopted budget of 2%.

Use of Board Designated Reserves

The proposed Use of Designated Reserves reflects the use of \$2.81 million from Landfill Development Fund and \$495k from Risk Fund.

Jets/EGF (Decrease of \$166k or 3%)

The proposed Jets/EGF is lower than fiscal year 2010 adopted budget due to lower account balances and interest rate resulting in a projected decrease in interest income.

Use of Prior Year Surplus (Decrease of \$1,162k or 13%)

The proposed Use of Prior Year Surplus is lower than fiscal year 2010 adopted budget due to lower than budgeted tip fee revenue in fiscal year 2009 and the impact of a reduction in member tip fee from \$72.00 per ton to \$62.00 beginning January 1 thru June 30, 2009.

The table below shows the budget changes by expense category.

Mid-Connecticut Project Expenditures (in \$000's)	Adopted	Proposed	Increase / Decrease	
	FY10	FY11	\$	%
Administrative Expenses	\$ 3,670	\$ 3,775	\$ 105	3%
Operational Expenses	\$ 8,212	\$ 11,261	\$ 3,049	37%
Taxes, Municipal Subsidies, and Pilots	\$ 6,329	\$ 6,597	\$ 268	4%
Debt Service	\$ 4,375	\$ 4,375	\$ -	0%
Waste Transport	\$ 24,533	\$ 24,509	\$ (24)	0%
Mid-Connecticut Recycling Facility	\$ 1,317	\$ 1,376	\$ 59	4%
Waste Processing Facility	\$ 17,974	\$ 17,653	\$ (321)	-2%
Power Block Facility	\$ 17,354	\$ 17,866	\$ 512	3%
Landfill - Hartford	\$ 2,845	\$ 1,268	\$ (1,577)	-55%
Landfill - Ellington	\$ 1,267	\$ 250	\$ (1,017)	-80%
Transfer Stations	\$ 2,261	\$ 2,293	\$ 32	1%
171 Murphy Road	\$ 43	\$ 50	\$ 7	16%
Jets / EGF	\$ 8,014	\$ 9,535	\$ 1,521	19%
TOTAL	\$ 98,194	\$ 100,807	\$ 2,613	3%

Administrative Expenses (Increase of \$105 or 3%)

The proposed Administrative Expenses is based on an estimated inflation rate. Management continues to explore ways to reduce costs through efficiencies.

Operational Expenses (Increase of \$3,049k or 37%)

The proposed Operational Expenses is higher than fiscal year 2010 adopted budget primarily due to an increase in contribution to facility modification reserve to cover costs for capital projects (as shown on page 22).

Taxes, Municipal Subsidies, and Pilots (Increase of \$268k or 4%)

The proposed Taxes, Municipalities, and Pilots is higher than fiscal year 2010 adopted budget primarily due to an increase in Waste Processing Facility (WPF) Pilot.

Waste Processing Facility (Decrease of \$321 or 2%)

The proposed Waste Processing Facility is lower than fiscal year 2010 adopted budget due to decreases in contract operating costs and engineering consultants, offset by an increase in compaction services.

Power Block Facility (Increase of \$512k or 3%)

The proposed Power Block Facility is higher than fiscal year 2010 adopted budget due to increases in revenue sharing expense and contract operating costs.

Landfill – Hartford (Decrease of \$1,577k or 55%)

The proposed Landfill-Hartford does not include contributions to post closure reserve. The proposed budget is also lower than fiscal year 2010 adopted budget due to decreases in contract and other operating costs.

Landfill – Ellington (Decrease of \$1,017k or 80%)

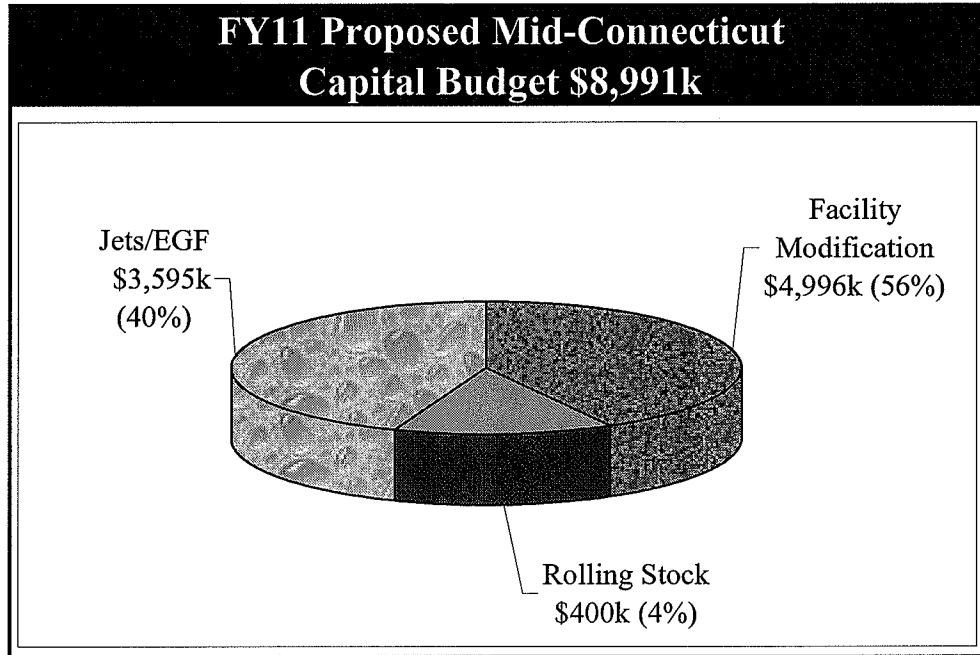
The proposed Landfill-Ellington does not include contributions to post closure reserve.

Jets/EGF (Increase of \$1,521 or 19%)

The proposed Jets/EGF is higher than fiscal year 2010 adopted budget due to increases in contract capital expenditures and contribution to Jets/EGF reserve to cover costs for capital projects (as shown on page 22).

FY11 PROPOSED CAPITAL BUDGET

The proposed major capital projects scheduled for fiscal year 2011 are as follows:



Rolling Stock

- The proposed Rolling Stock assumes a rebuild of wheel loader's powertrain or replacement with a new machine (\$400k).

Facility Modifications

- The extensive capital work to be performed at the Waste Processing Facility (WPF) includes equipment, installation, and construction costs related to proposed bailing operation (\$2,720k) and rebuild of two steel pan conveyors (\$800k).
- The major projects scheduled for the Power Block Facility (PBF) include drainage improvements (\$225k), replacement of air heater discharge on one boiler (\$400k), and process automation (\$100k).
- Transfer station projects include paving/curbing, building repairs, and other minor improvements.

Jets/EGF

- The extensive capital work to be performed at the EGF include upgrade of cooling water intake (\$275k), roof work (4200k), masonry repairs at the administration building (\$250k), and major turbine outage for unit 6 (\$1,000k).
- The extensive capital work to be performed at the Jets include rebuild of one engine (\$700k), rebuild of one free turbine (\$300k), and replacement of jet fuel tank (\$400k).

CRRA - MID-CONNECTICUT PROJECT

DETAILS		ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
TIP FEE				
MSW	Member/Contract (a)	\$72.00 / \$62.00 *	\$69.00 / \$63.00 **	\$ 70.00
	CWPM Contract (Jul-Dec) (b)	\$ -	\$ 51.00	\$ 52.50
	CWPM Contract (Jan-Jun) (b)	\$ 51.00	\$ 52.50	\$ 54.00
	Municipal Bulky Waste	\$ -	\$ 85.00	\$ 90.00
	Spot (c)	Market Rate	Market Rate	Market Rate
Landfill	DEP Certified Soils /Cover Material (c)	Market Rate	Market Rate	Market Rate
	Mattress Fee (per unit) (a)	\$ 15.00	\$ -	\$ 45.00
Other	Ferrous Residue (Inbound) (c)	\$ 40.00	Market Rate	Market Rate
	RDF (Imported)	\$ -	\$ -	\$ 15.00
Recyclables	Single Stream Acceptable Recyclables	\$ -	\$ -	\$ -
	Dual Stream Acceptable Recyclables	\$ -	\$ -	\$ -
	Delivery Credit (per ton)	\$ 5.00	\$ -	\$ -

BUDGET ASSUMPTIONS

POWER	kwh/ton of MSW Processed	490	523	540
	Total kwh Sold	392,332,518	401,000,000	417,000,000
	Average Rate Per kwh <=250GW (d)	\$ 0.0800	\$ 0.0760	\$ 0.0741
	Average Rate Per kwh >250GW (d)	\$ 0.0333	\$ 0.0330	\$ 0.0330
DELIVERIES				
MSW	Member	722,642	744,000	747,500
	CWPM Contract	29,785	40,000	30,000
	Municipal Bulky Waste	10,393	8,000	8,000
	Spot	52,462	8,000	8,000
	<i>Total</i>	<u>815,282</u>	<u>800,000</u>	<u>793,500</u>
Other (Spot)	Ferrous Residue (Inbound)	11,773	14,700	9,000
	Recycling Residue	2,121	2,200	-
	<i>Total</i>	<u>13,894</u>	<u>16,900</u>	<u>9,000</u>
Landfill	DEP Certified Soils /Cover Material	343,579	15,000	50,000
	<i>Total</i>	<u>363,558</u>	<u>15,000</u>	<u>50,000</u>
Mattresses	Mattress (per unit)	n/a	-	5,200
	<i>Total</i>	-	-	<u>5,200</u>
Recyclables	Dual Stream Acceptable Recyclables	26,664	35,000	8,200
	Single Stream Acceptable Recyclables	56,266	45,000	73,800
	<i>Total</i>	<u>82,930</u>	<u>80,000</u>	<u>82,000</u>

* The fiscal year 2009 adopted tip fee was \$72.00 per ton. The tip fee was reduced to \$62.00 per ton beginning January thru June 2009.

** The fiscal year 2010 adopted tip fee was \$69.00 per ton. The board authorized a subsidy of \$6.00 per ton to member towns.

(a) Rates set during the annual budget process; reflects transportation and disposal costs

(b) Rates specified by contract; reflects disposal costs only

(c) Rates based on market condition

(d) Rates specified by contract

CRRA - MID-CONNECTICUT PROJECT

BUDGET ASSUMPTIONS

DETAILS		ACTUAL FY09	ADOPTED FY10	PROJECTED FY11
RECYCLING OPERATIONS				
Revenues	Containers (Add'l Revenue Share)	\$ 19.25	\$ 5.00	\$ 4.75
	Fiber (Add'l Revenue Share)	\$ 4.95	\$ 7.00	\$ 5.00
	Single Stream Acceptable Recyclables	\$ 13.00	\$ 17.15	\$ 13.00
	Dual Stream Acceptable Recyclables	\$ 13.05	\$ 22.50	\$ 13.05
	Delivery Credit per ton (e)	\$ 5.00	\$ -	\$ -
Expenditures	Container Processing Fee	n/a	n/a	n/a
	Fiber Processing Fee	n/a	n/a	n/a
Operations	Residue Rate- Containers & Fiber	3.00%	2.75%	2.75%
	Residue Rate- Fiber	n/a	n/a	n/a
FACILITY OPERATIONS				
Tons Processed	Total MSW Processed	800,895	766,000	771,700
	RDF Produced	620,000	650,000	650,000
Residue Rates	Ash Rate (Per Ton of RDF)	24.3%	26.0%	26.0%
	Ash Rate (Per Ton of MSW)	19.4%	22.2%	21.4%
	Process Residue Rate (Per Ton of MSW)	13.3%	13.0%	13.0%
	Ferrous Metals Rate (Outbound) (Per Ton of MSW)	2.5%	3.0%	3.0%
	Ferrous Residue Rate (Inbound) (Per Ton of MSW)	1.2%	1.4%	1.1%
	Non-processible Waste - Out-of-State	0.6%	0.5%	0.9%
Fees	Pebble Lime (per ton)	\$ 141.53	\$ 123.60	\$ 147.90
	Urea (per gallon)	\$ 1.42	\$ 1.75	\$ 1.55
	Ferrous Residue Removal (per ton credit)	\$ 43.97	\$ -	\$ 30.00
Other	Lime (Lbs/Ton of RDF Burned)	19.6	19.0	20.0
	Lime (Lbs/Ton of RDF Burned) - Dolomitic System	4.0	3.5	4.0
	Urea (Gallons)	135,318	180,000	150,000
	Ferrous Metals (Outbound)	25,299	23,000	24,000
MUNICIPAL PAYMENTS				
Fees	Canton (per ton)	\$ 4.42	\$ 4.42	\$ 4.42
	East Granby (per ton)	\$ 8.38	\$ 8.38	\$ 8.38
	Granby (per ton)	\$ 7.90	\$ 7.90	\$ 7.90
	Simsbury (per ton)	\$ 8.13	\$ 8.13	\$ 8.13
	Essex Surcharge (Recycling) (per MSW ton)	\$ 0.90	\$ 0.90	\$ 1.00
	Ellington TS Host Benefit (per ton)	\$ 0.50	\$ 0.54	\$ 0.53
	Essex TS Host Benefit (per ton)	\$ 0.50	\$ 0.54	\$ 0.53
	Torrington TS Host Benefit (per ton)	\$ 0.50	\$ 0.54	\$ 0.53
	Watertown TS Host Benefit (per ton)	\$ 0.50	\$ 0.54	\$ 0.53
	Waterbury LF Residential Drop Off (f)	\$ 231.00	\$ 238.00	\$ 245.00
	Hartford PILOT - Bulky Waste (per ton)	\$ 8.66	\$ 8.85	\$ 8.72
	Hartford PILOT - Processible Waste Fee (per ton)	\$ 10.04	\$ 10.34	\$ 10.46
Deliveries (Tons/Loads)	Canton (MSW tons)	5,171	6,000	5,500
	East Granby (MSW tons)	3,187	4,000	4,500
	Granby (TS Subsidy)	5,214	5,000	5,500
	Simsbury (TS Subsidy)	15,072	16,000	15,500
	Essex Surcharge (MSW)	58,309	75,000	60,000
	Ellington TS Host Benefit	56,512	65,000	30,000
	Essex TS Host Benefit	n/a	75,000	60,000
	Torrington TS Host Benefit	61,082	73,000	65,000
	Watertown TS Host Benefit	122,033	119,000	130,000
	Waterbury LF Residential Drop Off (load)	2,977	550	600

(e) To be determined at year-end based upon market conditions.

(f) on a per ton basis for fiscal years 2008 and 2009; on a per load basis beginning fiscal year 2010

n/a= Not applicable

CRRRA - MID-CONNECTICUT PROJECT

DETAILS		ACTUAL FY09	ADOPTED FY10	PROJECTED FY11
WASTE TRANSPORT				
Fees	Ellington (per ton)	\$ 10.19	\$ 9.67	\$ 9.86
	Essex (per ton)	\$ 17.90	\$ 17.00	\$ 17.34
	Torrington (per ton)	\$ 13.62	\$ 12.93	\$ 13.19
	Watertown (per ton)	\$ 14.44	\$ 13.70	\$ 13.97
	Guilford / Madison (per ton)	\$ 17.90	\$ 17.00	\$ 17.20
	Sharon/Salisbury (per ton)	\$ 12.16	\$ 12.42	\$ 12.67
	Southbury (per ton)	n/a	\$ 5.25	\$ 5.43
	RRDD#1 MSW (per load)	\$ 86.94	\$ 88.80	\$ 88.80
	Southeast Project Diversion Fee (per ton)	\$ 72.00	\$ 60.00	\$ 60.00
	Wallingford Project Diversion Fee (per ton)	\$ 60.00	\$ 60.00	\$ 70.00
	Exports Out-of-State Fee (per ton)	\$ 72.90	\$ 73.80	\$ 76.01
	Ash to Other (per ton T&D)		\$ 60.38	\$ 62.50
	Process Residue to Other (per ton T&D)		\$ 70.97	\$ 73.09
	Non-processible Waste to Other (per ton T&D)		\$ 86.04	\$ 88.61
Hauled Tons	Ellington (MSW)	53,237	65,000	30,000
	Essex (MSW & Recyclables)	71,550	75,000	75,000
	Torrington (MSW & Recyclables)	61,022	70,000	65,000
	Watertown (MSW & Recyclables)	122,561	115,000	130,000
	Guilford / Madison (MSW)	2,822	4,000	3,200
	Sharon/Salisbury (MSW)	3,201	3,500	3,500
	Southbury (MSW)	6,908	7,500	7,500
	RRDD#1 (MSW)	2,532	2,500	2,700
MSW Byproduct	Ash to Hartford LF	78,761	-	-
	Ash to Other	76,662	170,000	165,000
	Total Ash	155,423	170,000	165,000
	Process Residue - to Hartford LF	54,146	-	-
	Process Residue to Other	52,553	100,000	103,155
	Total Process Residue	106,698	100,000	103,155
	Non-processible Waste to Hartford LF (tons)	4,868	-	-
	Non-processible Waste to Other	2,284	4,000	7,142
	Total Non-Processible Waste	7,151	4,000	7,142
MSW Bypass	Southwest Diversions	1,511	-	-
	Southeast Diversions	-	9,400	2,800
	Wallingford Diversions	-	7,700	3,000
	Windsor LF Diversions	12,528	-	-
	Exports Out-of-State	2,999	16,900	16,000
	<i>Subtotal</i>	17,038	34,000	21,800
MISCELLANEOUS				
	Inflation Estimate	1.43% *	3.00%	2.00%
	Interest Rate	1.49%	2.00%	1.00%

* fiscal year average

CRRA - MID-CONNECTICUT PROJECT

REVENUE AND EXPENDITURE SUMMARY

REVENUES

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
41-001-000-xxxxx	Service Charges Solid Waste -Member & Contract	\$ 54,085,604	\$ 54,095,000	\$ 54,643,000
41-001-000-40103	Service Charges Solid Waste - Spot	\$ 2,837,470	\$ 908,000	\$ 680,000
41-001-000-41101	Bulky Waste - Municipal (Landfill)	\$ 165,684	\$ -	\$ -
41-001-000-41102	Bulky Waste - Commercial (Landfill)	\$ 1,050,316	\$ -	\$ -
41-001-000-41103	DEP Certified Soils/Cover Material	\$ 1,448,304	\$ 150,000	\$ 500,000
41-001-000-41104	Metal Sales	\$ 1,150,170	\$ -	\$ 720,000
41-001-000-42101	Recycling Sales	\$ 2,104,827	\$ 2,071,000	\$ 1,470,000
41-001-000-41106	Municipal Bulky Waste & Mattresses	\$ -	\$ 722,500	\$ 954,000
41-001-000-42103	Metals Service Charge	\$ 1,308	\$ -	\$ -
41-001-000-43101	Electricity	\$ 24,687,177	\$ 23,983,000	\$ 24,040,000
41-001-000-45150	Miscellaneous Income	\$ 632,994	\$ 399,500	\$ 247,000
41-001-000-46101	Interest Income	\$ 744,760	\$ 593,000	\$ 304,000
41-001-000-xxxxx	Use of Board Designated Reserves	\$ -	\$ -	\$ 3,305,000
41-001-000-xxxxx	Jets / EGF	\$ 6,331,077	\$ 6,314,000	\$ 6,148,000
41-001-000-48201	Use of Prior Year Surplus (a)	\$ 9,570,466	\$ 8,958,000	\$ 7,795,824
	Total Revenues	\$ 104,810,157	\$ 98,194,000	\$ 100,806,824

EXPENDITURES

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
41-001-501-57850	Administrative Expenses	\$ 3,567,365	\$ 3,669,500	\$ 3,775,000
41-001-xxx-xxxxx	Operational Expenses	\$ 11,239,305	\$ 8,212,220	\$ 11,260,949
41-001-xxx-xxxxx	Taxes, Municipal Subsidies, and Pilots	\$ 6,435,928	\$ 6,329,300	\$ 6,596,500
41-001-502-xxxxx	Debt Service	\$ 3,046,327	\$ 4,375,000	\$ 4,375,000
41-001-505-xxxxx	Waste Transport	\$ 14,845,945	\$ 24,533,000	\$ 24,509,000
41-001-xxx-xxxxx	Mid-Connecticut Recycling Facility	\$ 2,055,445	\$ 1,316,500	\$ 1,376,000
41-001-601-xxxxx	Waste Processing Facility	\$ 16,228,416	\$ 17,974,480	\$ 17,652,875
41-001-602-xxxxx	Power Block Facility	\$ 16,522,045	\$ 17,354,000	\$ 17,866,000
41-001-604-xxxxx	Landfill - Hartford	\$ 13,106,421	\$ 2,845,300	\$ 1,268,000
41-001-605-xxxxx	Landfill - Ellington	\$ 291,063	\$ 1,267,000	\$ 249,500
41-001-xxx-xxxxx	Transfer Stations	\$ 2,189,504	\$ 2,260,700	\$ 2,293,000
41-001-620-xxxxx	171 Murphy Road	\$ 20,158	\$ 43,000	\$ 50,000
41-001-xxx-xxxxx	Jets / EGF	\$ 7,466,412	\$ 8,014,000	\$ 9,535,000
	Total Expenditures	\$ 97,014,333	\$ 98,194,000	\$ 100,806,824
	Balance	\$ 7,795,824	\$ -	\$ -

(a) The fiscal year 2010 Use of Prior Year Surplus reflects the accelerated use of a portion of fiscal year 2008 surplus in the amount of \$4 million as requested by the Mid-Connecticut Project Advisory Committee.

CRRA - MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
ADMINISTRATIVE EXPENSES				
41-001-501-57850	Indirect Labor & Overhead	\$ 3,567,365	\$ 3,669,500	\$ 3,775,000
	Subtotal Administrative Expenses	\$ 3,567,365	\$ 3,669,500	\$ 3,775,000
				2.9%
OPERATIONAL EXPENSES				
41-001-xxx-57840	DIRECT OPERATIONAL LABOR EXPENSES	\$ 1,260,608	\$ 1,662,000	\$ 1,932,600
	Subtotal Direct Operational Labor Expenses	\$ 1,260,608	\$ 1,662,000	\$ 1,932,600
ASSET PROTECTION & STATUTORY COMPLIANCE				
41-001-xxx-52115	Legal Notices	\$ 32,081	\$ 40,000	\$ 40,000
41-001-xxx-52502	Fees/Licenses/Permits	\$ 280	\$ 1,000	\$ 500
41-001-xxx-52505	Claims/Losses	\$ 758	\$ -	\$ -
41-001-xxx-52602	Bad Debt Expense	\$ -	\$ 10,000	\$ -
41-001-xxx-52675	Contribution to Risk Fund	\$ 999,996	\$ -	\$ -
41-001-xxx-52856	Legal	\$ 2,083,250	\$ 2,386,000	\$ 2,280,000
41-001-xxx-52863	Operational Auditing	\$ -	\$ 10,000	\$ 10,000
41-001-xxx-xxxxx	Insurance Expenditures	\$ 1,098,733	\$ 1,258,000	\$ 1,353,000
	Subtotal Asset Protection & Statutory Compliance	\$ 4,215,098	\$ 3,705,000	\$ 3,684,000
ENGINEERING, TECHNOLOGY, AND EQUIPMENT/FACILITY EXPENSES				
41-001-xxx-52899	Engineering & Technology Consulting Services	\$ 167,140	\$ 220,000	\$ 200,000
41-001-xxx-54482	Computer Hardware	\$ 1,462	\$ 3,220	\$ 6,000
41-001-xxx-54483	Computer Software	\$ -	\$ 5,000	\$ 4,000
41-001-601-52668	Contribution to Facility Modification Reserve	\$ 5,000,004	\$ 2,200,000	\$ 5,200,000
41-001-505-52658	Contribution to Rolling Stock Reserve	\$ 500,004	\$ -	\$ -
41-001-xxx-58001	Operational Contingency	\$ -	\$ 305,000	\$ 55,000
	Subtotal Engineering, Technology, and Equipment/Facility	\$ 5,668,610	\$ 2,733,220	\$ 5,465,000
OTHER OPERATING EXPENSES				
41-001-xxx-52101	Postage & Delivery Fees	\$ 3,061	\$ 5,000	\$ 5,000
41-001-xxx-52108	Printing Services	\$ 3,756	\$ 5,000	\$ 5,000
41-001-xxx-52118	Communications Services	\$ 26,512	\$ 20,000	\$ 80,000
41-001-xxx-52202	Office Supplies	\$ 4,352	\$ 5,000	\$ 5,000
41-001-xxx-52302	Miscellaneous Services	\$ 1,237	\$ 2,000	\$ 2,000
41-001-xxx-xxxxx	Meetings & Training	\$ 6,028	\$ 5,000	\$ 7,500
41-001-xxx-xxxxx	Economic Analysis	\$ 22,104	\$ 45,000	\$ 45,000
41-001-xxx-52615	Temporary Agency Services	\$ 27,939	\$ 25,000	\$ 30,000
	Subtotal Other Operating Expenditures	\$ 94,989	\$ 112,000	\$ 179,500
	Subtotal Operational Expenses	\$ 11,239,305	\$ 8,212,220	\$ 11,260,949
				37.1%

CRRA - MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
TAXES, MUNICIPAL SUBSIDIES, & PILOTS				
41-001-601-52507	WPF Pilot	\$ 2,838,286	\$ 2,773,000	\$ 3,089,000
41-001-603-52507	EGF Pilot	\$ 1,770,030	\$ 1,826,000	\$ 1,789,000
41-001-604-52507	Hartford Landfill Pilot	\$ 172,863	\$ -	\$ -
41-001-xxx-52508	Transfer Station Pilots	\$ 105,732	\$ 188,000	\$ 156,000
41-001-xxx-52659	City of Hartford Recycling Education Reimbursement	\$ 150,000	\$ 150,000	\$ 150,000
41-001-605-52504	Ellington Landfill Assessment / Taxes	\$ 6,892	\$ 7,300	\$ 7,500
41-001-505-52509	Municipal Subsidies	\$ 355,529	\$ 362,000	\$ 378,000
41-001-602-52506	Solid Waste Assessment (Dioxin Tax)	\$ 991,132	\$ 975,000	\$ 975,000
41-001-620-52507	171 Murphy Road Pilot	\$ 45,464	\$ 48,000	\$ 52,000
	Subtotal Taxes, Municipal Subsidies, & Pilots	\$ 6,435,928	6,329,300	6,596,500
				4.2%
DEBT SERVICE				
41-001-502-52856	Legal	\$ -	\$ 5,000	\$ 5,000
41-001-502-52859	Financial Services	\$ 1,000	\$ 2,000	\$ 2,000
41-001-502-55525	Interest - 96 Series	\$ 831,900	\$ 714,000	\$ 518,000
41-001-502-55560	Principal Repayment	\$ 2,203,125	\$ 3,644,000	\$ 3,840,000
41-001-502-55585	Bank/Trustee Fees	\$ 10,302	\$ 10,000	\$ 10,000
	Subtotal Debt Service	\$ 3,046,327	\$ 4,375,000	\$ 4,375,000
				0.0%
WASTE TRANSPORT				
41-001-505-52701	Contract Operating Charges	\$ 4,844,319	\$ 4,554,000	\$ 4,430,000
41-001-505-52710	Disposal Fees - Solid Waste (Bypass) (c)	\$ 1,762,904	\$ 2,273,000	\$ 1,594,000
41-001-505-52711	Ash Disposal (b)	\$ 4,275,105	\$ 10,265,000	\$ 10,313,000
41-001-505-52716	Non-Processible and Process Residue Disposal Fees (a)	\$ 3,558,039	\$ 7,441,000	\$ 8,172,000
	Subtotal Waste Transport	\$ 14,845,945	\$ 24,533,000	\$ 24,509,000
				-0.1%

(a) Reflects transportation and disposal of non-processible waste and process residue to alternative landfill after 12/31/08.

(b) Reflects transportation and disposal of ash to alternative landfill.

(c) Reflects transportation and disposal of bypass waste to out-of-state landfill and other in-state locations (e.g., Preston)

CRRA - MID-CONNECTICUT PROJECT

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
<u>MID-CONNECTICUT RECYCLING FACILITY</u>				
REVENUES				
41-001-000-42101	Recycling Sales	\$ 2,104,827	\$ 2,071,000	\$ 1,470,000
41-001-000-45150	Miscellaneous Income	\$ 480,000	\$ 3,000	\$ 3,000
	Total Revenues	\$ 2,584,827	\$ 2,074,000	\$ 1,473,000
EXPENDITURE DETAIL				
41-001-506-xxxxx	Recycling Events Promotion	\$ 12,843	\$ 25,000	\$ 45,000
41-001-506-52118	Communications Services	\$ 108,953	\$ 150,000	\$ 100,000
41-001-506-xxxxx	Meetings & Training	\$ -	\$ 1,000	\$ 1,000
41-001-506-52404	Building Operations	\$ 117,279	\$ 149,000	\$ 170,000
41-001-506-52407	Project Equipment Maintenance	\$ 12,063	\$ 33,500	\$ 34,500
41-001-506-52415	Ground Maintenance	\$ 11,919	\$ 55,000	\$ 48,000
41-001-506-52502	Fees/Licenses/Permits	\$ 630	\$ 3,500	\$ 4,000
41-001-506-52617	Municipal Events	\$ 50,513	\$ 30,000	\$ 80,000
41-001-506-52620	Member Delivery Credit	\$ 410,000	\$ -	\$ -
41-001-506-52858	Engineering Consultants	\$ 9,960	\$ 40,000	\$ 40,000
41-001-506-52901	Environmental Testing	\$ 2,900	\$ 7,000	\$ 7,000
41-001-506-53304	Electricity	\$ 52,618	\$ 58,000	\$ 63,800
41-001-506-53309	Other Utilities	\$ 11,175	\$ 21,500	\$ 23,700
41-001-506-57870	Direct & Indirect Allocation	\$ 507,035	\$ 450,000	\$ 450,000
41-001-621-xxxxx	Hartford Education (See Detail below)	\$ 431,024	\$ 293,000	\$ 309,000
41-001-508-xxxxx	Stratford Education	\$ 316,533	\$ -	\$ -
	Subtotal Mid-Connecticut Recycling Facility	\$ 2,055,445	\$ 1,316,500	\$ 1,376,000 4.5%
HARTFORD EDUCATION				
41-001-621-52118	Communications Services	\$ 8,223	\$ 10,000	\$ 25,000
41-001-621-52202	Office Supplies	\$ -	\$ 500	\$ 1,000
41-001-621-52203	Educational Supplies	\$ 3,797	\$ 5,000	\$ 5,000
41-001-621-52303	Subscriptions/Publications/Ref. Material	\$ -	\$ 500	\$ 500
41-001-621-xxxxx	Meetings & Training	\$ 3,205	\$ 3,500	\$ 3,500
41-001-621-52418	Education Exhibits Maintenance	\$ 36,917	\$ 40,000	\$ 41,000
41-001-621-57870	Direct & Indirect Allocation	\$ 378,882	\$ 233,000	\$ 233,000
	Subtotal Hartford Education	\$ 431,024	\$ 292,500	\$ 309,000

CRRA - MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
WASTE PROCESSING FACILITY				
41-001-601-xxxxx	Scale house Expenses	\$ 10,864	\$ 17,300	\$ 18,500
41-001-601-52407	Project Equipment Maintenance	\$ 5,888	\$ 8,000	\$ 10,500
41-001-601-52502	Fees/Licenses/Permits	\$ 5,000	\$ 5,000	\$ 6,000
41-001-601-52618	Odor Control System (MCAPS) Fuel	\$ 646	\$ 25,000	\$ 15,000
41-001-601-52701	Contract Operating Charges (MDC)	\$ 15,273,724	\$ 17,341,180	\$ 17,054,875
41-001-601-52709	Other Operating Charges	\$ 469,939	\$ -	\$ 135,500
41-001-601-52713	Odor Control System (MCAPS) Charges	\$ 229,428	\$ 200,000	\$ 160,000
41-001-601-52858	Engineering Consultants	\$ 225,042	\$ 285,000	\$ 199,000
41-001-601-52901	Environmental Testing	\$ 7,885	\$ 93,000	\$ 53,500
	Subtotal Waste Processing Facility	\$ 16,228,416	\$ 17,974,480	\$ 17,652,875 -1.8%
POWER BLOCK FACILITY				
41-001-602-52502	Fees/Licenses/Permits	\$ 385,455	\$ 437,000	\$ 357,000
41-001-602-52611	Revenue Sharing Expense (Covanta)	\$ 2,707,442	\$ 2,561,000	\$ 2,800,000
41-001-602-52614	Lime	\$ 1,050,279	\$ 904,000	\$ 1,154,000
41-001-602-52616	SNCR (Urea)	\$ 179,074	\$ 315,000	\$ 233,000
41-001-602-52702	Contract Ops Charge - Equipment (Covanta)	\$ 3,841,320	\$ 4,071,000	\$ 4,153,000
41-001-602-52703	Contract Ops Charge - Management Fee (Covanta)	\$ 1,526,386	\$ 1,534,000	\$ 1,565,000
41-001-602-52709	Contract Ops Charge - Personnel (Covanta)	\$ 5,939,046	\$ 6,292,000	\$ 6,417,000
41-001-602-52714	Other Contract Operating Charges (Pass Through Costs)	\$ 539,180	\$ 210,000	\$ 300,000
41-001-602-52858	Engineering Consultants	\$ 83,085	\$ 375,000	\$ 210,000
41-001-602-52901	Environmental Testing	\$ 36,309	\$ 177,000	\$ 228,000
41-001-602-52910	Continuous Emission Monitoring	\$ 130,000	\$ 150,000	\$ 140,000
41-001-602-53304	Electricity	\$ 104,469	\$ 328,000	\$ 309,000
	Subtotal Power Block Facility	\$ 16,522,045	\$ 17,354,000	\$ 17,866,000 3.0%

CRRA - MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
<u>HARTFORD LANDFILL</u>				
41-001-604-52104	Telecommunications	\$ 2,395	\$ 4,000	\$ 3,500
41-001-604-52115	Advertising	\$ -	\$ 2,000	\$ -
41-001-604-52404	Building Operations	\$ 3,430	\$ 7,600	\$ 5,500
41-001-604-52407	Project Equipment Maintenance	\$ 25,827	\$ 56,000	\$ 56,000
41-001-604-52415	Ground Maintenance	\$ 109,197	\$ 140,000	\$ 86,000
41-001-604-52502	Fees/Licenses/Permits	\$ 223,848	\$ 26,400	\$ 28,000
41-001-604-52604	Rental / Lease	\$ 262,500	\$ -	\$ -
41-001-604-xxxxx	Insurance Expenditures	\$ -	\$ 102,000	\$ 112,000
41-001-604-52650	Contribution to Post Closure Reserve	\$ 2,799,996	\$ 1,200,000	\$ -
41-001-604-52670	Contribution to Landfill Closure Reserve	\$ 8,000,002	\$ -	\$ -
41-001-604-52701	Contract Operating Charges	\$ 1,227,413	\$ 740,000	\$ 509,000
41-001-604-52709	Other Operating Charges	\$ 244,677	\$ 290,000	\$ 245,000
41-001-604-52858	Engineering Consultants	\$ 93,932	\$ 113,000	\$ 50,000
41-001-604-52901	Environmental Testing	\$ 94,558	\$ 120,300	\$ 132,000
41-001-604-53304	Electricity	\$ 18,646	\$ 24,000	\$ 31,000
41-001-604-58001	Operational Contingency	\$ -	\$ 20,000	\$ 10,000
	Subtotal Hartford Landfill	\$ 13,106,421	\$ 2,845,300	\$ 1,268,000 -55.4%
<u>ELLINGTON LANDFILL</u>				
41-001-605-52407	Project Equipment Maintenance	\$ -	\$ 23,000	\$ 13,000
41-001-605-52415	Ground Maintenance	\$ 19,739	\$ 48,000	\$ 42,500
41-001-605-xxxxx	Fees	\$ 300	\$ 1,000	\$ 1,000
41-001-605-xxxxx	Insurance Expenditures	\$ -	\$ 40,000	\$ 45,000
41-001-605-52650	Contribution to Post Closure Reserve	\$ 174,996	\$ 1,000,000	\$ -
41-001-605-52709	Other Operating Charges	\$ 70,543	\$ 74,000	\$ 74,000
41-001-605-52858	Engineering Consultants	\$ (25,260)	\$ 20,000	\$ 18,000
41-001-605-52901	Environmental Testing	\$ 29,407	\$ 40,000	\$ 38,000
41-001-605-53304	Electricity	\$ 21,338	\$ 21,000	\$ 18,000
	Subtotal Ellington Landfill	\$ 291,063	\$ 1,267,000	\$ 249,500 -80.3%

CRRA - MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
<u>TRANSFER STATION - ELLINGTON</u>				
41-001-610-xxxxx	Scale house Expenses	\$ 9,244	\$ 22,000	\$ 11,500
41-001-610-52407	Project Equipment Maintenance	\$ 5,896	\$ 10,500	\$ 10,500
41-001-610-52502	Fees/Licenses/Permits	\$ 2,675	\$ 2,500	\$ 3,200
41-001-610-52701	Contract Operating Charges	\$ 385,155	\$ 371,000	\$ 396,000
41-001-610-52858	Engineering Consultants	\$ 1,062	\$ 12,000	\$ 12,000
41-001-610-52901	Environmental Testing	\$ -	\$ -	\$ 2,300
	Subtotal Ellington TS	\$ 404,032	\$ 418,000	\$ 435,500 4.2%
<u>TRANSFER STATION - ESSEX</u>				
41-001-611-xxxxx	Scale house Expenses	\$ 8,274	\$ 12,000	\$ 11,500
41-001-611-52407	Project Equipment Maintenance	\$ 5,716	\$ 10,500	\$ 10,500
41-001-611-52502	Fees/Licenses/Permits	\$ 2,675	\$ 2,500	\$ 3,500
41-001-611-52701	Contract Operating Charges	\$ 642,451	\$ 594,000	\$ 606,000
41-001-611-52858	Engineering Consultants	\$ 1,209	\$ 12,000	\$ 12,000
41-001-611-52901	Environmental Testing	\$ -	\$ 9,000	\$ 4,000
41-001-611-xxxxx	CREPA Reimbursements	\$ 58,000	\$ 68,000	\$ 58,000
	Subtotal Essex TS	\$ 718,325	\$ 708,000	\$ 705,500 -0.4%
<u>TRANSFER STATION - TORRINGTON</u>				
41-001-612-xxxxx	Scale house Expenses	\$ 8,480	\$ 12,500	\$ 11,500
41-001-612-52407	Project Equipment Maintenance	\$ 5,716	\$ 10,500	\$ 10,500
41-001-612-52502	Fees/Licenses/Permits	\$ 3,200	\$ 2,500	\$ 3,500
41-001-612-52701	Contract Operating Charges	\$ 554,586	\$ 565,000	\$ 576,000
41-001-612-52858	Engineering Consultants	\$ 1,230	\$ 14,500	\$ 12,000
41-001-612-52901	Environmental Testing	\$ 918	\$ 3,000	\$ 3,500
	Subtotal Torrington TS	\$ 574,130	\$ 608,000	\$ 617,000 1.5%

CRRRA - MID-CONNECTICUT PROJECT

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
<u>TRANSFER STATION - WATERTOWN</u>				
41-001-613-xxxxx	Scale house Expenses	\$ 6,855	\$ 10,000	\$ 9,500
41-001-613-52407	Project Equipment Maintenance	\$ 5,716	\$ 10,200	\$ 10,500
41-001-613-52502	Fees/Licenses/Permits	\$ 2,675	\$ 2,500	\$ 3,500
41-001-613-52701	Contract Operating Charges	\$ 476,050	\$ 487,000	\$ 497,000
41-001-613-52858	Engineering Consultants	\$ 1,219	\$ 14,500	\$ 12,000
41-001-613-52901	Environmental Testing	\$ 502	\$ 2,500	\$ 2,500
	Subtotal Watertown TS	\$ 493,017	\$ 526,700	\$ 535,000 1.6%
<u>171 MURPHY ROAD</u>				
41-001-620-52104	Telecommunications	\$ 481	\$ 1,000	\$ 1,000
41-001-620-52404	Building Operations	\$ 7,697	\$ 21,000	\$ 26,000
41-001-620-52415	Ground Maintenance	\$ -	\$ 2,000	\$ 2,000
41-001-620-xxxxx	Utilities	\$ 11,980	\$ 19,000	\$ 21,000
	Subtotal 171 Murphy Road	\$ 20,158	\$ 43,000	\$ 50,000 16.3%

CRRA - JETS / ENERGY GENERATING FACILITY

REVENUE AND EXPENDITURE SUMMARY

REVENUES

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
ENERGY				
41-001-000-43104	Capacity	\$ 6,086,084	\$ 5,190,000	\$ 5,167,000
41-001-000-43104	Variable	Incl. Above	\$ 95,000	\$ 98,000
41-001-000-43104	Backstop	Incl. Above	\$ 13,000	\$ 13,000
41-001-000-43104	Black Start Credit	Incl. Above	\$ 794,000	\$ 790,000
	Subtotal Energy	\$ 6,086,084	\$ 6,092,000	\$ 6,068,000
OTHER				
41-001-000-46107	Interest Income	\$ 205,643	\$ 183,000	\$ 38,000
41-001-000-45151	Rental Income - Jets/EGF	\$ 39,350	\$ 39,000	\$ 42,000
	Subtotal Other	\$ 244,993	\$ 222,000	\$ 80,000
	Total Revenues	\$ 6,331,077	\$ 6,314,000	\$ 6,148,000

EXPENDITURES

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
41-001-901-xxxxx	Jets/EGF Operational Expenses	\$ 105,869	\$ 229,000	\$ 510,000
41-001-951-xxxxx	Jets	\$ 1,680,245	\$ 1,726,000	\$ 1,811,000
41-001-952-xxxxx	Energy Generating Facility	\$ 5,680,298	\$ 6,059,000	\$ 7,214,000
	Total Expenditures	\$ 7,466,412	\$ 8,014,000	\$ 9,535,000
	Balance	\$ (1,135,335)	\$ (1,700,000)	\$ (3,387,000)

CRRRA - JETS / ENERGY GENERATING FACILITY

EXPENDITURE DETAIL

Account	Description	ACTUAL FY09	ADOPTED FY10	PROPOSED FY11
<u>OPERATIONAL EXPENSES</u>				
41-001-901-52856	Legal	\$ 26,083	\$ 75,000	\$ 355,000
41-001-901-xxxxx	Insurance Expenditures	\$ 21,673	\$ 23,000	\$ 24,000
41-001-901-52899	Engineering & Technology Consulting Services	\$ -	\$ 5,000	\$ 5,000
41-001-901-57870	Direct & Indirect Labor & Overhead	\$ 58,113	\$ 126,000	\$ 126,000
	Subtotal Jets Operational Expenses	\$ 105,869	\$ 229,000	\$ 510,000
 <u>JETS</u>				
41-001-951-52502	Fees/Licenses/Permits	\$ -	\$ 35,000	\$ 30,000
41-001-951-52507	Pilot	\$ 166,882	\$ 241,000	\$ 258,000
41-001-951-xxxxx	Insurance Expenditures	\$ 68,942	\$ 83,000	\$ 91,000
41-001-951-52701	Contract Operating Charges	\$ 1,286,419	\$ 1,155,000	\$ 1,203,000
41-001-951-52858	Engineering Consultants	\$ 47,844	\$ 80,000	\$ 100,000
41-001-951-53304	Electricity	\$ 110,158	\$ 102,000	\$ 115,000
41-001-951-54491	Other Equipment	\$ -	\$ 30,000	\$ 20,000
	Subtotal Jets	\$ 1,680,245	\$ 1,726,000	\$ 1,811,000
 <u>ENERGY GENERATING FACILITY</u>				
41-001-952-52404	Building Operations	\$ 8,525	\$ 16,000	\$ 17,000
41-001-952-xxxxx	Insurance Expenditures	\$ 184,905	\$ 213,000	\$ 234,000
41-001-952-52671	Contribution to Jets/EGF Reserve	\$ -	\$ 1,100,000	\$ 1,700,000
41-001-952-52701	Contract Operating Charges (Covanta C1 Budget)	\$ 3,677,279	\$ 3,606,000	\$ 3,678,000
41-001-952-54491	Contract Capital Expenditures (Covanta C2 Budget)	\$ 1,474,397	\$ 558,000	\$ 1,187,000
41-001-952-52858	Engineering Consultants	\$ 105,495	\$ 320,000	\$ 160,000
41-001-952-53309	Other Utilities	\$ 229,697	\$ 246,000	\$ 253,000
	Subtotal EGF	\$ 5,680,298	\$ 6,059,000	\$ 7,214,000

CRRA - MID-CONNECTICUT PROJECT

FY11 - FY14 Capital Improvement Plan (\$000's)

ROLLING STOCK	FY09 Adopted	FY10 Adopted	FY11 Projected	FY12 Projected	FY13 Projected	FY14 Projected
Reserve Balance as of June 30, 2009	\$ 2,678	\$ 2,679				
Loader Purchases	\$ 465	\$ 190	\$ -	\$ 260	\$ 520	\$ 270
Other Rolling Stock	\$ 360	\$ 450	\$ 400	\$ 50	\$ 50	\$ 50
Subtotal Capital Improvement	\$ 825	\$ 640	\$ 400	\$ 310	\$ 570	\$ 320
Contributions to Reserve	\$ 500	\$ -			\$ 100	
Estimated Reserve Balance	\$ 2,353	\$ 2,039	\$ 1,639	\$ 1,329	\$ 859	\$ 539

FY11 Rolling Stock reserve assumes the powertrain rebuild of 1 loader.

FACILITY MODIFICATIONS	FY09 Adopted	FY10 Adopted	FY11 Projected	FY12 Projected	FY13 Projected	FY14 Projected
Reserve Balance as of June 30, 2009	\$ 5,791	\$ -				
Waste Processing Facility (WPF)	\$ 4,157	\$ 922	\$ 3,810	\$ 1,395	\$ 1,395	\$ 1,065
Power Block Facility (PBF)	\$ 3,045	\$ 575	\$ 865	\$ 310	\$ 8,088	\$ 5,530
Recycling Facility	\$ 3,525	\$ 112	\$ 260	\$ 105	\$ 105	\$ 105
Transfer Stations	\$ 174	\$ 326	\$ 61	\$ 43	\$ 100	\$ 40
Subtotal Capital Improvement	\$ 10,901	\$ 1,935	\$ 4,996	\$ 1,853	\$ 9,688	\$ 6,740
Contributions to Reserve	\$ 5,000	\$ 2,200	\$ 5,200	\$ 1,100	\$ 10,000	\$ 7,000
Estimated Reserve Balance	\$ (110)	\$ 265	\$ 469	\$ (284)	\$ 28	\$ 288

WPF projects include the building repairs/upgrades, replacement of one picking station, rebuild of one conveyor line and building & implementation of new bail operation.

PBF projects include upgrading gas burners replacement of one air heater discharge and DCS optimization work

Recycling facility projects includes miscellaneous new 70' scale and roof repairs.

Transfer station projects include paving, pushwall repairs and scale repairs.

JETS / EGF / SOUTH MEADOWS	FY09 Adopted	FY10 Adopted	FY11 Projected	FY12 Projected	FY13 Projected	FY14 Projected
Reserve Balance as of June 30, 2008	\$ 10,895	\$ 7,566				
Jets	\$ 2,060	\$ 1,590	\$ 1,700	\$ 460	\$ 1,080	\$ 1,280
Energy Generating Facility (EGF)	\$ 2,360	\$ 440	\$ 1,895	\$ 3,490	\$ 865	\$ 1,245
South Meadows	\$ 84	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Capital Improvement	\$ 4,504	\$ 2,030	\$ 3,595	\$ 3,950	\$ 1,945	\$ 2,525
Contributions to Reserve/Withdrawals	\$ -	\$ 1,100	\$ 1,700	\$ 1,100	\$ 500	\$ 5,100
Estimated Reserve Balance	\$ 6,391	\$ 6,636	\$ 4,741	\$ 1,891	\$ 446	\$ 3,021

Jets projects include replacement of the fuel tank, One fee turbine rebuild and minor engine work.

EGF projects include continuing roof work repairs and turbine #6 work during outage.

TAB 4

**RESOLUTION AUTHORIZING CONTRACT FOR ECONOMIC ADVISORY
SERVICES**

RESOLVED: That the President be authorized to enter into a contract for economic advisory services with Environmental Capital, LLC to assist management with work on a variety of projects including, but not limited to, financial and economic evaluation with regard to the strategic plans of the Authority, market information on other comparable solid waste authorities and innovations within the solid waste field; financial feasibility analyses; and analysis of state and federal laws and regulations relative to solid waste management and municipal bonds. This contract will be for a three-year period, from March 1, 2010 to February 28, 2013.

CONNECTICUT RESOURCES RECOVERY AUTHORITY

TIMETABLE for 2010 ECONOMIC ADVISOR RFQ and SELECTION

January							February							March						
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2		1	2	3	4	5	6		1	2	3	4	5	6
3	4	5	6	7	8	9	7	8	9	10	11	12	13	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28							28	29	30	31			
31																				

Event:	Responsibility:	Date:	Completed
Update RFQ	RG/BBF	1/8	✓
Advertising prepared	BBF/VA	1/8	✓
Finalize ad and give clearance to print in <i>The Bond Buyer</i> , <i>The Hartford Courant</i> , <i>La Voz Hispana</i> and <i>Minority News</i>	BBF/VA	1/12	✓
Place RFQ on CRRA Website	RG	1/13	✓
Place RFQ on State Website	VA	1/13	✓
Ad appears in <i>The Hartford Courant</i>	--	1/13	✓
Ad appears in <i>The Bond Buyer</i> (also line on "Calendar" until RFQ due)	--	1/13	✓
Ad appears in <i>La Voz Hispana</i> (publish only on Thursdays)	--	1/13	✓
Ad appears in <i>Minority News</i> (publish only Wednesdays)		1/13	✓
Deadline for written questions	--	2/1	✓
Notice of Interest forms due		2/1	✓
Deadline to post answers to questions on CRRA Website	BBF/RG	2/3	✓
Deadline for proposal submissions	--	2/11¹	✓
Prepare proposal matrix for Finance Committee package	BBF	2/12	✓
Finance Committee Meeting and Management recommendation	--	2/18	✓
Resolution adopted by CRRA Board to offer contract to Economic Advisor for three year term based upon Finance Committee recommendation	--	2/25	
New contract executed	--	3/1	

¹ One day extension granted to all respondents of Notice of Interest to accommodate business closings due to blizzard conditions in Mid-Atlantic States.

KEY: BBF=Bettina Ferguson RG=Ron Gingrich VA=Vicki Amum

Economic Advisor Request for Qualifications and Selection - 2010

The Authority's current contract for Economic Advisor expired on October 31, 2009. Due to internal oversight, a new Request for Qualifications ("RFQ") was not conducted at that time. Management conducted the RFQ in February 2010 and is presenting its recommendation below.

The Authority placed ads for Economic Advisory Services in *The Hartford Courant*; *The Bond Buyer*; *La Voz Hispana*; and *Minority News* during the middle weeks of January 2010 stating that RFQs were available on the Authority's internet site. Proposals were due on February 11, 2010. The Authority received six proposals, which are summarized on the Analysis of Economic Advisor Proposals Matrix - 2010 on the following page.

Management Recommendation: To authorize a contract for Economic Advisory Services to Environmental Capital for a three year term commencing March 1, 2010 based on the following:

- Firm was founded to advise public sector solid waste clients. Resource recovery is their core business focus.
- Has extensive experience advising clients on long-term strategic planning.
- Has experience in emerging "green" fields including carbon credit sales.
- Has served as the Authority's Economic Advisor since 2003. Has extensive familiarity with the Authority.
- Has intimate experience with Authority on numerous financial models for strategic planning, litigation, bond defeasance, among others.
- They are not an underwriter or provider of investments; therefore there is no incentive to issue debt or conflict of interest should the Authority wish to issue debt.
- Principal is a CPA.

CRRA - Analysis of Economic Advisor Proposals Matrix - 2010

Respondents → Questions ↓	Econsult Corp.	Environmental Capital, LLC	Gershman, Brickner & Bratton, Inc.
<i>Contact Person</i>	Richard Voith	Rick McCarthy	Harvey Gershman
<i>Ownership (partnership, sole)</i>	Corporation	Limited Liability Corp.	Corporation
<i>Location</i>	Philadelphia, PA	New York, NY	Fairfax, VA
<i>Special Notes</i>	Will also use Fairmont Capital Advisors, who they are in process of acquiring.	Incumbent - has served CRRA for six years	Solid Waste Management consulting since 1980
<i>Solid Waste/Resource Recovery or other similar complex revenue bond issues experience and CRRA experience</i>	Customized economic consulting services for private and non-profit organizations, large industries and expert testimony.	Extensive - firm was founded to assist communities obtain financing for environmentally oriented projects	Extensive experience in feasibility studies, recycling program implementation, administrative and management evaluations, collection analysis. Has worked for CRRA as consultant for engineering and land surveying services.
<i>Ability to provide financial and economic evaluation with regard to long term strategic plans</i>	Extensive - worked for many waste disposal entities in Pennsylvania area	Extensive - have advised four of its clients since their creation. Participants in development of legislation for these authorities	Extensive - provides recycling, resource recovery, transfer station and landfill feasibility studies, privatization evaluation, independent cost analyses.
<i>Ability to provide market information on other comparable solid waste authorities</i>	worked on comprehensive survey in Pennsylvania on landfill operations. Also research of US census data	have acted as FA to eleven solid waste authorities over extended period of time. Active in SWANA (speaker or panel participant)	Worked with numerous communities across the country and have very large database
<i>Ability to provide market information on innovations within the solid waste field</i>	worked on projects analyzing landfill gas; landfill green energy capabilities alternative fuels	Daily participant in solid waste business; longstanding participation in solid waste field; wide variety of solid waste contacts	Have national database of market information
<i>Ability to recommend and evaluate alternative financial options</i>	Expert at creating customized financial models to generate essential data to make sound planning decisions. Have experience in fixed/variable rate and synthetic/conventional modes through Fairmont Capital. Also use of derivatives	Very strong track record. Experience in American Recovery and Reinvestment Act; Build America Bonds; Clean Renewable Energy Bonds; state clean water revolving funds; among others.	Have worked with, and provided input to, financial advisors and investment bankers in evaluation alternative financing options
<i>Ability to provide business plan modeling</i>	Frequently provides analysis to support its client's investment decisions and strategic planning	Extensive. Assisted CRRA with all its bond defeasances and Greenwich litigation; numerous other active solid waste clients.	Has assisted several clients in developing business plans including startup companies and medical waste processing business.
<i>Ability to provide cash investment advisory services</i>	Through Fairmont Capital, experience with bond fund and reserve investments, guaranteed investment contracts (GICs) and other investment opportunities	Extensive experience	Does not provide
<i>Ability to provide financial feasibility analysis</i>	through Fairmont Capital, has experience with feasibility analyses with Penn. Convention Center and two proposed casinos in Philadelphia and the Poconos.	Substantial experience in-house. Also, have worked closely with engineering and accounting firms to develop required reports.	Very good - have been retained by major banks, bond insurers to evaluate proposed or existing facilities. Also work the U.S. Department of Justice for specific waste industry merger or acquisition.
<i>Ability to provide analysis of state and federal laws and regulations relative to solid waste management and municipal bonds</i>	General working knowledge of municipal economies, mechanisms of local public finance, improving public sector efficiencies.	Extensive - One of their clients is Oneider Herkimer Solid Waste Management Authority, which prevailed in recent landmark case re-establishing flow control.	Currently working with client providing info and draft federal and state legislative input to advance recycling.
<i>Describe any areas of opportunity in the finance area that may exist for CRRA today and how to capitalize on those opportunities</i>	Did not respond.	Ability to position financial strength of Mid-Conn project to bond market; become "go-to" organization for green projects.	Identify funds available through ARRA; identify and seek loans from US Department of Energy; explore tax-exempt leasing through commercial banks; analyze service and generator fees.
<i>Conflicts of Interest?</i>	None	None	None
<i>Provider of services for major CRRA Contractors? If so, summarize services provided</i>	has worked on behalf of Waste Management, but not Wheelabrator	None	None

CRRA - Analysis of Economic Advisers

Respondents → Questions ↓	New Age Energy Group, LLC	PFM	RKG Associates, Inc.
Contact Person	David Swirsky	Nancy Winkler	Darren Mochrie
Ownership (partnership, sole)	Limited Liability Corp.	Corporation	Corporation
Location	Milford, CT	New York, NY	Dover, NH
Special Notes	In business for two years	Ranked as nation's top financial advisory firm for seven consecutive years.	Teaming with Weston & Sampson Engineering (Rocky Hill, CT)
Solid Waste/Resource Recovery or other similar complex revenue bond issues experience and CRRA experience	Consulting firm specializing in renewable energy, recycling and landfill operations	Extensive - specialize in financial advisory; also provide strategic consulting, asset management and structured products/derivatives.	Limited experience with solid waste and resource recovery; however have experience with tax increment financing, special district bonds, real estate-based financing mechanisms.
Ability to provide financial and economic evaluation with regard to long term strategic plans	No specific projects referenced	Extensive - as nation's top financial advisor have been involved with many long-term projects: plant construction, landfill site acquisition & expansion, waste system modeling costs.	Has experience with military base development
Ability to provide market information on other comparable solid waste authorities	Board member of SWANA and Institute of Scrap Recycling Industries; consultant for City of New Haven for recyclables in waste stream	Have day-to-day involvement in solid waste sector. Over past ten years, worked with 29 solid waste/resource recovery clients.	Worked with W&S on proposed expansion of landfill in MA.
Ability to provide market information on innovations within the solid waste field	Experience with recycling projects for IBM, Research Park Triangle (north Carolina), Scott Tissue, among others	As nation's leading financials advisor, are constantly involved with, and sometimes the progenitor of, innovative financing techniques.	Principal completed Masters thesis on solid waste management economics.
Ability to recommend and evaluate alternative financial options	Experience with New Haven Waste Recycling Authority and Burgen County Recycling Commission to assist with raising capital.	Extensive. Two client examples cited that increased security of bond issue and achieved high credit rating; also minimizing interest rate risk by purchase of interest rate cap for taxable loan.	Has worked on complex real estate (re)development projects across the country, mostly with redevelopment of former military bases
Ability to provide business plan modeling	Developed business models for start up of recycling plants and MSW waste-to-energy plants in Connecticut	Will create comprehensive excel-based spreadsheet modeling including stress test scenarios	Cash flow modeling for municipalities. principal is former director of New Hampshire small business development association
Ability to provide cash investment advisory services	Limited - relies on outside parties.	Extensive - currently manage \$37 billion in short- and intermediate-duration fixed-income portfolios for over 300 clients.	Does not provide
Ability to provide financial feasibility analysis	Limited	Extensive- have proprietary financial planning models in-house.	In conjunction with W&S, has experience
Ability to provide analysis of state and federal laws and regulations relative to solid waste management and municipal bonds	Limited	Extensive experience with clients following utility deregulation, Clean Air Act Amendments, participated in legislative process as expert witness.	Limited
Describe any areas of opportunity in the finance area that may exist for CRRA today and how to capitalize on those opportunities	Increase revenues by 20% and decrease expenses by 10% by: analyses of single stream recycling, flow control and regulatory practice, developing optimal recyclables of MSW	Review investment options and determine right mix of securities to maximize return on CRRA's portfolio	Capitalize on real estate assets and explore alternative energy production
Conflicts of Interest?	None	None	None
Provider of services for major CRRA Contractors? If so, summarize services provided	CWPM and Copes	None	None

CRRRA - Analysis of Economic Advisor Proposals Matrix - 2010

Respondents Questions	Econsult Corp.	Environmental Capital, LLC	Gershman, Brickner & Bratton, Inc.
<i>Client References</i>	Manko, Gold, Katcher & Fox / Waste Management / New Jersey Council on Affordable Housing	Oneida-Herkimer Solid Waste Management Authority / Dutchess County Water & Wastewater Authority / Upper Mohawk Valley Regional Water Finance Authority	City of Fort Worth, TX / City of Baton Rouge, LA / Northeast Maryland Waste Disposal Authority
<i>Rate per hour for Senior Personnel:</i>	\$275	\$220	\$210
REQUIRED FORMS PROVIDED:			
<i>Third Party Affidavit</i>	Yes	Yes	Yes
<i>Non-Discrimination Affidavit</i>	Yes	Yes	Yes
<i>Background Questionnaire</i>	Yes	Yes	Yes
<i>Certificate of Insurance Provided?</i>	Yes	Yes	Yes
<i>Affirmative Action Questionnaire</i>	Yes	Yes	Yes

CRRA - Analysis of Economic Advisi

Respondents Questions ↓	New Age Energy Group, LLC	PFM	RKG Associates, Inc.
<i>Client References</i>	New Haven, CT Public Works / EQV Advisors / New Haven Regional Water Authority	York County (PA) Solid Waste Authority / Waste System Authority of Eastern Montgomery county (PA) / Montgomery County (MD)	Town of Simsbury / Town of Plainville / Conn. Department of Economic & Community Development
<i>Rate per hour for Senior Personnel:</i>	\$125	\$300	\$175
REQUIRED FORMS PROVIDED:			
<i>Third Party Affidavit</i>	Yes	Yes	Not notarized
<i>Non-Discrimination Affidavit</i>	Yes	Yes	Yes
<i>Background Questionnaire</i>	Yes	Yes	Yes
<i>Certificate of Insurance Provided?</i>	No	Yes	Yes
<i>Affirmative Action Questionnaire</i>	Yes	Yes	Yes

TAB 5

Connecticut Resources Recovery Authority

Summary for RFS entitled Single-Stream Recycling Marketing & Public Relations Campaign

Presented to the CRRA Board on: February 25, 2010

Vendor/contractor(s): Pita Communications LLC

Effective date: March 1, 2010

Contract type/subject matter: Public Relations Services Agreement

Contract term: January 1, 2009, through December 31, 2011

Contract number: 090116

Facility(ies) affected: Mid-Connecticut Project

RFS dollar value: \$45,305

RFS term: March 1, 2010, through April 4, 2010

Scope of services: Public relations, marketing and associated activities in support of CRRA's single-stream recycling initiative.

Connecticut Resources Recovery Authority

RFS for Single-Stream Recycling Marketing & Public Relations Campaign

February 25, 2010

EXECUTIVE SUMMARY

For several years, Connecticut's recycling rate was stagnating. CRRA, as part of its statutory responsibility for implementing the state Solid Waste Management Plan (SWMP), which calls for significant increases in recycling and additional efforts to build public support for recycling, decided that single-stream recycling would help achieve those increased recycling rates, so in 2008 it invested \$3 million to convert its Mid-Connecticut Project recycling processing facility to accept single-stream deliveries.

The investment was made based on a business plan that showed single-stream would produce sufficient increases in recycling that the revenue from selling those recyclables would repay the investment. Recycling more would also decrease the need to export surplus trash, which drives up CRRA's costs and thus has an adverse impact on trash disposal fees, so this investment, if successful, would benefit both CRRA and its towns in a number of ways. It would also support another key element of the Solid Waste Management Plan – the need to control exports of trash.

CRRA management has been continuously communicating with the chief executives of Mid-Connecticut Project cities and towns about single-stream recycling since the conversion to single-stream was being evaluated by management in early 2008. A few examples:

- In January 2008, management spoke to the East Hartford Town Council about single-stream recycling and the benefits it would produce for that town.
- Single-stream was mentioned prominently in the last two editions of CRRA's annual report, "A Report to the State from CRRA," released in February 2008 and March 2009, and at CRRA's annual meetings on February 27, 2008, and March 4, 2009.
- Single-stream was the topic of management's presentation to the Litchfield Hills/Northwestern Connecticut Solid Waste and Recycling Committee on June 23, 2008.
- And when CRRA announced the introduction of single-stream recycling, it received two rounds of statewide coverage on radio, television and newspapers – first in July, again in November after towns had started switching to single-stream recycling.
- Since its introduction, CRRA's recycling program has continued to be a frequent subject of media coverage. Most recently, on January 5, 2010, Paul Nonnenmacher appeared on WNPR-FM's "Colin McEnroe Show" to discuss recycling, while on January 11, 2010, it was featured on the NBC-Connecticut evening news. This coverage has allowed CRRA to tout its status as Connecticut's recycling leader.

Starting in 2008, the CRRA Board recognized that because single-stream recycling represents a major change from the more-familiar dual-stream system – in which the homeowner separates paper and cardboard from containers – it must be supported with a public education and awareness campaign to maximize its effectiveness and thus maximize CRRA's return on investment.

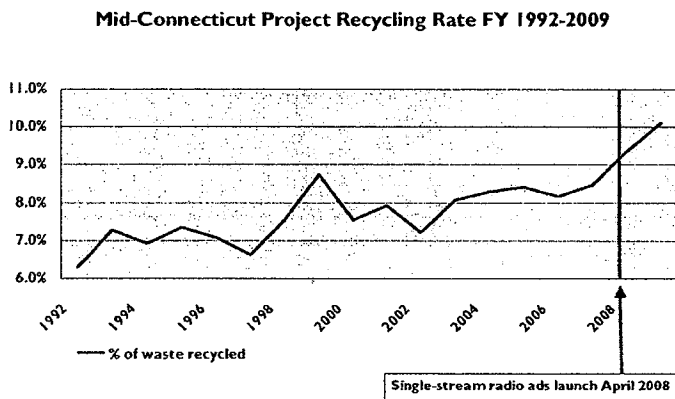
In recognition of the need for such campaigns, the CRRA Board of Directors appropriated \$150,000 to the FY 2010 Mid-Connecticut Project budget line entitled "Regional Recycling Marketing & Public Relations."

CRRA has been working on this campaign with Pita Communications LLC, to whom CRRA awarded a three-year Public Relations Services Agreement after a Request for Qualifications (RFQ) process in 2008. Pita developed two 30-second radio spots that will introduce single-stream recycling and explain its superiority to other forms of recycling, and a flyer that can be customized for a particular town or distributed widely.

Management is now planning another burst of radio ads which will run from March 1 through April 4 on selected stations. These stations will also distribute CRRA's single-stream flyer at public events where these stations are participating.

Normally, such a campaign would involve a combination of newspaper and broadcast advertising. However, because of the uncertainty in the newspaper business – several weekly newspapers in which CRRA had been advertising recently closed, many others are on the brink of failure and readership is declining industry-wide – management decided to focus on broadcast advertising, specifically radio. Radio advertising is particularly attractive for this campaign for four reasons:

- The variety of radio stations in the Mid-Connecticut Project area blankets the full population and demographic range CRRA needs to reach for this purpose. The Mid-Connecticut Project serves 70 towns in five different media markets with a total population of about 1.3 million, yet even communities as small as Old Saybrook have their own local stations.
- Fewer and fewer people read newspapers, so news releases are less and less effective. Other "free" media, such as local-access cable and municipal Web sites, reach only those people who use the Internet and seek out local-access cable. Earned media, such as print and broadcast news coverage, is subject to the whims of the news cycle and, while valuable, cannot provide the frequency of paid media. Radio remains the one affordable medium that reaches everyone with the degree of frequency needed to be effective.
- The economic recession has hit radio advertising particularly hard, so broadcasters are offering deep discounts and other value-added features, meaning we can maximize our buying power.
- To purchase newspaper advertising in the various daily, weekly and monthly newspapers needed to reach this sprawling territory would drive up substantially the non-advertising costs of this campaign. Different publications have different mechanical requirements, meaning more varieties of the same ads would have to be created, and more companies would have to be contacted and negotiated with to place the advertising. Any 30-second spot can be aired on any radio station and, due to consolidation of the radio industry there are fewer companies with which to negotiate placement and pricing.



These investments – in the retrofit of the recycling facility and the public awareness campaign – have paid dividends. Single-stream is available in at least 60 of the 64 Mid-Connecticut Project towns that recycle with CRRA, though not each of those towns is entirely single-stream.

More importantly, the Mid-Connecticut Project's recycling rate has increased for two consecutive years (see chart), at a time when state recycling rates continue

to be flat or even decrease. And through the first six months of FY 2010, the Mid-Connecticut Project was on course to break last year's record for tons of recyclables delivered.

Management has allocated \$45,305 for the latest portion of this campaign, or about five cents per person in the targeted area. A campaign that would effectively reach an area the size and breadth of the Mid-Connecticut Project would normally cost in excess of \$100,000, but CRRA can take advantage of radio companies' willingness to discount.

The radio spots drive traffic to CRRA's Web site, which for three years has had a town-by-town recycling guide (http://www.crra.org/pages/member_towns_recycling_table.htm#towns) that lists a telephone number with which residents can get more information about their particular localities.

The CRRA Web site's town-by-town recycling guide is constantly being updated to indicate the towns in which single-stream recycling is already available.

While the 30-second spots are the foundation of this campaign, "value-added features" typically offered by stations to entities purchasing blocks of advertising include distribution of flyers at events where radio personalities are making in-person appearances and streaming advertisements on stations' Web sites (WTIC-AM's site, for example, receives over 110,000 unique visitors each month). With this expenditure, CRRA could expect to receive some amount of these or other "value-adds," though the specifics would be negotiated by Pita's media buyer.

While the 30-second spots introduce single-stream recycling and increase recycling in Mid-Connecticut Project towns, the spots will also enhance CRRA's public image with the tag line of "CRRA – Connecticut's recycling leader." While results concerning the impact on CRRA's image cannot be measured without scientific public-opinion polling, progress toward the main goal – increasing recycling – are demonstrated by measuring by total recycling tons received and the ratio of recycling tons to trash received from participating towns. The results are seen clearly in the above chart.

The campaign has also swayed the decisions of those mayors or first selectmen to switch to single-stream recycling but might otherwise have a hard time justifying any capital expenditures that may be necessary in the current economic climate.

The SWMP, which CRRA is charged with implementing, calls for increased education and outreach as a means of reaching the SWMP's recycling goals. Specifically, Page 4-2 of the SWMP calls for efforts to ***"build support for programs to engage citizens in actions needed to maximize waste reduction and recycling,"*** so this campaign will help CRRA carry out its statutory responsibility (CGS Sec. 22a-262 and Sec. 22a-264) for implementing the SWMP.

Because this Request for Services will bring the total of RFSs placed with this vendor in the current fiscal year above \$50,000, this report is being made to the CRRA Board of Directors pursuant to Section 4.1.4 of the "CRRA Procurement Policies & Procedures BOD 014:"

4.1.4.2 Report to Be Submitted

If all of the conditions specified in Section 4.1.4.1 have been met, a report shall be submitted to the appropriate committee(s) of the Board of Directors documenting the multiple RFSs and expenditures thereunder. Board of Directors approval is not required for the initial or subsequent RFSs in a Fiscal Year when all of the conditions specified above are met. RFSs may not be split in amount or duration in order to evade the intent of the Act or the Policies And Procedures.

Previous RFSs placed with this vendor in the current fiscal year include:

Request for Services No. 7: July 1, 2009, Public Relations and Related Services, \$5,000.

Request for Services No. 8: September 14, 2009, Electronics Recycling Marketing & Public Relations, \$1,295.

Request for Services No. 9: October 15, 2009, Single-Stream Recycling Marketing & Public Relations Campaign, \$40,000.

DISCUSSION

Pita Communications LLC was one of three firms selected to receive Public Relations Services Agreements after CRRA issued a Request for Qualifications for firms to provide public relations, advertising and marketing services in 2008. This particular firm was chosen for its commendable work in developing and executing the award-winning "Phillup D. Bag" campaign which was successful in increasing awareness of mixed-paper recycling and enhancing CRRA's public image. This Agreement was approved by the Board on November 20, 2008.

Financial Summary

Funds for this RFS are available in Mid-Connecticut Project budget line 41-001-506-52118 "Regional Recycling Marketing & Public Relations."