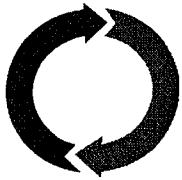


**CRRA
BOARD MEETING
Oct. 27, 2011**



**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: Oct. 21, 2011
RE: Notice of Regular Meeting

There will be a regular meeting of the Connecticut Resources Recovery Authority Board of Directors on Thursday, Oct. 27, 2011, at 9:30 a.m. The meeting will be held in the Board Room at 211 Murphy Rd., Hartford, CT 06103.

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

Connecticut Resources Recovery Authority
Regular Board of Directors Meeting

Agenda
Oct. 27, 2011
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 Regular Sept. 29, 2011, Board Meeting Minutes (Attachment 1).

1.a Action Items

IV. Board Committee Reports

V. Executive Session

An Executive Session will be held to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations.

A. Finance Committee Reports

1. Board Action will be sought Regarding Approval of Insurance Consultant and Broker Services (Attachment 2).
2. Board Action will be sought Regarding Approval of the Revised Property Division Budget (Attachment 3).

B. Policies & Procurement Committee

1. Board Action will be sought Regarding Purchase of a Mobile Grapple Crane for the Mid-Ct WPF (Attachment 4).
2. Board Action will be sought for the Resolution Regarding an Agreement for Environmental Monitoring Laboratory Analysis and Reporting Services at the Hartford Landfill (Attachment 5).
3. Board Action will be sought for the Resolution Regarding Consulting Services for the Final Phase of Closure of the CRRA Hartford Landfill (Attachment 6).
4. Board Action will be sought for the Resolution Regarding Delivery of Cover Soils (Attachment 7).

5. Board Action will be sought for the Resolution Regarding Revisions to the CRRRA Telephonic Meeting Policy and Procedure (Attachment 8).
6. Board Action will be sought for the Resolution Regarding an Amendment to the Tier I Municipal Solid Waste Agreement (Attachment 9).
7. Board Action will be sought Regarding Approval of a Resolution Regarding Additional Projected Legal Expenditures (Attachment 10).

VI. Chairman and President's Reports

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED TWENTY-SECOND

SEPT. 29, 2011

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Sept. 29, 2011, in the Board Room at 100 Constitution Plaza, Hartford, CT 06103 Those present were:

Directors: Chairman Pace
Vice Chairman Jarjura (present beginning 10:47 a.m.)
David Damer
Timothy Griswold
Dot Kelly (present by telephone)
Theodore Martland
Scott Slifka
Donald Stein
Steve Edwards, Bridgeport Project Ad-Hoc
Robert Painter, Mid-Connecticut Project Ad-Hoc
Steven Wawruck, Mid-Connecticut Project Ad-Hoc

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Laurie Hunt, Director of Legal Services
Peter Egan, Environmental Affairs and Environmental Director
Nhan Vo-Le, Director of Accounting Services
Lynn Martin, Risk Manager
Paul Nonnenmacher, Director of Public Affairs
Moira Benacquista, Board Secretary/Paralegal

Others present: Dick Barlow, First Selectman of Canton, CT; John Hughes, The National Solid Waste Management Association; John Phillips, West Hartford, CT; John Pizzmenti, USA Hauling; Will Reynolds, Bollam Sheedy & Torani; Jim Sandler, Esq., Sandler & Mara; Cheryl Thibeault, Covanta.

Chairman Pace called the meeting to order at 9:45 a.m. and said a quorum was present.

PUBLIC COMMENT

First Selectmen of the Town of Canton, Mr. Barlow, said he was present in response to the Aug. 17, 2011, e-mail from CRRA management considering the possibility of a \$20.00 per ton recycling rebate. He said discussion with other municipal officials at the Capital Regional Council of Governments resulted in a variety of responses ranging from shock, amazement, disappointment and hope that this was going to happen. Mr. Barlow said the municipalities have been working diligently to

meet CRRA's October 1, 2011, deadline for the new MSA's. He said to have this offer provided at the last minute has made a tremendous impact on the municipalities.

Mr. Barlow said the municipalities have several questions including: how does this affect the tip fee, where is this money coming from, who is going to pay for it in the future, and why if this money was available before did it take CRRA to the eleventh hour to offer this rebate. He said there are some municipalities which chose other options which may have stayed with CRRA if that offer had been on the table before. Mr. Barlow said he is here to learn the answer to these questions and to report back to the municipalities.

Mr. Hughes said he is present to on behalf of the National Solid Waste Management Association which represents the various haulers in the State of Connecticut. He said he is also present concerning the proposed \$20.00 recycling rebate. Mr. Hughes said many of the haulers act as advisors to the towns and are expressing concern over the timeline of this offering. Mr. Hughes said the haulers believe in open competition and open market and feel that this action is flying in the face of that concept. He said in addition the haulers are not sure where the subsidy is coming from. Mr. Hughes said he is here to make the haulers' concerns heard and looks forward to hearing more information.

Chairman Pace said any and all decisions made by the Board are done so in the best interest of the municipalities, the tax payers and for the State's interest in meeting the policy laid out by the Connecticut Department of Environmental Protection (hereinafter referred to as "CT DEP") to increase recycling. He said these topics would be addressed further in the meeting.

APPROVAL OF THE MINUTES OF THE JULY 28, 2011, REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the August 25, 2011, Regular Board Meeting. Director Martland made a motion to approve the minutes, which was seconded by Director Stein.

The motion to approve the minutes as amended and discussed was approved by roll call. Chairman Pace, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

MOTION TO ADD THREE ITEMS TO THE AGENDA INCLUDING: A CHANGE TO THE TELEPHONIC MEETING POLICY AND PROCEDURE; RESOLUTION REGARDING A MINIMUM REBATE FOR RECYCLING; AND A RESOLUTION FOR OPTIONAL RECYCLING DELIVERIES

Chairman Pace requested a motion to add three items to the agenda including; a change to the telephonic meeting policy and procedures; a resolution regarding a minimum rebate for recycling; and a resolution for optional recycling deliveries.

The motion to add the before mentioned items to the agenda was made by Director Damer and seconded by Director Martland.

The motion was approved by roll call. Chairman Pace, Director Damer, Director Edwards, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING APPROVAL OF COMMERCIAL GENERAL LIABILITY, UMBRELLA LIABILITY, POLLUTION LEGAL LIABILITY AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

Chairman Pace requested a motion on the above referenced item. The motion was made by Director Martland and seconded by Director Griswold.

RESOLVED: That CRRA’s Commercial General Liability insurance be purchased from ACE American Insurance Company (Rating A+) with a \$1,000,000 limit, \$25,000 deductible, for the period 10/1/11 – 10/1/12 for a premium of \$211,539 as discussed at this meeting; and

FURTHER RESOLVED: That CRRA’s Umbrella Liability insurance be purchased from ACE Property & Casualty Insurance Company (Rating A+) with a \$25 million limit, \$10,000 retention, for the period 10/1/11 – 10/1/12 for a premium of \$158,552, as discussed at this meeting; and

FURTHER RESOLVED: That CRRA's Pollution Legal Liability insurance be purchased from Illinois Union Insurance Company (ACE) (Rating A+) with a \$20 million limit, \$250,000 retention, for the period 10/1/11 – 10/1/12 for a premium of \$243,012; as discussed at this meeting, and;

FURTHER RESOLVED: That CRRA's Commercial Automobile Liability insurance be purchased from ACE Fire Underwriters Insurance Company (Rating A+) with a \$1 million limit, liability coverage on all and comprehensive and collision on fourteen (14) passenger vehicles and light trucks with a \$1,000 deductible, for the period 10/1/11 – 10/1/12 for a premium of \$54,911.

Chairman Pace said this motion would be put aside until an eighth voting member of the Board is present.

RESOLUTION REGARDING APPROVAL OF THE 2011 YEAR END AUDIT

Chairman Pace requested a motion on the above referenced item. The motion was made by Director Martland and seconded by Director Damer.

RESOLVED: That the Board hereby accepts the Annual Financial Report for the Fiscal Year Ended June 30, 2011, substantially as discussed and presented at this meeting.

Mr. Bolduc said Will Reynolds, a partner from Bollam, Sheedy & Torrani (hereinafter referred to as "BST") and Ms. Vo-Le, CRRA's Director of Accounting, were present to address the audit. He said the Finance Committee reviewed the audit at length during its last meeting.

Mr. Reynolds said the auditor's opinion is unqualified or what is known as a clean opinion. He said the audit was done according to generally accepted auditing procedures and government auditing procedures. Mr. Reynolds said in BST's opinion the financial statements present fairly in all material respects. He said BST did not audit management's discussion and analysis and some supplemental data.

Mr. Reynolds's said managements' discussion and analysis is prepared by CRRA and has always impressed him as being very thorough and in depth. He said there is some excellent detailed analysis on the contents of the audit.

Mr. Reynolds said pg. 27 contains the financial statement and balance sheet. He said items of note include the bonds payable which went down due to the refinancing of the Southeast bonds. Mr. Reynolds said a drop of \$7 million is reflected under the net assets. Mr. Reynolds said in addition total assets went down \$29 million.

Mr. Reynolds said pg. 28 shows the statement of operations. He said the service charge revenue is down about \$8 million due to the closure of the Wallingford Project and the reduction in tonnage. Mr. Reynolds said the operating expenses show distributions to the towns last year totaling \$1.6 million and \$2.6 million for this year. He said the operating loss this year was \$30 million and last year was \$14 million, primarily due to the two items he just mentioned. Mr. Reynolds said this flows through to the change in net assets. He said other income and expenses went from \$5.9 million down to negative \$1.2

million primarily as a state grant of \$5 million. He said one unusual special item of note was the \$2.3 million which was a gain on the early retirement of debt.

Mr. Reynolds said the cash flow statement is a useful document. He said most of the footnotes are similar to those noted in prior year. Mr. Reynolds said on pg. 32 note 1G indicates that CRRA wrote off a coal inventory of \$111,000 which was identified as obsolete and is a one-time unusual item. He said on pg. 38 another significant item under cash deposits and investments is the STIF assets which dropped significantly due mostly to distributions to towns. Mr. Reynolds said there is a description in footnote 3 on pg. 38 of the changes in capital assets. He said another unique item is the early retirement of debt on pg. 39. He said this discusses the re-funding and mentions the bond generated savings which totals \$8 million over the life of the issue which generated the \$2.3 million mentioned on pg. 4.

Mr. Reynolds said the remaining footnotes are fairly standard. He said pg. 48 talks about contingencies under the Mid-CT project. He said the arbitration proceeding and claims made by MDC, as well as the fact that CRRA is changing operators is noted. Mr. Reynolds said the conclusion from CRRA's legal counsel is the matter is too preliminary to estimate the potential exposure.

Mr. Reynolds said the supplemental information beginning on pg. 49 is useful to an organization which has many pieces as it breaks out both the balance sheet and statement of operations by division and project.

Director Stein said asked how a net cost of operations organization reconciles a consistent pattern of net loss of operations from what is charged to the towns. He asked if money is being taken out of contingencies and out of capital funds, when will those funds run out. Director Stein asked how CRRA operates when there is an operating loss across the board for the last three years.

Mr. Bolduc explained the towns generally look at the development of the net cost of the budget, a term for the net cost of operations for the budget which emanates from the MSA's and the bond indentures. He said the MSA's and the bond indentures describe the methodology for coming up with that number, which for all practicality is on a cash basis. Mr. Bolduc said these numbers are under GAAP accounting, an accrual basis of accounting. He said for example the method of accounting for the \$15 million distribution.

Mr. Bolduc said it is not recognizable in the budget under the profit and loss because it has already been in the reserve account so the cash comes out of the balance sheet and gets distributed under the MSA's as it was already put aside years ago. He said for accounting purposes under the GAAP it becomes a charge. Mr. Bolduc said out of that \$30 million loss there is about \$20 million associated with that accrual which has nothing to do with the cash because the cash was already sitting over in two accounts in the balance sheet under restricted assets. Mr. Bolduc said the term "net cost of operation" does not relate to the balance sheets in terms of Mid-CT.

Director Stein said the Mid-CT Project is showing an operating loss of \$11 million. He asked how that fits into the net cost of operations of having a sustainable operation if \$11 million a year is being lost the operation is not sustainable. Mr. Bolduc replied that this is on an accrual basis. He said management may accrue things such as contingencies for litigation but that does not mean CRRA will

lose those funds, however they must be accrued for. Mr. Bolduc said depreciation is also a big factor. He said this form of accounting is not a town or private sector budget but it in between.

Director Painter said after reviewing the audit he cannot find a line item for the PILOT payment. Mr. Bolduc said it is an expense and it can be found on pg. 51. He said the PILOT is contained in the solid waste operations number. Director Painter asked what else is in that number. Mr. Bolduc said the cost for the PBF, WBF, and EGF are all consolidated in there. He said he can break that number out for Director Painter. Mr. Bolduc said that number is also broken out in more detail in the budget.

Chairman Pace asked Mr. Reynolds if there is anything in this audit that doesn't show that CRRA is not progressing forward. Mr. Reynolds replied no. He said BST reviews that budget reconciliation and the MSA arrangement as CRRA as a whole puts great stock in that and wants to be sure it can reconcile between the two.

Mr. Reynolds said pg. 56 shows a required auditors report on internal control over financial reporting and compliance which BST provides. He said BST "did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses". Mr. Reynolds said the results of the compliance tests disclosed no instances of non-compliance or other matters which would be required to be reported. He said there is another required certification relating to bond and investment matters for which there is nothing of note.

Mr. Bolduc said CRRA does not have encumbrances. He explained if an item is voted on, that money is put aside in a reserve. Mr. Bolduc said cash is not left unrestricted except for working capital and the other amounts are designated for specific purposes and only through the Board's action.

Director Griswold asked about the disposition of the City of Hartford Recycling Education fund. Mr. Bolduc explained the funds were tied into the PILOT and a piece was designated to a specific program under the control of the City of Hartford. Mr. Egan said this reserve holds money which CRRA pays to the City of Hartford under an old PILOT agreement. He said historically about \$100,000 a year was placed in a reserve which was used to pay the recycling coordinator of the City of Hartford.

Mr. Egan said in recent years the City did not request reimbursement and the funds built up to about \$400,000. He said a new solid waste coordinator came into the City a couple of years ago, Marilyn Cruz Aponte, who began putting together a formal budget to use the \$400,000. Mr. Egan said she plans to use about \$300,000 for a variety of different recycling initiatives around the City for which CRRA will provide reimbursement when the funds are spent. Mr. Egan said as a result of an outcome of the Hartford Landfill Settlement Agreement with the City of Hartford in 2007 the \$100,000 a year was increased to \$150,000 a year, which continues through FY'13.

Chairman Pace asked if the City of Hartford's recycling projects are sustainable projects. Mr. Egan replied yes. He said for example the City is initiating an education program on single stream recycling and has acquired assets for that education and recycling containers.

Ms. Vo-Le said the year end audit went well and smoothly. She said she is pleased with the audit and thanked the accounting and finance department, senior management and BST for their hard work. Ms. Vo-Le personally thanked Mr. Bolduc and the CRRA Board for their interest and support in

planning and conducting CRRRA finances. Director Martland noted the accounting department has received an award for its audits for nearly ten years running.

Chairman Pace thanked Mr. Bolduc, Ms. Vo-Le and the accounting department for their hard work.

The motion previously made and seconded was approved by roll call. Chairman Pace, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING APPROVAL OF CONTRIBUTION TO MID-CONN RISK FUND

Chairman Pace requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Director Griswold.

WHEREAS: The Mid-Connecticut Project will expire on November 15, 2012 and the Authority is accordingly analyzing the adequacy of its reserves to meet potential Project exposures, risks and liabilities; and

WHEREAS: The Connecticut Resources Recovery Authority has evaluated the Mid-Connecticut Project’s Risk Fund Reserve in light of the above-noted analysis and, in consultation with its counsel, has determined that it is prudent to add an additional \$3,500,00 at this time;

NOW, THEREFORE, BE IT:

RESOLVED: That \$3,500,000 be added to the Mid-Connecticut Project Risk Fund Reserve from FY11 Mid-Connecticut operations; and;

FURTHER RESOLVED: That, in the event that any moneys remaining in the Risk Fund at the end of the Mid-Connecticut Project are ultimately determined to be surplus to project liabilities, they will be appropriately returned to the current Mid-Connecticut project municipalities.

Director Painter asked why \$3.5 million is needed. Chairman Pace replied that there are a variety of items which were discussed previously in Executive Session. Director Damer noted that the final "Further Resolve" notes if these dollars "are ultimately determined to be surplus to project liabilities, they will be appropriately returned to the current Mid-Connecticut project municipalities."

The motion previously made and seconded was approved by roll call. Chairman Pace, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

POLICIES & PROCUREMENT COMMITTEE

RESOLUTION REGARDING MUNICIPAL GOVERNMENT LIAISON SERVICES

Chairman Pace requested a motion to withdraw the above captioned item and below referenced resolution from the agenda. Director Martland made the motion to withdraw which was seconded by Director Griswold.

RESOLVED: That the President is hereby authorized to execute and agreement for municipal government liaison services with Brown Rudnick Government Relations Strategies LP for the period from November 1, 2011, through June 30, 2014, substantially as presented and discussed at this meeting.

Director Damer said that he believes that the contract dates were misread and this item went out to bid inadvertently. Director Slifka asked if the intent is to bring this item back the following year. Chairman Pace said yes. He said the Board will address this item in a year. Mr. Kirk said the existing agreement has one year left and an RFP was inadvertently done a year earlier than needed. Director Slifka expressed his concern that this resolution would violate the ban on CRRA hiring lobbyists that the State of Connecticut passed effective January 1, 2003. He said given this is an older contract, management has likely addressed this issue before, however given his timing and arrival to the Board he would like to hear more about that. Director Slifka said he had also received an e-mail from what he assumes is the losing bidder. He said the RFP issuance happened roughly a week before he joined the Board.

Director Stein said the questions which have been raised concern the statutory language relative to employing a lobbyist. He said before an RFP goes out that question has to be clarified in terms of legalities and qualifications of a potential contractor. Mr. Kirk said the RFP process is managed through the Policies and Procurement Committee and will be brought back through that Committee before being brought to the full Board.

Chairman Pace said as a result of this discussion he is appointing Director Stein to the Policies and Procurement Committee. Director Stein agreed to the request.

The motion previously made and seconded to withdraw this item was approved by roll call. Chairman Pace, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING EMERGENCY PROCUREMENT OF A DOZER FOR COMPACTION SERVICES

Chairman Pace requested a motion regarding the above captioned item. Director Damer made the following motion which was seconded by Director Martland.

RESOLVED: That the CRRA Board of Directors ratifies the Emergency Procurement as substantially presented and discussed at this meeting.

Director Damer said the Policies & Procurement Committee discussed this item at length at its last meeting. He said the existing dozer that CRRA owns and operates had an issue with its cooling system and a dozer was needed immediately to operate the facility during the two weeks CRRA's was fixed.

Director Griswold said under the memo there is a reference to an unpaid bill. Mr. Kirk said in order to get the machine on site a long outstanding balance issue with H.O. Penn had to be taken care of. He said he cannot speak to the specifics of how it occurred or why it was not paid by our contractor which would have been typical, however; CRRA was satisfied that the funds were due to H.O. Penn. He

said whether it should have come out of MDC's budget or a separate budget by CRRA will be determined.

Director Griswold asked if CRRA can back-bill MDC if it was the responsibility of MDC to pay that bill. Mr. Kirk said if it had been MDC's responsibility to pay the bill it would have been passed through to CRRA eventually with an additional 15% mark up. He said had it not been a direct pass through it would have been a more difficult issue to solve. Mr. Kirk said administratively it is important not to double pay and management is comfortable that is not the case here.

Mr. Egan said this dozer is used to compact garbage on the tip floor and refuse derived fuel in the RDF hall to essentially make more room. He said it increases the density of waste and allows CRRA to manage more garbage. Mr. Egan said a larger machine is best for this service.

The motion previously made and seconded was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING APPROVAL OF INSURANCE RENEWALS

Chairman Pace asked that this motion, which was previously made by Director Martland and seconded by Director Griswold, be brought forward.

RESOLVED: That CRRA's Commercial General Liability insurance be purchased from ACE American Insurance Company (Rating A+) with a \$1,000,000 limit, \$25,000 deductible, for the period 10/1/11 – 10/1/12 for a premium of \$211,539 as discussed at this meeting; and

FURTHER RESOLVED: That CRRA's Umbrella Liability insurance be purchased from ACE Property & Casualty Insurance Company (Rating A+) with a \$25 million limit, \$10,000 retention, for the period 10/1/11 – 10/1/12 for a premium of \$158,552, as discussed at this meeting; and

FURTHER RESOLVED: That CRRA's Pollution Legal Liability insurance be purchased from Illinois Union Insurance Company (ACE) (Rating A+) with a \$20 million limit, \$250,000 retention, for the period 10/1/11 – 10/1/12 for a premium of \$243,012; as discussed at this meeting, and;

FURTHER RESOLVED: That CRRA's Commercial Automobile Liability insurance be purchased from ACE Fire Underwriters Insurance Company (Rating A+) with a \$1 million limit, liability coverage on all and comprehensive and collision on fourteen (14) passenger vehicles and light trucks with a \$1,000 deductible, for the period 10/1/11 – 10/1/12 for a premium of \$54,911.

Mr. Bolduc said management goes through insurance renewals twice a year. He said Ms. Martin, Risk Manager, works with AON Risk Services, CRRA's insurance broker and consultant, to acquire insurance for CRRA. He said the Finance Committee reviewed this item in great detail and noted the policies expire at the end of the week and need to be renewed. Mr. Bolduc said management strives each year to bring the numbers for approval earlier however CRRA does not drive the insurance market and responders are always reluctant to provide numbers any earlier.

Mr. Bolduc noted the last page summarizes the policies CRRA goes out for in exhibit III. He said CRRA goes out for general liability, the umbrella policy, pollution liability and auto liability at this time of year. Mr. Bolduc said CRRA's current annualized premiums are \$671,000 and the proposed renewals are about \$667,000. He said management was able to achieve a reduction of the actual premium from year to year. Mr. Bolduc said management also looks at how it impacts the budget which is annualized because CRRA is on a fiscal year and insurance carriers operate from October – September. He said the current premium proposals for these policies are coming in under the budget and are about \$3,000 under the premium made the prior year.

Ms. Martin said Aon Risk Services marketed these various policies to eleven markets, as shown in Exhibit II. She said most carriers declined to quote due to fear of the exposures or inability to compete with the premiums or terms CRRA has been successful in achieving with ACE. Ms. Martin said ACE came back with a very good program and even improved on the premiums they provided CRRA last year.

Ms. Martin said pg. 4 shows the recommendation and the overall decrease from the prior year of about 1%. She said some of the positive aspects of the contract with ACE are highlighted on pg. 5. Mr. Bolduc said management did test the market to do an evaluation of what the premium reduction would be with a higher deductible. He said the eventual conclusion was there was not enough savings to make a shift worth it and the exposure was not worth a reduced premium.

Director Damer asked if the reductions in premium were a result of the market or improved experience by CRRA. Ms. Martin replied that it is a mixture of both. She said that ACE enjoys CRRA's business and in addition is aggressive to keep it, likely because of the profit they achieve as CRRA's claims experience has been good. She said the market has much more overall casualty capacity.

Mr. Bolduc said AON had explained at their presentation to the Finance Committee that there will be changes when they go back out for property coverage in April as that market is hardening.

The motion previously made and seconded was approved by roll call. Chairman Pace, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING COMPUTER INFORMATION CONSULTING SERVICES (CONTRACT WITH WALKER)

Chairman Pace requested a motion regarding the above captioned item. Director Damer made the following motion which was seconded by Director Stein.

RESOLVED: That the President is hereby authorized to execute an agreement for computer information consulting services with Walker Systems Support for the period from October 1, 2011, through June 30, 2012, substantially as presented and discussed at this meeting.

Director Damer said this resolution is for a new three year contract for Walker Systems Support which has supported CRRA for the last six years. He said as there is only one full time computer specialist at CRRA, Walker backs up that employee as well as providing expertise in other areas as needed.

Director Griswold asked if this resolution is for \$49,860 in one year, and this is a 33 month commitment, if the Board is actually looking to approve \$50,000. Director Damer said it is for \$50,000 per year for the life of the contract. Mr. Egan said the last year is a stub year, it ends June 30, 2014, and CRRA will not likely spend \$50,000 that year and also may not in any year however management thought it was best to come to the Board for that approval just in case.

Director Edwards asked what the materials referenced are for. Mr. Kirk said small incidentals such as a cables and other minor hardware items but not capital items such as computers.

The motion previously made and seconded was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING A CONTRACT WITH STEVEN YATES FOR ENVIRONMENTAL CONSULTING SERVICES

Chairman Pace requested regarding the above captioned item. Director Martland made the following motion which was seconded by Director Damer.

RESOLVED: That the President is hereby authorized to enter into a contract with Steven Yates for environmental consulting services, substantially as discussed and presented at this meeting.

Mr. Egan said Mr. Yates had worked in his department as air compliance manager and retired at the end of June. He said this personal service agreement allows CRRA to call upon Mr. Yates for his institutional knowledge as necessary. Mr. Egan said Mr. Kirk has authority to hire a contractor for up to \$10,000 in such a situation. He said this was done in June for Mr. Yates who will complete a number of projects for CRRA in July – Sept as his replacement is brought up to speed. Mr. Egan said these funds are to supplement the amount which has already been spent in the event that his services are needed. He said there are several projects where Mr. Yate’s experience will be needed and he is currently supporting the employee who took over many of his responsibilities.

Director Stein asked if he was correct in saying there is someone else taking over Mr. Yate’s responsibilities and he is basically there to provide that transition until that other employee is brought up to speed. Mr. Egan said that was correct. He said the alternative would be to use another existing air consultant which would be in the price range of \$150 an hour.

The motion previously made and seconded was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING INSTALLATION OF GREENHOUSE GAS MONITORS AT THE CRRA MID-CT RESOURCE RECOVERY FACILITY

Chairman Pace requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Director Damer.

RESOLVED: That the President is hereby authorized to pay additional funds to the Power Block Facility operating contractor, Covanta Mid-Conn, Inc. associated with installation of greenhouse gas monitoring equipment on each of the three municipal waste combustor units, substantially as discussed and presented at this meeting.

Mr. Egan said about a year and half ago the Federal Government passed a regulation which required waste to energy facilities to install monitoring equipment to continuously monitor carbon dioxide. He said Covanta, CRRA's operator at the Power Block Facility, began looking at the plants' it operated to develop a plan for installing this equipment. Mr. Egan said Covanta is responsible for compliance with environmental law at the facility. He said Covanta came to CRRA with an estimate for installing monitoring equipment of \$287,000 in 2010, which CRRA is obligated to pay under the change in law provision in the contract CRRA had with Covanta.

Mr. Egan said the estimate which flowed from the scope of work provided by Covanta was low and exceeded its estimate. He said CRRA cannot pay Covanta the additional amount without Board approval because this was not originally in the capital plan and the funds cannot be moved around without Board approval. Mr. Egan said the increase in cost has to do with how Covanta scoped the work and costs associated with installing some of the platforms to support the equipment and various electrical and wiring configurations estimates.

Chairman Pace asked if CRRA is obligated to pay for something Covanta erred on. Mr. Egan replied yes. Director Griswold asked if this was a contract. Mr. Egan said Covanta engaged several contractors for different components of this activity, purchasing equipment, fabricating additional support structures and platforms to hold the equipment, bringing in an electrician to wire the system, and

another contractor to run the tubing and conduit necessary to take the gases from the boiler train down to instruments. He said CRRA's contract with Covanta is for the facility operation and maintenance.

Chairman Pace asked Ms. Hunt if CRRA is legally obligated to pay for this. Ms. Hunt replied yes. Director Slifka asked why CRRA is paying for a miscalculation. He asked Ms. Hunt if management is concluding the only option is litigation and therefore not worth the expense or does this contract dictate that CRRA has to pay no matter what. Mr. Egan said the contract states that CRRA has to pay Covanta for costs associated with the equipment. He said CRRA could try and litigate however he does not feel CRRA has a defensible position.

Mr. Egan said as he understands the situation Covanta did not include in the original scope of work certain items which they should have when they sought cost estimates, which became apparent to CRRA in March 2011. Director Slifka said Covanta should have told management about the mistake earlier and the Board would have presumably approved a higher number.

Director Edwards asked if management was informed of the problems as Covanta went along. He asked at what point management knew Covanta was going over budget. Mr. Egan said management was informed in March and was not up to speed from week to week. He said had it come to management's attention earlier they would have been back to the Board sooner to seek authority for the increase.

Director Stein asked if management authorized this by a task order or contractual modification. He asked if there was a scope of work and estimate that CRRA looked at prior to approving the work. Mr. Egan replied that an overview of those numbers was provided and detailed in the Sept. write-up.

The motion previously made and seconded was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

BREAK

Chairman Pace said the Board would take a five minute break. The break began at 11:05 a.m. and ended at 11:09 a.m.

RESOLUTION REGARDING THE NEW POLICY AND PROCEDURE FOR THE PAYMENT OF HOST FEES AND PILOTS

Chairman Pace requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Vice-Chairman Jarjura.

RESOLVED: That the Board of Directors hereby approves the new **POLICY AND PROCEDURE FOR THE PAYMENT OF HOST FEES AND PILOTS** substantially as presented and disused at this meeting.

Mr. Kirk said management created this resolution in order to have a policy to address PILOT's and fees as many new contracts are coming up. He said management researched how the State of Connecticut addresses local concerns when facilities are taken off of tax rolls in past years. He said CRRA is exempt from paying taxes and fees to governments of any kind however; it has been the practice, and will management believes it will continue to be so, for CRRA to recognize through host fee or PILOT the host community where CRRA facilities are located.

Mr. Kirk said CRRA has distilled the practices of the State facilities from universities, training facilities, schools, prisons, hospital etc. to find the most conservative (highest) property tax or PILOT calculation and distilled it into this policy and procedure. He said it was added into section three of the Board Policy and reserves for the Board's ability to set a PILOT at whatever level it deems appropriate.

Mr. Kirk said this is guidance for management to provide budgeting systems to the Board and does not compel the Board to set any particular PILOT level. He said the proposed policy is essentially the appraised value, times 70%, times the mill rate in the particular municipality in which the facility resides. Mr. Kirk said it has been properly noticed for thirty days as required.

After substantial discussion the Board agreed to table this item.

MOTION TO TABLE THE RESOLUTION REGARDING THE NEW POLICY AND PROCEDURE FOR THE PAYMENT OF HOST FEES AND PILOTS

Chairman Pace requested a motion to table the new policy and procedure for the payment of host fees and pilots. The motion to table was made by Director Stein and second by Director Martland.

RESOLVED: That the Board of Directors hereby approves the new **POLICY AND PROCEDURE FOR THE PAYMENT OF HOST FEES AND PILOTS** substantially as presented and disused at this meeting.

The motion previously made and seconded to table the above referenced motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			

RESOLUTION REGARDING AUTHORIZATION OF REVISIONS TO THE CONNECTICUT RESOURCES RECOVERY AUTHORITY TELEPHONIC MEETING POLICY AND PROCEDURE

Chairman Pace requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Vice-Chairman Jarjura.

RESOLVED: That the Board hereby adopts the revised Telephonic Meeting Policy and Procedure substantially as presented and discussed at this meeting.

Mr. Kirk said there is some significant history behind this resolution. He said in 2003 when the CRRRA Board was reconstituted it was intensely focused on accountability and openness. Mr. Kirk said in order to underline those issues the Board self-imposed a restriction which required that six directors be present in the room physically before a meeting could start, which went above and beyond quorum requirements.

Mr. Kirk said this policy has become limiting and is increasing the length of meetings. He said management is suggesting the need for this restriction is not there any longer, and participation by phone is a convenience to the Directors which also allows meetings to start earlier and move faster. He said the public will not be impacted as they are always welcome to attend the public meetings in person.

Mr. Kirk said this change may shorten meetings. He said given possible changes with elections coming up there may be quorum issues beginning in November if this restriction is still in place. Mr. Kirk said management sought legal counsels' opinion to confirm the process for filling vacancies, in particular when municipal officials are not reelected. He said counsels' response, as it has always been, is that a Board member stays on until they are replaced. Mr. Kirk said in the event a municipal official declines to run again they stay on the Board until a replacement is appointed. He said management will work with the appointing officials to ask them to consider replacing an appointment if there is a status change, but in order for the Board to continue to function, the statute is very clear a Board member stays on until replaced.

Chairman Pace said he feels there is a synergy and better discussion when Board members are present in person. He said this policy may make business easier to conduct however; on the down side there may be a loss of synergy.

Director Stein asked if this is only for Special meetings. Ms. Hunt replied no, it would apply to regular meetings. She said generally this policy was meant to address special meetings however; it was management's intent to allow for a quorum in the room if there are fewer than eleven directors in place. Ms. Hunt said she agrees with Chairman Pace when the Board has the full eleven Directors that six in the room should not be a challenge. She said however; there are currently only nine Board members, one of which has an extensive traveling schedule, in addition to other issues, and as a result it is very difficult to get six Board members in the room.

Director Damer asked if this would change the requirement for two of the members present to be municipal officials. Ms. Hunt replied no as that was a statutory requirement. Director Martland said many of the appointing officials who are responsible for appointing Board members do not get around to that task and that vacancy is invariably a town representative, which makes it difficult to secure municipal representation.

Director Slifka said he was in favor of this resolution. He said this is a direction he is seeing on many of the Boards he serves on. Director Slifka said he agrees it is better to participate in person if possible, but if there is an obligation this policy allows for work to carry on.

Vice-Chairman Jarjura said he is also in support of this policy. He said he is a little concerned as there will be a move to change the Board's make-up in January/February and he wonders if this policy will affect that. Mr. Kirk said no. He said management intends to ask the Legislature to consider a change in governance with the cooperation of the towns. He said he will expect the CRRA Board to grow to 15 members and that he hopes that the current Ad-Hoc members will be promoted to Directors.

Director Kelly said she has an hour and half commute either way. She said she has come to meetings to find despite having someone on the phone; the Board is unable to start. Director Kelly said she will certainly try and make it to meetings however; the added pressure to attend and then the wait for some time start to the meeting is very disappointing. She said the flexibility would be nice but agrees with the consensus that when possible one should try and attend in person.

CONSENSUS TO SEND THE RESOLUTION REGARDING AUTHORIZATION OF REVISIONS TO THE CONNECTICUT RESOURCES RECOVERY AUTHORITY TELEPHONIC MEETING POLICY AND PROCEDURE TO THE POLICIES & PROCUREMENT COMMITTEE FOR FURTHER DISCUSSION

Chairman Pace made a motion to send the above referenced resolution to the Policies & Procurement Committee for further discussion. Director Martland seconded the motion to send the following resolution to the Committee:

RESOLVED: That the Board hereby adopts the revised Telephonic Meeting Policy and Procedure substantially as presented and discussed at this meeting.

Mr. Kirk said the intent of this policy was to allow the Board to relax its self-imposed restriction at regular meetings. Chairman Pace suggested that this policy be referred to the Policies and Procurement Committee for further vetting before returning to the full Board for approval. The Board agreed.

Mr. Kirk apologized for the rush to bring this resolution to the Board. He expressed concern that the November meeting may have quorum issues due to elections.

The motion to send this motion to the Policies and Procurement Committee was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Slifka, and Director Stein voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct			
Steve Wawruck, Mid-Ct			

RESOLUTION REGARDING MINIMUM REBATE

Chairman Pace requested a motion regarding the above captioned item. Director Martland made the following motion which was seconded by Director Damer.

WHEREAS, CRRA has provided to the many Municipalities of Connecticut the opportunity to enter into Municipal Services Agreements (MSAs) for the disposal of waste and the processing of recyclables at an efficient, publically owned system operated by CRRA on a cost of service basis; and,

WHEREAS, Municipalities are encouraged by CRRA to consider their individual municipal interests in deciding the most beneficial providers of these important services; and,

WHEREAS, pursuant to the MSAs, CRRA agreed to provide Recycling Rebates to the Municipalities in order to encourage recycling, enhance the environment and implement the State Solid Waste Management Plan, and

WHEREAS, the MSAs do not presently provide for a minimum or assured Recycling Rebate or a minimum dollar amount for and Recycling Rebate provided; and

WHEREAS, all the Municipalities, haulers, commercial and residential waste generators benefit from and enjoy lower disposal costs when CRRA maximizes its facilities' MSW capacity utilization; and

WHEREAS, CRRA's capacity utilization is maximized when municipalities participate with Tier 1 Municipal Services Agreements; and

WHEREAS, Municipalities opportunity to participate in CRRA's Tier one MSA is enhanced by the adoption of an assured rebate for recyclables:

Therefore, be it

RESOLVED: That the Board of Directors acknowledge and approves of a revision to the CRRA Tier 1 MSA to provide for an assured rebate for recyclables delivered by Municipalities to CRRA facilities, substantially as presented and discussed at this meeting.

Chairman Pace said CRRA is a quasi-public and was set up to react as a business entity. He said it is CRRA's responsibility to provide the best and most efficient services to the towns for the State of Connecticut. Chairman Pace said he has heard many complaints related to recyclables, in particular the lack of guaranteed rebate, and as a result he requested that management look into recycling offers to appease the towns. He said in response to comments asking "why is this being done now" that this decision, as in a business, was made due to the opportunity and at the request of our customers.

Mr. Kirk provided the Board with background information concerning this offer. He said about two years ago management reached out to the member towns for their insight concerning the new MSA's. Mr. Kirk said well over 50 official comments and hundreds of other comments were addressed by management using the 4 Tier offers which were provided for the towns.

Mr. Kirk said one issue recently raised in the last few weeks was the issue of recycling rebate guarantees. He said historically CRRA has subsidized recycling with the tip fee. He explained a tip fee for recycling was never charged, and when recycling as a division lost money, it was made up with subsidies from trash fees. Mr. Kirk said three or four years ago the recycling market changed and a profit began to be made from recycling. He said accordingly the Board examined the costs and revenues of recycling in the context of the system and declared rebates of \$10, \$5 and \$5 each of the last fiscal years. He said the performance in recycling revenues yields about \$39 a ton today.

Mr. Kirk said the issue for the towns in the context of their desire to meet CRRA's target date of Oct. 1, 2011, is that other options have made available to them. He said in particular there were guarantees of recycling rebates attractive to many towns and guarantees of recycling attractive to towns which were geographically closer to private processing facilities such that they could save money on transportation. He said importantly, there is no financial change under consideration, as the money for the rebate is from commodity sales as in past years. Mr. Kirk said the only difference is the Board would be guaranteeing towns a minimum rebate for their evaluation purposes. He said, absent this guarantee the Board would likely be authorizing the same rebate anyway.

Mr. Kirk said after consultation with the Board and a number of the member town's management suggested and communicated to the town's consideration of a \$20 minimum rebate. He said this would have solved much of the towns' concerns by allowing them to assume a rebate into their evaluations greater than zero and to better manage the decision making process on which vendor to use for recyclables. Mr. Kirk said it did not address the issue of geographical concerns of some towns for which they would still have to haul their recyclables at considerable expense down to Hartford.

Mr. Kirk said to address the geographical concerns of some towns management has provided option 2 (seen in the handout) which solves the geographic problem by allowing Tier 1 towns to have the option of not participating in CRRA recycling. He said Tier 1 currently requires recycling deliverables be brought to CRRA. Mr. Kirk said there is not a compelling reason to require Tier 1 to bring its' recycling to CRRA. He said management suggests the Board consider relieving Tier 1 towns of the obligation to deliver recycling so that towns with geographical alternatives can still enjoy the benefits of the Tier 1 contract (low costs, no worries, no put or pays, full faith and credit) and still take advantage of the best deal out there for recyclables. Mr. Kirk said this also allows for towns which consider a minimum rebate important, and have the option to do so, to take advantage of a minimum rebate as well. He summarized there are two options the Board is free to choose from, or they can choose both. Mr. Kirk said this address the concerns of the towns and allows them to enjoy CRRA's lowest cost services, and if the opportunity exists for that town, to opt-out of CRRA recycling services and take advantage of the private sector. Mr. Kirk said the option to allow tons to opt out of recycling reduces the need for a guaranteed rebate.

Mr. Kirk provided some information on the \$20 rebate. He said right now CRRA is receiving revenue of about \$37-\$39 a ton with guaranteed minimum revenue of \$19 a ton. Mr. Kirk said however; the Board has historically used that revenue for things like the museum, transportation, and operation and maintenance of the Murphy Rd. building. He said the Board can continue to do this, or it can pay a \$39 a ton rebate to the towns. Mr. Kirk said it is important to note that the Board has made decision on a rebate in context to what the Board spends on important issues such as the museum or Murphy Rd. He said the market currently allows for a high rebate however; he does not expect the market to continue at these historic highs and it is important to consider that if the Board wants to continue that rebate it may have to supplement that rebate with money from the trash tipping fee, which has been done for decades prior, before recycling became more profitable.

Mr. Kirk said a minimum rebate is simply a cost line item in the recycling budget. He said if the Board chooses to accept and require a minimum \$20 rebate; it is a cost of recycling, which will be borne by revenues. He said if those revenues are insufficient the Board can, and has in the past, supplemented those costs from revenues from other sources, typically the tip fee.

Director Martland asked how a \$61.50 tip fee can be guaranteed with a recycling rebate of \$20. Mr. Kirk said CRRA is not guaranteeing the tip fee. He said CRRA will offer an option to opt out if the \$61.50 tip fee cannot be sustained.

Director Edwards said that CRRA is in the same position that SWEROC was when the 19 original towns were reduced to 11. He said there may be future issues concerning support for the Trash Museum. Director Edwards cautioned management to learn from SWEROC's experience.

Director Kelly said that this is a competitive environment. She said what she likes about what the State of Connecticut did in forming CRRA was to recognize that government is often slow to react. Director Kelly said through her experience in the waste business, part of the success of a waste management company is to have the waste, including recyclables. She said she is concerned about providing a rebate and with CRRA reviewing its role. Director Kelly said at the same time she wants CRRA's customers to know CRRA is doing everything it can to be competitive. She said CRRA needs to be aggressive as the private haulers sharpen pricing. Director Kelly said these are volatile markets and she is very much in favor of providing the \$20 per ton guarantee as she believes it is a competitive response.

Director Stein said he looks at this offer in many ways. He when someone says we are going to offer you an additional \$20 a ton in revenue it is almost too good to be true, but how do you turn it down? Director Stein said he has always been skeptical about net cost of operations, how it relates to a profit motive and how you calculate net cost of operations. He said he is not hearing that there is new data available except for the threat of serious competition. He said he has not heard that the financial information has changed.

Director Stein said the MAC Committee has been working to improve communications and the relationship with CRRA and there has been much iteration of the MSA's and the pricing structure. He said he is troubled that after competition there is suddenly this \$20 a ton and he wonders why it wasn't offered earlier. Director Stein said he would not turn down the opportunity to make more money for his town but questions why this information was not available to the towns earlier and what has changed. He said this is action the industry would take however CRRA is not industry it is a quasi-public.

Mr. Kirk replied there is in fact no new revenue; this is just recognition of the revenue already contracted for. He said in this proposal CRRA is providing its customers with a guarantee funded from already existing contracts. Mr. Kirk said the money would be there with or without a guarantee and the guarantee would restrict the Board's ability to use the money elsewhere.

Chairman Pace replied that the purpose of having a quasi-public is so the quasi can react to the marketplace. He said CRRA customers have been saying more and more that they would like to see a rebate and indicated they were interested in bringing recycling elsewhere. Director Stein said he was not arguing that point. He said he was questioning when the offer went out, or when the bid was made to the CCSWA, the net cost of operations implied that the absolute minimum cost of operations would be applied and everything net of that would be made available to the customers. He asked why this offer could not be made six months ago, and what net cost of operations, financial data, and revenues have changed in that period of time.

Mr. Kirk responded that the rebate is not new, but provided at the promoting of the towns, it is being specified at a minimum \$20 a ton. He said absent this proposal there would be exactly the same money available to the Board for rebates.

Director Martland said for many years CRRA collected a great amount of money but gave it as a bonus to the towns at the end of the fiscal year, the towns were provided with the money because of recycling efforts. He said the difference now is now that CRRA figured out what it is doing and because of the market can provide those funds up front.

Director Stein asked why this was not made available six months ago. Mr. Kirk replied that it was. He explained the way it was made available was in the MSA's with a rebate at a to-be-determined amount. Mr. Kirk said the to-be-determined amount was a result of CRRA always using a net cost of operations. He said the towns were comparing an unknown figure with solid numbers from other offers yielding a flawed comparison.

Director Wawruck said everything he has been hearing was that CRRA would be offering a \$5 - \$10 rebate and only recently he has been hearing \$20. He asked if the \$20 rebate is a guarantee for the life of the contract. Director Griswold responded through 2018. Directors Wawruck asked what will suffer within the budget in order to offer the rebate. He asked how that will impact the municipalities.

Mr. Kirk said if this year CRRA is able to comfortably pay the anticipated \$20 a ton, and if the market goes down and CRRA's rebate as calculated goes to \$10, CRRA would be locked into a \$20 minimum. He said as a result more money will be coming from the solid waste tip fee revenue to pay that rebate. Chairman Pace recommended that the Board support Option 2 as he would rather take a look at giving the towns an extended option to deliver recyclables elsewhere.

Director Damer said he is comfortable with providing the opt-out option to the towns. He noted there are only estimated disposal fees for FY13 and FY17. Director Damer suggested using an estimated recycling rebate for FY13. He said there are no guarantees on disposal so why offer one for the recycling rebate. Director Damer said he is concerned that many member towns will take action based on what they think the Board may be doing at this meeting.

Chairman Pace said that CRRA should be providing the towns with the most and best options for the towns to act in their best interest. Director Stein agreed. He said it is an important part of this discussion. He said however; if CRRA is going to permit towns to opt-out unless CRRA offers some kind of a minimum rebate it will push towns to opt-out without maximizing tonnage.

Director Wawruck asked what the overall cost is to provide a \$20 rebate. Mr. Kirk replied approximately \$2 million, assuming 90,000 tons of Mid-Conn recycling, which may be less if some of the towns exit. Director Wawruck said in lean years that \$2 million will have to be found elsewhere. Chairman Pace asked what the privates are guaranteeing for recyclables. Director Wawruck said he had heard \$10 a ton for 5 years.

Director Stein said it seemed to him that the Board should approve or disprove the guaranteed \$20 a ton for the coming fiscal year and table subsequent years for further analysis. He said it sounded like the \$20 a ton is a very safe number based on the current year. Director Stein said CRRA owes the town enough data to make educated decisions today as later years are gambles. He said most town are fairly short sighted about setting a budget from year to year.

After substantial discussion over the benefits and draw backs of these offers the Board agreed to withdraw this motion.

VOTE TO WITHDRAW THE RESOLUTION REGARDING MINIMUM REBATE

Chairman Pace requested a vote to withdraw the resolution regarding the minimum rebate, a motion which was originally made by Director Martland and seconded by Director Griswold, both of whom agreed to withdraw the motion.

WHEREAS, CRRA has provided to the many Municipalities of Connecticut the opportunity to enter into Municipal Services Agreements (MSAs) for the disposal of waste and the processing of recyclables at an efficient, publically owned system operated by CRRA on a cost of service basis; and,

WHEREAS, Municipalities are encouraged by CRRA to consider their individual municipal interests in deciding the most beneficial providers of these important services; and,

WHEREAS, pursuant to the MSAs, CRRA agreed to provide Recycling Rebates to the Municipalities in order to encourage recycling, enhance the environment and implement the State Solid Waste Management Plan, and

WHEREAS, the MSAs do not presently provide for a minimum or assured Recycling Rebate or a minimum dollar amount for and Recycling Rebate provided; and

WHEREAS, all the Municipalities, haulers, commercial and residential waste generators benefit from and enjoy lower disposal costs when CRRA maximizes its facilities' MSW capacity utilization; and

WHEREAS, CRRA's capacity utilization is maximized when municipalities participate with Tier 1 Municipal Services Agreements; and

WHEREAS, Municipalities opportunity to participate in CRRA's Tier one MSA is enhanced by the adoption of an assured rebate for recyclables:

Therefore, be it

RESOLVED: That the Board of Directors acknowledge and approves of a revision to the CRRA Tier 1 MSA to provide for an assured rebate for recyclables delivered by Municipalities to CRRA facilities, substantially as presented and discussed at this meeting.

Director Kelly noted that she is inclined to vote against the withdrawal of the minimum rebate as she feels the Board is taking short sided action. Director Stein asked when this resolution will be considered in terms of reasonable timing for the towns to make an educated decision. Mr. Kirk said his best suggestion would be that the Board pass option 2 which would give the towns the ability to move forward on their MSW contracts and postpone a decision on recycling if in fact CRRA is able to provide some more options. He said a revised version should be available for the Board's consideration next meeting.

Chairman Pace said this is a policy decision and as a result may be going to the Policies & Procurement Committee in addition to the Finance Committee.

Director Painter said an estimated year end rebate chart can certainly be provided for the member towns. He said October 1, 2011, is a short deadline and suggested that management push it back. Mr. Kirk said management can put together an estimated five year rebate based on assumed commodity values and costs.

The motion to withdraw the above referenced motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Martland, Director Painter, Director Stein, and Director Wawruck voted yes. Director Kelly and Director Slifka voted no.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly		X	
Ted Martland	X		
Scott Slifka		X	
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			X
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING OPTIONAL RECYCLING DELIVERIES

Chairman Pace requested a motion regarding the above captioned item. Vice-Chairman Jarjura made the following motion which was seconded by Director Martland:

WHEREAS, CRRA has provided to the many Municipalities of Connecticut the opportunity to enter into Municipal Services Agreements (MSAs) for the disposal of waste and the processing of recyclables at an efficient, publically owned system operated by CRRA on a cost of service basis; and,

WHEREAS, Municipalities are encouraged by CRRA to consider their individual municipal interests in deciding the most beneficial providers of these important services; and,

WHEREAS, pursuant to the MSAs, CRRA agreed to provide Recycling services to all municipalities in order to insure all towns have the means to deliver statutorily required services to their residents; and,

WHEREAS, the Tier 1 Long and Short term MSAs presently require Municipalities to utilize CRRA recycling services; and,

WHEREAS, Municipalities may be able to identify and utilize recycling services offered by others that are more cost effective to the Municipality while still meeting their statutory responsibility; and,

WHEREAS, Some Municipalities have indicated a preference for CRRA to provide for an option for Municipalities deliver only solid waste to CRRA and delivering Municipal recyclables elsewhere; and,

WHEREAS, all the Municipalities, haulers, commercial and residential waste generators benefit from and enjoy lower disposal costs when CRRA maximizes its facilities' MSW capacity utilization; and,

WHEREAS, CRRA's capacity utilization is maximized when municipalities participate with Tier 1 Municipal Services Agreements;

Therefore, be it

RESOLVED: That the Board of Directors acknowledges and approves of a revision to the CRRA Tier 1 MSA providing an option allowing Municipalities to deliver recyclables to other than a CRRA facility, substantially as presented and discussed at this meeting.

Mr. Kirk said that this resolution is a great idea which gives the towns more options at no cost.

Director Kelly said CRRA knows that the recyclables are a core business responsibility. Chairman Pace said she is correct but noted CRRA is driving MSW away because the private market place is able to offer the \$19 rebate. He said there are two different markets competing. Director Kelly agreed. She said CRRA should be bold.

The motion previously made and seconded was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Slifka, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Scott Slifka	X		
Donald Stein	X		
Ad-Hocs			
Steve Edwards, Bridgeport			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RECESS

Chairman Pace said the Board would take a short recess. The recess began at 1:08 a.m. and ended at 1:18 p.m.

PRESIDENT'S REPORT

Mr. Kirk said all of CRRA's facilities have operated without significant safety, environmental or public health issues. He said tonnage continues to be flat as a result of the economy. Mr. Kirk said increased availability of the plant has resulted in some fuel shortage shut-downs which is very unusual in the summer.

Mr. Kirk said that energy production is steady from a reliability standard however; the shortage of fuel has had a negative effect. He said recycling is up about 9% at the Mid-Conn facility and down about 30% in the Southwest. Mr. Kirk said the reduction in the Southern towns is heavily influenced by a number of towns which have left the project since the prior year.

Mr. Kirk said the Southwest is experiencing a modest surplus. He said Mid-Conn unaudited June FY'11 is experiencing a modest favorable variance and revenues have also been modestly favorable. Mr. Kirk said management has been optimistic concerning MDC's recent cooperation in the operation transition at the Mid-Conn facility. He said management is still very concerned about the information being provided to MDC employees as those employees are stating they do not know what their options are.

Director Damer asked what the deadline for MDC employees to submit a letter of interest to NEAS is. Mr. Kirk replied October 3, 2011. He said around 22 have been submitted so far and a letter of interest is required in order to receive a job offer. Mr. Kirk said by the end of the day October 3, 2011, firm acceptances of offers will be received. He said management's concern is whether those MDC employees will have their options laid out fully and comprehensively by the time they need to decide whether or not to take the NAES offer.

Mr. Egan said management believes that this information is being distributed to the MDC employees. He said management does not expect to see more than thirty MDC employees provide notice of interest to NEAS out of about 75 employees.

Mr. Kirk said management will be asking the Board to sign a letter to the CT DEP asking it to reconsider a permit condition which requires CRRA to dump and inspect a large percentage of the loads that come across the scale. He said management has some safety concerns. Mr. Kirk said if floor inspections are required management would like to minimize them for safety reasons. Mr. Kirk said the industry is seeing a spike of fatalities nationwide and management considers that a warning to look at the procedures. He said the process CT DEP is now mandating causes more people to be on the floor than management feels is warranted.

Mr. Kirk said management is pursuing changes to the SWEROC treatment of recyclables. He said currently management is dissatisfied with the present arrangement which trans-loads recyclables up to Hartford. Mr. Kirk said although costs are being recovered there is a lot of money being used to

transport recyclables which management would rather be used for rebates to the towns. Mr. Kirk said management is re-evaluating a low tech minimum capitalization approach to utilize the existing facility using a high labor intensive picking process which will allow SWEROC to process as an IPC at a lower tonnage level. He said this may be a way to get a better performance financially. Mr. Kirk said if CRRA is not able to do this there is a good chance that several towns will find an option better than the zero tip fee cost SWEROC offers.

Director Edwards said he is under considerable pressure to exercise SWEROC's bidding option at the end of the year. He said that is primarily coming from lobbying from CRRA's competitor in Shelton. Mr. Kirk said management understands that if there is a way to get the town's what they need through the private sector our statute requires CRRA to do that however; we do want to have a presence so there is always a public option.

Director Painter asked what percentage of non-processible waste gets dumped in the recycling area. Mr. Kirk replied less than 4% at CRRA's facilities.

EXECUTIVE SESSION

Chairman Pace requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personnel matters, security matters, pending RFP's, and feasibility estimates and evaluations, and real estate acquisition with appropriate staff. The motion, made by Director Damer and seconded by Director Martland, was approved unanimously. Chairman Pace asked the following people join the Directors in the Executive Session:

Tom Kirk
Jim Bolduc
Peter Egan
Laurie Hunt

The motion to move into Executive Session was approved unanimously by roll call.

The Executive Session began at 1:31 p.m. and concluded at 1:38 p.m. Chairman Pace noted that no votes were taken in Executive Session.

The meeting was reconvened at 1:38 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.

The motion to move into Executive Session was approved unanimously by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Edwards, Director Kelly, Director Martland, Director Painter, Director Stein, Director Slifka, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Scott Slifka	X		
Ad-Hocs			
Steve Edwards, Bridgeport	X		
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

MOTION TO ADD AN ITEM TO THE AGENDA REGARDING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH CHARTIS SPECIALTY INSURANCE COMPANY a/k/a AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY

Chairman Pace requested a motion to add an item to the agenda concerning execution of a settlement agreement and release with Chartis Specialty insurance Company a/k/a American International Specialty Lines Insurance Company. The motion to add the before mentioned item to the agenda was made by Vice-Chairman Jarjura and seconded by Director Martland.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Stein, and Director Wawruck voted yes.

Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

RESOLUTION REGARDING EXECUTION OF A SETTLEMENT AGREEMENT AND RELEASE WITH CHARTIS SPECIALTY INSURANCE COMPANY a/k/a AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY

Chairman Pace requested a motion regarding the above captioned item. Vice-Chairman Jarjura made the following motion which was seconded by Director Martland:

RESOLVED: That the Board of Directors of the Authority hereby approves the settlement of all issues related to the dispute between the Authority and Chartis Specialty Insurance Company a/k/a American International Specialty Lines Insurance Company (“Chartis”) regarding coverage in the matter of New Hartford et al. v. Connecticut Resources Recovery Authority, substantially in the form presented and discussed during this meeting; and

FURTHER RESOLVED: That the President of the Authority is hereby authorized to execute a Settlement Agreement and policy release with Chartis, substantially in the form presented and discussed during this meeting, and to take all actions and to execute any and all other documents required in connection with the proposed settlement of this matter.

The motion was approved by roll call. Chairman Pace, Vice-Chairman Jarjura, Director Damer, Director Griswold, Director Kelly, Director Martland, Director Painter, Director Stein, and Director Wawruck voted yes.

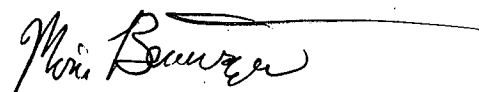
Directors	Aye	Nay	Abstain
Chairman Pace	X		
Vice-Chairman Jarjura	X		
David Damer	X		
Timothy Griswold	X		
Dot Kelly	X		
Ted Martland	X		
Donald Stein	X		
Ad-Hocs			
Bob Painter, Mid-Ct	X		
Steve Wawruck, Mid-Ct	X		

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn was made by Director Martland and seconded by Vice-Chairman Jarjura and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 1:42 p.m.

Respectfully Submitted,



Moira Benacquista
Board Secretary/Paralegal

TAB 2

**RESOLUTION REGARDING INSURANCE CONSULTING AND
BROKER SERVICES AGREEMENT**

RESOLVED: That the President of CRRA is hereby authorized to execute the Insurance Consulting and Broker Services Agreement with Aon Risk Services for the period January 1, 2012 through December 31, 2014 for a total fixed fee of \$431,943, as presented and discussed at this meeting.

**CRRA Finance Committee
Insurance Consulting and Broker Selection
October 27, 2011**

On July 25, 2011 CRRA issued a Request for Proposals (RFP) for Consulting and Broker Services. Proposals were received on or before September 1, 2011.

After evaluating the proposals in response to the RFP the Selection Committee's analysis is that Aon Risk Services is the preferred Proposer.

Approval of the Finance Committee today and recommendation for approval by the Board of Directors is requested at its meeting on October 27, 2011.

INTRODUCTION

Before discussing the procurement process and its results, it is important for the Committee to understand why it is critical for CRRA to retain the services of a broker/consultant. Virtually all of the lines and limits of insurance that CRRA requires are not available in the direct-buy market; therefore a broker is necessary. It is also important to understand that brokers not only place insurance, but can provide a wide array of consulting and advisory services:

1. Risk Management

CRRA's broker/consultants have been used as an extension of CRRA's one person Risk Management staff by providing brokers who specialize in our industry as well as claims and loss control consultants who bring years of experience to bear on our behalf. Services CRRA has looked to its broker to perform include:

- advice and consultation on contract issues (risk transfer, hold harmless, indemnification);
- professional advice and documentation regarding loss control standards, industry practices, acceptable alternatives and negotiation strategies;
- claim handling advocacy; and
- advice on trends in risk management.

2. Administrative/Brokerage Services

An important part of the brokerage service is helping to manage the day-to day operations of our insurance programs. This may mean finding solutions for unusual situations, answering questions about coverage, or addressing other special requests made by CRRA. In general, our broker's job is to do whatever is needed to assure that CRRA's programs are managed efficiently, kept up-to-date with changing exposures, and continually adjusted to respond to our business needs. Among the variety of tasks our brokers are asked to handle are:

- Adjusting coverage to respond to changing needs
- Policy review
- Preparation of Schedules of Insurance
- Preparation of Certificates of Insurance/Auto ID Cards
- Premium invoicing/allocation/audit

Other aspects of the administrative/brokerage services are Casualty Claims Management Program Development/Administration and Property Claims/Loss Control:

The casualty claims consultants work with us to develop and operate a claim management program. These efforts take a proactive approach to claims, encompassing a number of pre-claim and post-claim services:

- in-depth analysis of current programs to identify areas in need of enhancement
- development or review of CRRA's claim handling requirements/capabilities
- coordinating carrier claim and information services
- assistance as needed with selection of third party administrators (TPA) for our self-insurance retention (SIR)
- assistance with pursuing rights after insurer's disclaimer or reservation of rights (requires familiarity with latest policy wordings and judicial interpretations)
- aggressively monitoring claims to assure quick and proper resolution and helping coordinate the handling of multi-carrier claims (e.g., automobile, property, etc) and promoting defense sharing agreements

Property claims consultants work with CRRA to ensure that our property claims are handled promptly and efficiently and that we obtain the maximum recovery possible under our property program. They actively participate in all pre-loss and post-loss activities, from the initial incident to the conclusion of the claim. They coordinate with their in-house Loss Control Consultants to see that loss-control activities and expenditures are appropriate to the type of losses that CRRA faces. In other words, they help us learn from one loss to help prevent the next one.

The following are property claim services our brokers normally perform for us:

- Maintaining claims files
- Providing on-site inspection support when necessary
- Ensuring prompt settlements
- Assisting in claims preparation
- Reviewing claim submissions
- Negotiating settlements
- Maintaining historical database

3. Reserve Analysis

An evaluation of insurer reserves is necessary for optimal cash flow and to accurately assess premium costs. If a carrier's reserves are set too high, they can tie up funds. Reserve analysts carefully review open cases to assure that an appropriate reserve has been set. These analysts keep abreast of changes in the law and are knowledgeable about the ultimate value of every conceivable type of casualty claim. The reserve analysts look for possible application of hold harmless agreements of suppliers or contractors, lease agreements, and contracts. These activities result in assurance that future premiums are not inflated due to poor claim reserving practices. Good insurer reserves also contribute to the financial health and stability of the insurance company which benefit entities such as CRRA who purchase insurance from the company.

4. Conclusion

If CRRA did not engage the services of a broker/consultant that possessed the variety of professional expertise outlined above, we would have to engage the services of several disciplines, either through contracts or by additions to staff (full and/or part time), including:

- a safety engineer to assist with loss control, e.g., facility inspections
- a property broker/agent to place insurance and a property claim specialist to assist with adjusting various kinds of property damage, business interruption and extra expense claims;
- a casualty broker/agent to place various forms of casualty insurance and a casualty claim specialist to assist with adjusting the many kinds of casualty claims including auto, general liability, pollution legal liability, etc.; and
- an attorney specializing in environmental law, e.g., to review policies for appropriate terms and conditions and provide and advise re environmental claims.

Adding this number and variety of skills to CRRA's staff would be cost prohibitive and executing individual professional service contracts would be impractical. Contracting with a consultant/broker that provides these many and varied services is the approach CRRA has found most productive.

PROCUREMENT PROCESS

Four (4) responses to our RFP were received – Aon Risk Services of Washington D. C. (Aon), Insurance Connections, LLC (Connections), Lockton Companies of CT (Lockton) and Marsh & McLennan Agency (Marsh). (The RFP issued in 2008 for these services generated submission of nine (9) proposals – Aon, Marsh, Shimkus, Murphy & Lemkuil, Inc., Beecher Carlson Insurance Services, KEH/LH Brenner, Inc., Wachovia Insurance Services, Inc., R. C. Knox & Company, Arthur J. Gallagher, and Hilb, Rogal & Hobbs of CT, LLC). Since that time, many of the companies that responded have merged with larger companies or have completely left the field).

Grading and Scoring

The responses were reviewed and scored based upon responsiveness to the RFP, experience/qualifications and pricing. Reviewers were the Chief Financial Officer, the Human Resources Manager and the Risk Manager (the “Selection Committee”). Each of the specific categories was rated and scores were weighted. The evaluation sheet is *Attachment 1*.

Pricing

While the prices provided are an important consideration, selection of the most responsive proposer cannot be judged by cost alone. Professional services such as those of a consultant/broker must be weighted in favor of the expertise offered which includes experience of personnel, market clout, etc. This process is different from a procurement process that requires bids on goods with rigid specifications, e.g., boilers, shredders, etc., that can be awarded based solely on price.

Our current broker/consultant, Aon, was chosen through a competitive process conducted in 2008. The three-year agreement with CRRA’s insurance broker expires on December 31, 2011. The cost of the expiring three-year fixed fee agreement was \$155,000 per year (\$465,000). *Attachment 2* outlines the history of consultant/broker fees from 1990 through 2011.

The pricing provided by each Proposer was required by the RFP this year to be at an annual fixed fee.

	<u>Aon</u>	<u>Connections</u>	<u>Lockton</u>	<u>Marsh</u>
Year 1	\$139,319	\$170,360	\$ 90,000	\$142,500
Year 2	\$143,974	\$180,581	\$ 95,000	\$142,500
Year 3	\$148,670	\$191,416	\$100,000	\$142,500
Total Contract	<u>\$431,943</u>	<u>\$542,357</u>	<u>\$285,000</u>	<u>\$427,500</u>

It is important to keep in mind that large firms place hundreds of millions of dollars in premiums on behalf of their clients on an annual basis. The leverage created by this volume of business musters a tremendous amount of influence with insurance markets. This helps assure that CRRA obtains broad terms and conditions at the most competitive price available, and, just as importantly, assists us in the resolution of difficult claims.

Insurance Connections is a two person organization with no particular expertise in resource recovery, recycling or environmental exposures. In addition, they quoted the highest annual fees. For these reasons, the Selection Committee decided to eliminate this proposal from further consideration.

Lockton's low annual fees are attractive. The firm's lack of identified environmental expertise or resource recovery involvement and a potential conflict created by their work with two of our contractors, coupled with their lower overall score, put them in second place.

Marsh's score put them in a virtual tie for second place. Marsh has an extensive public entity practice, but the proposal did not address any particular strength in environmental exposures. In addition, the firm has a potential conflict with one of CRRA's vendors.

Aon's overall score was the best of all four proposals. The firm's environmental resources compared to all of their competitors is a significant argument for selecting Aon as our environmental exposures are potentially among our most expensive and difficult to cover. Aon has heavily invested in the establishment of one of the largest practice groups focusing solely on the management of environmental liabilities. This practice group is made up of professionals located across the country. For each account a team is developed to deal with a blend of financial, legal and risk management principles related to environmental issues. The account team is headed by a project manager who works with marketing consultants, environmental consultants, environmental attorneys and claims attorneys. The Selection Committee believes this kind of dedicated and unique approach to CRRA's environmental exposures is valuable and cost-effective in the long term.

Another important area in which Aon's expertise appears superior is that of Public Officials insurance placement and claim handling. The company created Aon Financial Services Group (FSG) within the organization specifically to serve directors and officers and financial products needs of their clients. The FSG is dedicated to the creation and management of Directors and Officers Liability, Errors & Omissions/Professional Liability, Employment Practices Liability, Commercial Crime, Fiduciary Liability and other specialty products for their clients. This group brings a vast pool of experience, which includes underwriting, claims adjusting, legal and insurance defense, finance, risk management and accounting.

Aon has served CRRA's needs in the past and we have been satisfied with their performance. In fact, CRRA has saved over \$120,000 per year in premiums on our major liability and property policies since Aon was chosen as our consultant/broker in 2006 (see *Attachment 3*). In addition, they were able to secure viable, cost-effective replacement insurers when we became involved in litigation with a former insurance company.

For these reasons, the Selection Committee recommends the selection of Aon Risk Services of Washington, D. C. as CRRA's Insurance Consulting and Broker Services partner for the term 1/1/12 through 12/31/14.

Footnote: The annualized budget for CRRA broker/consulting services was \$169,000. The Aon proposal for year one services (\$139,319) is well below this budget - \$29,681 or 18% lower.

REQUEST FOR PROPOSALS - INSURANCE CONSULTING AND BROKER SERVICES (RFP 12-FA-001)
TECHNICAL REVIEW

EVALUATION ITEM	WEIGHTING VALUE	AON RISK		INSURANCE CONNECTIONS LLC		LOCKTON COMPANIES OF CT		MARSH & MCLENNAN AGENCY		E		F		G		H		I	
		RATING	SCORE	RATING	SCORE	RATING	SCORE	RATING	SCORE	RATING	SCORE	RATING	SCORE	RATING	SCORE	RATING	SCORE	RATING	SCORE
1 Market influence of the firm.	0.250	5.0	2.50	1.0	0.50	5.0	2.50	5.0	2.50	5.0	2.50	5.0	2.50	5.0	2.50	5.0	2.50	5.0	2.50
2 Qualifications and experience of the individuals who would be assigned to work with CRRA.	0.250	5.0	2.50	2.0	1.00	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00
3 Responses to questions concerning business relationships and other matters.	0.150	5.0	1.50	1.0	0.30	4.0	1.20	4.0	1.20	4.0	1.20	4.0	1.20	4.0	1.20	4.0	1.20	4.0	1.20
4 Price	0.250	4.0	2.00	1.0	0.50	5.0	2.50	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00	4.0	2.00
5 Compliance with Insurance Requirements	0.025	5.0	0.25	0.0	0.00	0.0	0.00	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25
6 Completeness of the bid.	0.025	5.0	0.25	3.0	0.15	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25	5.0	0.25
7 Affirmative Action, Small Business Contractors and Occupational H&S.	0.050	3.0	0.30	3.0	0.30	3.0	0.30	2.0	0.20	3.0	0.30	3.0	0.30	3.0	0.30	3.0	0.30	3.0	0.30
Subtotal	1.000	32.0	9.30	11.0	2.75	26.0	8.75	29.0	8.40	29.0	8.40	29.0	8.40	29.0	8.40	29.0	8.40	29.0	8.40
8 Background Questionnaire (Criminal/Civil Investigations)	0.500	3.0	1.50	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
TOTAL	1.850	29.0	10.80	11.0	2.75	26.0	8.75	29.0	8.40	29.0	8.40	29.0	8.40	29.0	8.40	29.0	8.40	29.0	8.40

PREMIUM SAVINGS ACHIEVED WITH AON RISK SERVICES

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	Premium Savings	Percent Savings
General Liability \$1 Million Limit	\$305,000	\$258,898	\$250,895	\$243,931	\$215,172	\$211,539	\$93,461	27%
Umbrella Liability \$25 Million Limit	\$351,750	\$206,548	\$196,860	\$120,360	\$158,552	\$158,552	\$193,198	55%
Auto Liability \$1 Million Limit	\$81,025	\$65,000	\$65,517	\$54,010	\$54,911	\$53,460	\$27,565	34%
Pollution Legal Liability \$20 Million Limit	\$331,746	\$344,666	\$340,328	\$343,366	\$242,348	\$243,012	\$88,734	27%
Public Officials \$10 Million Limit	\$234,520	\$222,480	\$228,139	\$228,139	\$144,796	\$144,796	\$89,724	38%
Commercial Property	\$730,743	\$671,450	\$623,879	\$639,525	\$620,000	\$617,052	\$113,691	16%
	\$327M	\$348M	\$359M	\$359M	\$365M	\$347M		
TOTAL PREMIUM SAVINGS							\$606,373	

**Connecticut Resources Recovery Authority
Consultant/Broker Fees**

May 1990 – 1991	\$120,000	Johnson & Higgins
May 1991 – 1992	\$128,000	Johnson & Higgins
April 1992 – July 1993	\$168,000 (Contract Extended April 1992 to July 1993)	Johnson & Higgins
1994-1995	\$ 92,500	Johnson & Higgins
1995-1996	\$ 92,500	Johnson & Higgins
July 1996 – June 1999	\$224,000 (\$150K & \$74K payment in 1997 for additional work)	J& H Marsh
July 1999 – December 2002	\$194,000 (Contract Extended July 2002 to December 2002 - \$140K & \$54K)	Marsh USA, Inc.
January 1, 2003 – December 2005	\$307,000	Marsh USA, Inc.
January 1, 2006 – December 2008	\$450,000	Aon Risk Services
January 1, 2009 – December 2011	\$465,000	Aon Risk Services

*Marsh & McLennan bought Johnson & Higgins and our account was then with J&H Marsh. Subsequently, renamed Marsh USA, Inc.

TAB 3

**RESOLUTION REGARDING THE ADOPTION OF THE
REVISED FISCAL YEAR 2012 PROPERTY DIVISION OPERATING
BUDGET**

WHEREAS: the Connecticut Resources Recovery Authority (the "Authority") owns the facility at 1410 Honeyspot Road Extension (the "Facility") for which there are on-going operating expenses; and

WHEREAS: the Garbage Museum Budget for Fiscal Year 2012 Budget included funding for certain expenses of a portion of the facility at 1410 Honeyspot Road Extension; and

WHEREAS: The Authority's Board of Directors (the "Board") tabled adoption of a Garbage Museum Budget for Fiscal Year 2012 at its May 19, 2011 and July 7, 2011 meetings; and

WHEREAS: the Authority's Board voted to close operations of the Garbage Museum on August 25, 2011; and

WHEREAS: On May 19, 2011 the Authority's Board adopted its Property Division Budget for Fiscal Year 2012 which identified the future need to change the budgeted expenditures should the Garbage Museum becomes non-operational; and

WHEREAS: the Garbage Museum has an account previously established at Bank of America, separate and apart from other Authority bank accounts, which has paid Garbage Museum operating expenses since July 1, 2009; and

WHEREAS: funds to pay final costs relating to the closure of the Garbage Museum are currently being made from the Garbage Museum bank account at Bank of America; and

WHEREAS: the funds in the Garbage Museum bank account at Bank of America are expected to be fully utilized before the calendar year ending 2011; and

WHEREAS: there will still be on-going expenses at the Facility that the Authority must pay.

NOW, THEREFORE, it is

RESOLVED: That funds within the Garbage Museum bank account at Bank of America be used to pay the remaining salaries of the Garbage Museum educators and closure costs until the account is exhausted; and

FURTHER RESOLVED: that any remaining Garbage Museum closure costs and Fiscal Year 2012 operating expenses will be reassigned to the Property Division; and

FURTHER RESOLVED: That the updated fiscal year 2012 Property Division Operating budget totaling \$1,813,000.00 be adopted as presented at this meeting.

RECOMMENDATION

Management recommends that the Finance Committee recommend for Board approval the resolution for the Revised Property Division Operating Budget as presented at its October meeting.

PROPERTY DIVISION - REVISED 10/27/2011

REVENUES

ACCOUNT	DESCRIPTION	ADOPTED FY11	ADOPTED FY12	PROPOSED REVISED FY12
35-001-000-40101	South Central Facility Capacity Revenue	\$ 1,375,000	\$ 1,400,000	\$ 1,400,000
35-001-000-45101	Lease Income	\$ 405,000	\$ 413,000	\$ 413,000
	Total Revenues	\$ 1,780,000	\$ 1,813,000	\$ 1,813,000

EXPENDITURE DETAILS

ACCOUNT	DESCRIPTION	ADOPTED FY11	ADOPTED FY12	REVISED FY12
ADMINISTRATIVE EXPENSES				
35-001-501-57871	Indirect Labor, Overhead, & Benefits	\$ 187,000	\$ 235,000	\$ 235,000
35-001-501-xxxxx	Direct Administrative Labor & Benefits	(a)	\$ 27,000	\$ 27,000
	Subtotal Administrative Expenses	\$ 187,000	\$ 262,000	\$ 262,000
OPERATIONAL EXPENSES				
35-001-501-52856	Legal	\$ 50,000	\$ 45,000	\$ 25,000
35-001-501-52875	Insurance Consulting/Brokerage Service	\$ 5,000	\$ 9,000	\$ 9,000
35-001-501-52899	Other Consulting Services	\$ 80,000	\$ 80,000	\$ 20,000
35-001-508-xxxxx	1410 Honeyspot Road Extension	\$ -	\$ -	\$ 80,000 (b)
35-001-501-57872	Direct Operational Labor & Benefits	\$ 83,000	\$ 17,000	\$ 17,000
35-001-623-52701	South Central Facility Operating Charges	\$ 1,375,000	\$ 1,400,000	\$ 1,400,000
	Subtotal Operational Expenses	\$ 1,593,000	\$ 1,551,000	\$ 1,551,000
	Total Expenditures	\$ 1,780,000	\$ 1,813,000	\$ 1,813,000

(a) Included in the Operational Expenses.

(b) Cost of administrative facility (only) and an estimated \$3,000 Payment in Lieu of Taxes (the "PILOT"). The PILOT has not been established with the host city.

TAB 4

**RESOLUTION REGARDING
PURCHASE OF A MOBILE GRAPPLE CRANE
FOR THE
MID-CONNECTICUT WASTE PROCESSING
FACILITY**

RESOLVED: That the President is hereby authorized to execute an agreement for the purchase of a mobile grapple crane for the Mid-Connecticut Waste Processing Facility with Chadwick-Baross, Inc., substantially as presented and discussed at this meeting.

CONTRACT SUMMARY
For Contract Entitled
AGREEMENT FOR THE PURCHASE
OF A
MOBILE GRAPPLE CRANE
FOR THE
MID-CONNECTICUT WASTE PROCESSING FACILITY

Presented to the CRRRA Board:	October 27, 2011
Vendor/Contractor(s):	Chadwick-Baross, Inc.
Effective Date:	Upon Execution
Term:	Upon CRRRA's acceptance of the work; the work must be completed within 90 days of CRRRA's issuance of the Notice to Proceed
Term Extensions:	N/A
Contract Type/Subject matter:	New Equipment Purchase
Facility(ies)/Project(s) Affected:	Mid-Connecticut Waste Processing Facility
Original Contract:	N/A
Contract Dollar Value:	\$299,500.00
Amendment(s):	N/A
Scope of Services:	Purchase a mobile grapple crane.
Bid Security:	Bid Bond for 10% of the bid price submitted
Security:	Not required
Budget Status:	The project will be funded from Mid-Connecticut Project Rolling Stock Reserve. \$200,000 has been allocated specifically for this purchase; the additional \$99,500 is available for this use in this reserve.

PURCHASE OF A MOBILE GRAPPLE CRANE FOR THE MID-CONNECTICUT WASTE PROCESSING FACILITY

October 27, 2011

Executive Summary

This is to request approval of the CRRA Board of Directors for the President to enter into an agreement with Chadwick-Baross, Inc. ("Chadwick-Baross") for the purchase of a mobile grapple crane for the Mid-Connecticut Waste Processing Facility ("WPF").

Discussion

Before CRRA stopped accepting shipments of waste at the Hartford Landfill on December 31, 2008, non-processible waste (i.e., waste not suitable for processing in the WPF primarily because of its size) had been shipped to the Hartford Landfill for disposal. There were two sources of non-processible waste: first were non-processibles that were incidental to waste shipments to the WPF and were removed from the waste stream at the WPF and shipped to the Hartford Landfill; second were direct shipments of segregated loads of non-processibles from several Mid-Connecticut Project municipalities to the Hartford Landfill.

When the Hartford Landfill was no longer permitted to accept waste shipments, the shipments of segregated loads of non-processibles were redirected to the WPF. These materials as well as the incidental non-processibles that were removed from the waste stream at the WPF were shipped to out-of-state landfills for disposal.

In July 2008, CRRA requested approval from the Connecticut Department of Environmental Protection ("CTDEP") to install a mobile, low-speed, high-torque shredder at the WPF to grind non-processibles reducing them to a size suitable for use as refuse derived fuel ("RDF"). CTDEP approved CRRA's request in August 2008 and, with the Board's approval, CRRA acquired a mobile shredder for the WPF.

NPW Shredder Program

When the mobile shredder was purchased a cost benefit analysis was undertaken which indicated that the payback to purchase the shredder would be .91 years. This analysis was based on the assumption that non-processible waste would be placed into the shredder using a front end loader. However, it has become increasingly apparent that the front end loader is not the correct piece of equipment for this application: it results in uneven feeding, it is slow and cumbersome, and it has resulted in unnecessary damage to the shredder. Because the front end loader can only scoop and dump there is no way to evenly meter the feed rate into

the shredder, or to remove excess material from the feed hopper once it is dumped. Because of these inefficiencies, in FY11 MDC only processed 3,212 tons of NPW on site; 7,586 tons were exported to out-of-state landfills.

Evaluation of Mobile Grapple Crane

Earlier this year CRRA evaluated the use of a mobile grapple crane to address these inefficiencies. CRRA arranged with Chadwick-Baross to use a mobile grapple crane on a trial basis for several weeks. The mobile grapple crane performed as expected; it reduced feed rate time by 50%; it allowed the operator to more effectively segregate non-processible items on the tip floor enabling the operator to even out the feed rate; it provided the operator with the ability to remove items from the feed hopper if necessary; and its design allowed the operator to have direct, continual line-of-sight to the shredder and the operational precision necessary to effectively eliminate inadvertent damage to the shredder.

Cost Analysis for Purchase of a Mobile Grapple Crane

CRRA staff performed a cost analysis on the replacement of the current front end loader with the mobile grapple crane for use in feeding the mobile shredder. The analysis is summarized in Table 1.

NPW Exports

The WPF only processed 3,212 tons of NPW during FY11 because of the difficulty in loading the mobile shredder with the front end loader, exporting an additional 7,586 tons at a net cost of \$173,270. If all NPW had been processed on site, there would have been 10,498 tons MSW processed and only approximately 300 tons of material exported as actual non-processible at a net cost of \$6,852, a savings of \$166,418.

Revenue Increases

In the event that 10,498 tons of MSW had been shredded, we would have produced 8,398 tons of RDF generating an additional \$245,021 in electric generation revenue, \$27,211 in ferrous materials revenue, and \$796,473 in tip fee revenue.

Expenses

Expenses during FY2011 for the NPW shredder program totaled \$274,979. Combined with the revenue generated of \$356,311 the net revenue totaled \$81,331; however, the cost of transporting the unprocessed NPW brought the total net cost of the program to \$91,939. Had all NPW been shredded using the front end loader to feed the shredder CRRA would have realized net revenue of \$179,164. However, using the mobile grapple crane CRRA would have realized net revenue of \$418,627.

Table 1 - Analysis of NPW Shredder Program

	Actual FY11	What if FY11 without grapple	What if FY11 with grapple
NPW Exported	7,586.27	300.00	300.00
NPW Transportation & Disposal Cost/ton	91.84	91.84	91.84
NPW Revenue/ton	69.00	69.00	69.00
NPW Transportation & Disposal Cost	(173,270.41)	(6,852.00)	(6,852.00)
NPW processed	3,212.01	10,498.28	10,498.28
Add'l RDF produced by Processing NPW	2,569.61	8,398.62	8,398.62
Increase in Electric Revenue	74,965.74	245,021.46	245,021.46
Increase in Ferrous Materials Revenue	8,325.53	27,211.54	27,211.54
Tip Fee Revenue for NPW	273,020.00	796,473.48	796,473.48
Revenue for NPW Shredding Program	356,311.27	1,068,706.48	1,068,706.48
Avoided Cost (NPW T&D - NPW Tip Fee)	21,970.15	195,240.56	195,240.56
TOTAL	378,281.42	1,263,947.03	1,263,947.03
Labor Cost	34,414.00	123,405.00	61,702.50
Marginal Cost of Processing Add'l tons	123,533.90	403,763.85	403,763.85
Shredder maintenance	104,741.06	314,223.18	157,111.59
Shredder fuel	12,291.00	41,297.76	20,648.88
Total Expenses for NPW Shredder Program	274,979.96	882,689.79	643,226.82
Net Revenue (Rev - Expenses)	81,331.31	179,164.69	418,627.66
TOTAL COST TO CRRA	(91,939.10)		
NOTE: All totals represent annual figures.			

Purchase and use of the mobile grapple crane will result in an annual net revenue gain of \$510,566, providing a payback period of 7.04 months.

Use of Mobile Grapple Crane to Support Baling Operation

After observing the mobile grapple crane it was believed that, in addition to the utility of the grapple crane to enhance the non-processible shredding program, a mobile grapple crane might also be capable of handling and breaking open bales of RDF. CRRA has evaluated a bale/wrap/store process for RDF whereby RDF would be baled, wrapped in plastic wrap and stored for future use. Baling would allow CRRA to bale, wrap and store RDF in the summer when waste is plentiful and use the stored RDF in the winter when waste is scarce, minimizing the need for costly exporting and spot waste. This would help ensure there is

sufficient fuel to operate the facility at capacity. Equipment that is capable of breaking and opening the baled RDF is a necessary component to a bale and wrap program, and a mobile grapple crane was identified as a possible alternative to the other equipment options available to break bales. CRRA acquired some baled RDF to test this capability at the same time that it had use of the mobile grapple crane from Chadwick-Baross. The mobile grapple crane was used to break open bales of RDF and was found to be capable of adequately performing the task. In the event CRRA purchases a baling system the grapple crane would serve to break open bales of RDF, obviating the need for additional bale-opening equipment.

Solicitation for Mobile Grapple Crane

Based on the success of the crane in addressing the issues associated with non-processibles, CRRA initiated a public request for bids ("RFB") process to purchase such a crane. While a final decision has not yet been made on whether or not to proceed with the bale/wrap/store process, in developing the technical specifications for a mobile grapple crane, staff ensured that the crane that would be purchased would be capable of breaking open baled RDF as well as handling non-processibles.

The RFB was advertised in the following publications on Sunday, March 13, 2011 (or as soon thereafter as possible):

Hartford Courant
Manchester Journal Inquirer
Waterbury Republican American
LaVoz Hispania de Connecticut
Northeast Minority News

The project was also posted on the CRRA and the State of Connecticut Department of Administrative Services ("DAS") websites.

CRRA recommended to potential bidders that they submit a Notice of Interest Form to CRRA so that addenda to the RFB, if any, could be provided directly to them. Four firms submitted Notice of Interest Forms.

One of the technical specifications CRRA staff included in the RFB is a requirement for a three-year preventative maintenance program to include all scheduled filter and fluid changes as recommended by the manufacturer. In order to develop pricing to comply with this specification, CRRA needed to provide prospective bidders with an estimate of the number of hours the crane would be used. CRRA staff determined that, if the mobile grapple crane were used only for handling non-processibles, it would be used approximately 1,500 hours per year. However, if the crane were used for handling and breaking open stored bales of RDF in addition to handling the non-processibles, it would be used approximately 4,000 hours per year. CRRA staff asked potential bidders to submit bid prices for two alternatives: one for use of the crane for 1,500 hours per year and the other for use of the crane for 4,000 hours per year.

Sealed public bids were received on April 13, 2011. Bids were received from two bidders, and are tabulated as follows:

Bidder	Bid Price	
	Alternate 1 (1,500 hours per year)	Alternate 2 (4,000 hours per year)
Chadwick-Baross, Inc.	\$299,500	\$329,500
Tyler Equipment Corporation	\$355,681	\$409,336

The mobile grapple crane proposed by Chadwick-Baross met all of the technical specifications. The crane proposed by Tyler Equipment did not meet all of the technical specifications, several of which CRRA staff had determined were very important.

Recommendation

Based on the prices submitted by the bidders and compliance with the technical specifications, CRRA management recommends that the purchase of a mobile grapple crane for the WPF be awarded to Chadwick-Baross. Because it is uncertain at this time whether a bale and wrap system will be installed at the WPF, CRRA Management recommends purchase of the 1,500 hours/year preventative maintenance program.

The preventative maintenance program component of the \$299,500 purchase price is \$22,000; the cost of the grapple crane is \$277,500.

CRRA staff has worked with Chadwick-Baross and witnessed operation of the mobile grapple crane proposed by Chadwick-Baross. CRRA is satisfied that the firm is fully qualified to provide the crane and that the crane is fully capable of performing the work required of it in conjunction with the mobile shredder.

Financial Summary

The purchase will be funded from the Mid-Connecticut Project Rolling Stock Reserve. There is \$200,000 specifically budgeted for the Mobile Grapple Crane, and the reserve contains sufficient funds to cover the additional \$99,500.

TAB 5

**RESOLUTION REGARDING APPROVAL OF AGREEMENT
FOR ENVIRONMENTAL MONITORING, LABORATORY
ANALYSIS AND REPORTING SERVICES AT THE
HARTFORD LANDFILL**

RESOLVED: That the President of CRRA be authorized to enter into a contract with Diversified Technology Consultants, Inc. for Environmental Monitoring, Laboratory Analysis and Reporting Services at the Hartford Landfill, substantially as presented at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Environmental Monitoring, Laboratory Analysis, and Reporting Services – Hartford Landfill

Presented to the CRRRA Board on: October 27, 2011

Vendor/ Contractor(s): Diversified Technology Consultants, Inc.

Effective date: Upon Execution

Contract Type/Subject matter: Request for Services (RFS), pursuant to a 3-year engineering services agreement.

Facility (ies) Affected: Hartford Landfill

Original Contract: 3-Year Engineering Services Agreement

Term: Through June 30, 2013

Contract Dollar Value: \$144,658

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services:

- To perform quarterly sampling and reporting associated with the following environmental media: groundwater, surface water, and leachate;
- To perform annual sampling and reporting associated with stormwater discharges;
- To perform quarterly monitoring and annual reporting of the South Meadows Flood Control Dike.

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority Mid-Connecticut Project

Agreement for Environmental Monitoring, Laboratory Analysis and Reporting Services – Hartford Landfill

October 27, 2011

Discussion

At its May 27, 2010 meeting, the CRRA Board of Directors approved a resolution for CRRA to enter into a contract with Anchor Engineering Services, Inc. (Anchor) for Anchor to perform environmental monitoring, laboratory analysis and reporting services at the Hartford Landfill. This approval followed a public solicitation of bids for these services in the spring of 2010 by CRRA's Environmental Services Division. For the Board's information, a copy of the approved resolution from the May 27, 2010 Board meeting is attached to this resolution.

CRRA and Anchor executed Agreement No. 114102, which went into effect on July 1, 2010. Via correspondence dated October 5, 2011, CRRA provided Anchor with written notice that CRRA was terminating Agreement No. 114102, in accordance with the provisions of Section 4.3 of the Agreement.

As a result of the termination of this Agreement, CRRA must contract another consultant to complete the remaining term of the original Agreement (i.e., perform the services for the remainder of CRRA FY12 and all of FY13). In an effort to identify the successor consultant, management reviewed the results of the spring 2010 public bid solicitation. Of the 13 firms that had submitted bids (excluding Anchor), Diversified Technology Consultants, Inc. (DTC) submitted the lowest cost proposal. CRRA management contacted DTC and confirmed that DTC would honor the bid prices that it submitted on April 7, 2010. CRRA management believes DTC to be qualified and responsive, and, therefore, recommends that the remaining term of the environmental monitoring, laboratory analysis and reporting services project for the Hartford Landfill be awarded to DTC. It should be noted that CRRA will contract DTC for these services through a Request for Services under a three-year engineering services agreement between both parties dated July 1, 2010.

DTC has proposed the use of one subcontractor: Phoenix Environmental Laboratories, Inc. (Phoenix) to analyze groundwater, surface water, leachate and stormwater samples. Phoenix has been providing these laboratory analytical services to Anchor under the existing contract that is being terminated.

Financial Summary

The value of work completed by Anchor during the current fiscal year (FY12) is estimated to be approximately \$36,125; and the estimated value of work to be completed by DTC during the balance of FY12 is \$53,848. Therefore, the total estimated costs for FY12 for environmental monitoring services provided by both contractors are estimated to be approximately \$89,973, which is an increase of approximately \$3,312 in the FY12 monitoring costs. Sufficient funds are available in the Hartford Landfill Environmental Testing budget for FY12 to cover this increase in the FY12 monitoring costs. Sufficient funds will be included in the FY13 budget to cover DTC's proposed cost of \$90,810.

For the Board's information, the following table provides a bid price analysis of the 14 bids that were submitted as a result of the spring 2010 public solicitation.

REQUEST FOR BIDS - ENVIRONMENTAL MONITORING, LABORATORY ANALYSIS AND REPORTING SERVICES FOR CRRA LANDFILLS

BID PRICE ANALYSIS

Landfill/Firm Name	Bid Price				Rank
	FY 11	FY 12	FY 13	Total	
HARTFORD LF					
Anchor Engineering Services	85,771.00	86,661.00	87,566.00	259,998.00	1
Diversified Technology Consultants	89,020.00	89,020.00	90,810.00	268,850.00	2
H&S Environmental, Inc.	91,350.00	91,350.00	91,350.00	274,050.00	3
CME Engineering	94,288.00	94,288.00	94,288.00	282,864.00	4
Soverign Consulting Inc.	94,650.00	94,650.00	94,650.00	283,950.00	5
GZA GeoEnvironmental, Inc.	94,809.00	94,809.00	94,809.00	284,427.00	6
Sound Environmental Solutions	94,945.00	94,945.00	94,945.00	284,835.00	7
Loureiro Engineering Associates, Inc.	103,777.00	103,777.00	103,777.00	311,331.00	8
Bradburne, Briller & Johnson, LLC	104,456.00	104,456.00	104,456.00	313,368.00	9
Pennoni Associates Inc.	105,548.00	107,388.00	109,274.00	322,210.00	10
HRP Associates	121,320.00	121,320.00	121,320.00	363,960.00	11
Gannett Fleming, Inc.	135,680.00	135,680.00	135,680.00	407,040.00	12
Corporate Environmental Advisory, Inc.	134,867.00	135,801.00	136,947.00	407,615.00	13
GEI Consultants, Inc.	220,237.00	220,237.00	220,237.00	660,711.00	14

Discussion Regarding Ellington Landfill

At the May 27, 2010 meeting of the CRRA Board of Directors, management also notified the Board that CRRA intended to enter into a contract with Anchor Engineering Services, Inc. (Anchor) for Anchor to perform environmental monitoring, laboratory analysis and reporting services at the Ellington Landfill. Board approval of this contract award was not required because the annual consideration for this monitoring contract was less than \$50,000. Both CRRA and Anchor executed Agreement No. 114103, which went into effect on July 1, 2010. Via correspondence dated October 5, 2011, CRRA provided Anchor with written notice that

CRRA was terminating Agreement No. 114103, in accordance with the provisions of Section 4.3 of the Agreement.

As a result of the termination of this Agreement, CRRA must contract another consultant to complete the remaining term of the original Agreement (i.e., perform the services for the remainder of CRRA FY12 and all of FY13). In an effort to identify the successor consultant, management reviewed the results of the spring 2010 public bid solicitation. Of the 16 firms that had submitted bids (excluding Anchor), O'Reilly, Talbot & Okun Associates, Inc. (OTO) was identified as the lowest-cost qualified bidder. CRRA management contacted OTO and confirmed that OTO would honor the bid prices that it submitted on April 7, 2010. CRRA will contract OTO for these services through a Request for Services under a three-year engineering services agreement between both parties dated July 1, 2010. Because the annual value of the Request for Services between CRRA and OTO will be less than \$50,000 per year, no action is required of the Board. Management has provided this summary for information purposes only.

Attachment

**Copy of Approved Resolution from the May 27, 2010
CRRRA Board of Directors Meeting**

[Thirteen (13) Pages Follow]

**RESOLUTION REGARDING APPROVAL OF AGREEMENTS
FOR LANDFILL ENVIRONMENTAL MONITORING,
LABORATORY ANALYSIS AND REPORTING SERVICES**

RESOLVED: That the President of CRRA be authorized to enter into agreements for Environmental Monitoring, Laboratory Analysis and Reporting Services, substantially as presented at this meeting, as follows:

Vendor	Amount	Facility
Anchor Engineering Services, Inc.	\$ 259,998	Hartford Landfill
GZA GeoEnvironmental, Inc.	\$ 266,865	Shelton Landfill

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Environmental Monitoring, Laboratory Analysis, and Reporting Services – Hartford Landfill

Presented to the CRRRA Board on: May 27, 2010

Vendor/ Contractor(s): Anchor Engineering Services, Inc.

Effective date: July 1, 2010

Contract Type/Subject matter: Three Year Services Agreement

Facility (ies) Affected: Hartford Landfill

Original Contract: This is original contract

Term: July 1, 2010 through June 30, 2013

Contract Dollar Value: \$259,998

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services:

- To perform quarterly sampling and reporting associated with the following environmental media: groundwater, surface water, and leachate;
- To perform annual sampling and reporting associated with stormwater discharges;
- To perform quarterly monitoring and annual reporting of the South Meadows Flood Control Dike.

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Environmental Monitoring, Laboratory Analysis, and Reporting Services – Shelton Landfill

Presented to the CRRRA Board on: May 27, 2010

Vendor/ Contractor(s): GZA GeoEnvironmental, Inc.

Effective date: July 1, 2010

Contract Type/Subject matter: Three Year Services Agreement

Facility (ies) Affected: Shelton Landfill

Original Contract: This is original contract

Term: July 1, 2010 through June 30, 2013

Contract Dollar Value: \$266,865

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services:

- To perform quarterly sampling and reporting associated with the following environmental media: groundwater, surface water, and leachate;
- To perform additional monthly sampling of treated leachate;
- To perform annual sampling and reporting associated with stormwater discharges;
- To perform annual habitat assessment inspection and reporting.

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Environmental Monitoring, Laboratory Analysis, and Reporting Services – Wallingford Landfill

Presented to the CRRA Board on: May 27, 2010

Vendor/ Contractor(s): Sound Environmental Solutions

Effective date: July 1, 2010

Contract Type/Subject matter: Three Year Services Agreement

Facility (ies) Affected: Wallingford Landfill and Former Barberino Property

Original Contract: This is original contract

Term: July 1, 2010 through June 30, 2013

Contract Dollar Value: \$120,570

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services:

- To perform semi-annual sampling and reporting associated with the following environmental media: groundwater, and surface water;
- To perform annual sampling and reporting associated with stormwater discharges.

Other Pertinent Provisions: None

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Environmental Monitoring, Laboratory Analysis, and Reporting Services – Ellington Landfill

Presented to the CRRRA Board on: May 27, 2010

Vendor/ Contractor(s): Anchor Engineering Services, Inc.

Effective date: July 1, 2010

Contract Type/Subject matter: Three Year Services Agreement

Facility (ies) Affected: Ellington Landfill

Original Contract: This is original contract

Term: July 1, 2010 through June 30, 2013

Contract Dollar Value: \$69,204

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services:

- To perform quarterly groundwater sampling and reporting;
- To perform quarterly sampling and reporting associated with off-site drinking water wells;
- To perform semi-annual surface water sampling and reporting;
- To perform annual sampling and reporting associated with stormwater discharges.

Other Pertinent Provisions: None

**Connecticut Resources Recovery Authority
Bridgeport Project
Mid-Connecticut Project
Wallingford Project**

**Service Agreements for Conducting Environmental
Monitoring Activities at Four CRRA Landfills**

May 27, 2010

Executive Summary

CRRA's Environmental Services Division has completed the review process for the selection of environmental engineering consultants to perform environmental monitoring activities at the four CRRA landfills (Ellington, Hartford, Shelton, and Wallingford). These environmental monitoring activities are required by various solid waste, groundwater and wastewater regulations and permits that apply to each landfill. CRRA will enter into agreements with each of the approved consultants for a period of three years commencing on July 1, 2010 and terminating on June 30, 2013. This resolution is to request Board approval for the award of the environmental monitoring contracts for the Hartford Landfill and Shelton Landfill. Because the annual consideration for the environmental monitoring contracts at the Ellington Landfill and the Wallingford Landfill is less than \$50,000 per year, award of these two contracts is not included in this resolution, but these two contracts are included in the Discussion and Financial Summary that follow for the Board's information.

Discussion

Request for Bids Process

On February 14, 2010, CRRA published a public notice requesting bids from qualified environmental engineering consulting firms to furnish all materials, labor, equipment, and incidentals associated with environmental monitoring, laboratory analysis, and reporting at four CRRA landfills. This Request for Bids (RFB) was published in the following seven (7) newspapers:

- Hartford Courant
- New Haven Register
- Connecticut Post
- Manchester Journal Inquirer
- Meriden Record-Journal
- LaVoz Hispania de Connecticut
- Northeast Minority News

In addition to the newspaper publications, the RFB was also posted on the websites of the State of Connecticut Department of Administrative Services, and the Environmental Professionals' Organization of Connecticut.

Each landfill was bid separately, and firms were invited to bid on any or all of the landfills. On February 17, 2010, CRRA posted all Contract Documents on the World Wide Web at <http://www.crra.org> under the "Business Opportunities" page for prospective bidders to review and download free of charge. Copies of the Contract Documents were also available at CRRA's headquarters for prospective bidders to pick-up for a fee of \$25.00 if prospective bidders so chose.

CRRA conducted one mandatory pre-bid conference plus one mandatory tour at each landfill at the times and dates specified in the public notice. On March 25, 2010, CRRA issued one set of addenda to answer questions posed by prospective bidders at the mandatory pre-bid conference, the site tours or submitted in writing to CRRA by the deadline specified in the RFB. There was one and only one addendum issued for each of the four landfills.

Scope of Services

The scope of services varies by landfill, but generally includes the sampling of environmental media (groundwater, surface water, stormwater, drinking water, and/or leachate), analysis of the samples by a State-certified environmental testing laboratory, and generation of quarterly and annual reports for submission to regulatory agencies (DEP, EPA, local Departments of Health). The following table offers an overall, though not necessarily all-inclusive, summary of the scope of work for each landfill:

Summary of Scope of Services for Each Environmental Monitoring Program				
Requirements	Ellington LF	Hartford LF	Shelton LF	Wallingford LF
# of Groundwater Wells to Sample Quarterly	3	25	37	0
# of Groundwater Wells to Sample Semi-Annually	9	0	0	35
# of Surface Water Samples to Collect Quarterly	0	13 ^a	12 ^a	0
# of Surface Water Samples to Collect Semi-Annually	6	0	0	10
# of Drinking Water Wells to Sample Quarterly/Annually	6/3	0	0	0

Summary of Scope of Services for Each Environmental Monitoring Program				
Requirements	Ellington LF	Hartford LF	Shelton LF	Wallingford LF
# of Stormwater Samples to Collect Annually	2	4	4	2
# of Additional Wells to Inspect Semi-Annually	23	28	24	10
Training Required Under 29 CFR 1910.120? ^b	No	No	Yes	Yes
Annual Dioxin/Furan Monitoring Required?	No	Yes	Yes	Yes
Supplemental Compliance Monitoring Required?	No	Yes	Yes	No
Sampled in Accordance with Low Flow Protocols?	No	Yes	Yes	Yes
Laboratory Analytical Services Included?	Yes	Yes	Yes	Yes
Dike Stability Monitoring and Reporting? ^c	No	Yes	No	No
Monthly Leachate Sampling and Reporting?	No	Yes	Yes	No
Notes:				
^a Surface water sampling at the Hartford LF and the Shelton LF requires use of a boat.				
^b Sampling personnel at Shelton LF and Wallingford LF must be trained in accordance with the OSHA standard for Hazardous Waste Operations and Emergency Response (29 CFR 1910.120) due to the presence of RCRA hazardous waste disposal cells at these two landfills.				
^c Dike stability monitoring entails quarterly surveying, measurement of pore pressures, and measurement of ground deflection at five locations.				

Bid Evaluation Process and Recommended Awards

To assist CRRA in its evaluation of bids, CRRA requested that each bidder assemble a separate, stand-alone bid for each landfill monitoring project on which it was bidding. CRRA developed standard forms and schedules for bidders to summarize proposed monitoring costs and payment rates. CRRA also requested narrative summaries of "Business Information" and "Personnel Background and Experience" on standard forms to assist CRRA in evaluating each bidder's understanding of the Scope of Services, as well as the overall knowledge, experience, and ability of each bidder company, its staff, and any proposed subcontractors.

Bidders were also required to complete and submit a "Questionnaire Concerning Affirmative Action, Small Business Contractors, and Occupational Health and Safety." Each bidder received a score on this Questionnaire, with points awarded to companies that qualified as small contractors and/or minority/woman/disable person-owned firms (M/W/DP Business Enterprises). Bidders were also awarded points for having Affirmative Action Plans, apprenticeship programs, no OSHA citations for serious or willful violations, no criminal convictions related to employee injuries or deaths, and no ethics violations.

Each bidder was required to complete, properly-execute and submit an "Affidavit Concerning Nondiscrimination" certifying that the bidder complies with the nondiscrimination agreements and warranties required under Connecticut General Statutes. Each bidder was also required to disclose the existence of certain criminal investigations, civil investigations and/or debarments from bidding by the State (or any other governmental authority) by completing, properly-executing and submitting a "Background Questionnaire."

Bids were received and opened privately after the bid submission deadline. The proposed costs from every bid were then entered into spreadsheets to determine bidder rankings for each landfill based solely on proposed costs. The cost summary spreadsheet for each of the four landfill environmental monitoring programs is attached at the end of this summary.

As indicated in the attached cost summary spreadsheets, the following firms submitted the lowest bid for each landfill's environmental monitoring program:

Landfill	Proposing Firm with Lowest Cost
Hartford Landfill	Anchor Engineering Services, Inc.
Shelton Landfill	GZA GeoEnvironmental, Inc.
Wallingford Landfill	Sound Environmental Solutions
Ellington Landfill	Anchor Engineering Services, Inc.

After the bids were evaluated based on cost, CRRA's Environmental Services Division evaluated the details of the three lowest-cost bids for each landfill. These evaluations included contacting professional references, as provided by the bidders. CRRA then invited the following firms to interview for one or more environmental monitoring program (firms listed in alphabetical order):

1. Anchor Engineering Services, Inc.
2. GZA GeoEnvironmental, Inc.
3. Pennoni Associates, Inc.
4. Sound Environmental Solutions

A summary of the bid evaluations is as follows:

Hartford Landfill: A total of fourteen (14) bids were received before the submission deadline. An evaluation of these 14 firms based solely on proposed costs is attached at the end of this summary.

Anchor Engineering Services, Inc. (Anchor) submitted the lowest cost proposal. Following the detailed evaluation of the bids, CRRA invited Anchor to interview for the Hartford Landfill environmental monitoring project. CRRA also contacted three professional references provided by Anchor to verify the historical quality and performance of Anchor's work for others. Based upon information conveyed in the bid documents, during the interviews, and by the professional references, CRRA Management believes Anchor to be qualified and responsive, and, therefore,

recommends that the Hartford Landfill project be awarded to Anchor. Anchor is a registered Small Business Enterprise with the State of Connecticut Department of Administrative Services.

Anchor has proposed the use of one subcontractor: Phoenix Environmental Laboratories, Inc. to analyze groundwater, surface water, leachate and stormwater samples.

Shelton Landfill: A total of twelve (12) bids were received before the submission deadline. An evaluation of these 12 firms based solely on proposed costs is attached at the end of this summary.

GZA GeoEnvironmental, Inc. (GZA), a firm that had previously conducted environmental monitoring at the Shelton Landfill during CRRA fiscal years 2004 through 2007, submitted the lowest cost proposal. Following the detailed evaluation of the bids, CRRA conducted a telephonic interview with GZA for the Shelton Landfill environmental monitoring project. CRRA also contacted three professional references provided by GZA to verify the recent quality and performance of GZA's work for others. Based upon information conveyed in the bid documents, during the interview, and by the professional references, CRRA Management believes GZA to be qualified and responsive, and, therefore, recommends that the Shelton Landfill project be awarded to GZA.

GZA has proposed the use of one subcontractor: Phoenix Environmental Laboratories, Inc. for analysis of all environmental samples (groundwater, surface water, leachate, and stormwater).

Wallingford Landfill: A total of eighteen (18) bids were received before the submission deadline. An evaluation of these 18 firms based solely on proposed costs is attached at the end of this summary.

Sound Environmental Solutions (SES) submitted the lowest cost proposal. Following the detailed evaluation of the bids, CRRA invited SES to interview for the Wallingford Landfill environmental monitoring project. CRRA also contacted three professional references provided by SES to verify the recent quality and performance of SES' work for others. Based upon information conveyed in the bid documents, during the interview, and by the professional references, CRRA Management believes SES to be qualified and responsive, and, therefore, recommends that the Wallingford Landfill project be awarded to SES. SES is a registered Small Business Enterprise with the State of Connecticut Department of Administrative Services.

SES has proposed the use of one subcontractor: TestAmerica, Inc. for analysis of all environmental samples (groundwater, surface water, and stormwater).

Ellington Landfill: A total of twelve (17) bids were received before the submission deadline. An evaluation of these 17 firms based solely on proposed costs is attached at the end of this summary.

Anchor Engineering Services, Inc. (Anchor) submitted the lowest cost proposal. Following the detailed evaluation of the bids, CRRA invited both Anchor and Pennoni Associates, Inc. (the second-lowest cost bidder) to interview for the Ellington Landfill environmental monitoring project. CRRA also contacted three professional references provided by each bidder to verify the quality and performance of each firm's work for others. Based upon information conveyed in the bid documents, during the interviews, and by the professional references, CRRA Management believes Anchor to be better-qualified and responsive, and, therefore, recommends that the Ellington Landfill project be awarded to Anchor. Anchor is a registered Small Business Enterprise with the State of Connecticut Department of Administrative Services.

Anchor has proposed the use of one subcontractor: Phoenix Environmental Laboratories, Inc. to analyze groundwater, surface water, leachate and stormwater samples.

Financial Summary

Sufficient funds have been included in each Landfill's Environmental Testing budget for fiscal year 2011 to cover the proposed monitoring costs. Sufficient funds will be included in subsequent fiscal year budgets for each facility to cover the proposed costs.

The following table summarizes the proposed costs for the FY'11-FY'13. For comparative purposes, the following table also presents the FY'08-FY'10 monitoring costs.

Summary of Environmental Monitoring Costs		
Facility	FY'11-FY'13	FY'08-FY'10
Hartford Landfill	\$ 259,998	\$ 285,840
Shelton Landfill	\$ 266,865	\$ 276,750
Wallingford Landfill	\$ 120,570	\$ 236,940
Ellington Landfill	\$ 69,204	\$ 70,755

**RFB FOR ENVIRONMENTAL MONITORING, LABORATORY ANALYSIS AND
REPORTING SERVICES FOR CRRA LANDFILLS
HARTFORD LANDFILL
BID PRICE ANALYSIS**

Bidder Name	Bid Price				Rank
	FY 10	FY 11	FY 12	Total	
Anchor Engineering Services	85,771.00	86,661.00	87,566.00	259,998.00	1
Diversified Technology Consultants	89,020.00	89,020.00	90,810.00	268,850.00	2
H&S Environmental, Inc.	91,350.00	91,350.00	91,350.00	274,050.00	3
CME Engineering	94,288.00	94,288.00	94,288.00	282,864.00	4
Soverign Consulting Inc.	94,650.00	94,650.00	94,650.00	283,950.00	5
GZA GeoEnvironmental, Inc.	94,809.00	94,809.00	94,809.00	284,427.00	6
Sound Environmental Solutions	94,945.00	94,945.00	94,945.00	284,835.00	7
Loureiro Engineering Associates, Inc.	103,777.00	103,777.00	103,777.00	311,331.00	8
Bradburne, Briller & Johnson, LLC	104,456.00	104,456.00	104,456.00	313,368.00	9
Pennoni Associates Inc.	105,548.00	107,388.00	109,274.00	322,210.00	10
HRP Associates	121,320.00	121,320.00	121,320.00	363,960.00	11
Gannett Fleming, Inc.	135,680.00	135,680.00	135,680.00	407,040.00	12
Corporate Environmental Advisory, Inc.	134,867.00	135,801.00	136,947.00	407,615.00	13
GEI Consultants, Inc.	220,237.00	220,237.00	220,237.00	660,711.00	14

**RFB FOR ENVIRONMENTAL MONITORING, LABORATORY ANALYSIS AND
REPORTING SERVICES FOR CRRA LANDFILLS
SHELTON LANDFILL
BID PRICE ANALYSIS**

Bidder Name	Bid Price				Rank
	FY 10	FY 11	FY 12	Total	
GZA GeoEnvironmental, Inc.	88,955.00	88,955.00	88,955.00	266,865.00	1
Diversified Technology Consultants	91,498.00	91,498.00	93,343.00	276,339.00	2
Soverign Consulting Inc.	92,740.00	92,740.00	92,740.00	278,220.00	3
Sound Environmental Solutions	95,410.00	95,410.00	95,410.00	286,230.00	4
Fuss & O'Neill	100,700.00	101,550.00	102,300.00	304,550.00	5
CCA LLC	102,026.00	102,026.00	102,026.00	306,078.00	6
HRP Associates	105,110.00	105,110.00	105,110.00	315,330.00	7
H&S Environmental, Inc.	108,520.00	108,520.00	108,520.00	325,560.00	8
Corporate Environmental Advisory, Inc.	108,439.00	109,622.00	110,072.00	328,133.00	9
Loureiro Engineering Associates, Inc.	114,338.00	114,338.00	114,338.00	343,014.00	10
Gannett Fleming, Inc.	120,229.00	120,229.00	120,229.00	360,687.00	11
Bradburne, Briller & Johnson, LLC	136,098.00	136,098.00	136,098.00	408,294.00	12

**RFB FOR ENVIRONMENTAL MONITORING, LABORATORY ANALYSIS AND
REPORTING SERVICES FOR CRRA LANDFILLS
WALLINGFORD LANDFILL
BID PRICE ANALYSIS**

Bidder Name	Bid Price				Rank
	FY 10	FY 11	FY 12	Total	
Sound Environmental Solutions	40,190.00	40,190.00	40,190.00	120,570.00	1
O'Reilly, Talbot & Okun	41,855.00	41,855.00	41,855.00	125,565.00	2
Northern Engineering	41,882.00	42,636.00	43,403.00	127,921.00	3
Diversified Technology Consultants	43,200.00	43,200.00	43,900.00	130,300.00	4
Anchor Engineering Services	43,767.00	44,053.00	44,323.00	132,143.00	5
GZA GeoEnvironmental, Inc.	44,075.00	44,075.00	44,075.00	132,225.00	6
Bradburne, Briller & Johnson, LLC	44,271.00	44,271.00	44,271.00	132,813.00	7
Advanced Environmental Interface, Inc.	45,560.00	45,560.00	45,560.00	136,680.00	8
CCA LLC	46,029.00	46,029.00	46,029.00	138,087.00	9
HRP Associates	52,180.00	52,180.00	52,180.00	156,540.00	10
H&S Environmental, Inc.	57,685.00	57,685.00	57,685.00	173,055.00	11
Loureiro Engineering Associates, Inc.	59,049.00	59,049.00	59,049.00	177,147.00	12
Gannett Fleming, Inc.	59,225.00	59,225.00	59,225.00	177,675.00	13
Atlas Environmental Company	58,416.50	59,432.83	60,469.49	178,318.82	14
Soverign Consulting Inc.	59,860.00	59,860.00	59,860.00	179,580.00	15
Analytical Consulting Technology, Inc.	60,276.50	61,482.03	62,711.67	184,470.20	16
Weston & Sampson	62,520.00	64,631.00	66,202.00	193,353.00	17
Corporate Environmental Advisory, Inc.	75,173.00	75,478.00	76,541.00	227,192.00	18

**RFB FOR ENVIRONMENTAL MONITORING, LABORATORY ANALYSIS AND
REPORTING SERVICES FOR CRRA LANDFILLS
ELLINGTON LANDFILL
BID PRICE ANALYSIS**

Bidder Name	Bid Price				Rank
	FY 10	FY 11	FY 12	Total	
Anchor Engineering Services	22,871.00	23,067.00	23,268.00	69,204.00	1
Pennoni Associates Inc.	23,523.00	23,880.00	24,246.00	71,649.00	2
O'Reilly, Talbot & Okun	25,960.00	25,960.00	25,960.00	77,880.00	3
Sound Environmental Solutions	26,010.00	26,010.00	26,010.00	78,030.00	4
Northern Engineering	29,466.00	29,996.00	30,536.00	89,998.00	5
Advanced Environmental Interface, Inc.	30,150.00	30,150.00	30,150.00	90,450.00	6
Soverign Consulting Inc.	30,930.00	30,930.00	30,930.00	92,790.00	7
Bradburne, Briller & Johnson, LLC	35,595.00	35,595.00	35,595.00	106,785.00	8
Diversified Technology Consultants	35,300.00	35,300.00	36,200.00	106,800.00	9
H&S Environmental, Inc.	38,550.00	38,550.00	38,550.00	115,650.00	10
Atlas Environmental Company	41,346.91	42,037.85	42,742.61	126,127.37	11
Loureiro Engineering Associates, Inc.	43,414.00	43,414.00	43,414.00	130,242.00	12
Corporate Environmental Advisory, Inc.	47,381.00	48,324.00	49,287.00	144,992.00	13
Analytical Consulting Technology, Inc.	48,626.91	49,599.45	50,591.44	148,817.80	14
Gannett Fleming, Inc.	50,540.00	50,540.00	50,540.00	151,620.00	15
Weston & Sampson	55,690.00	57,812.00	59,934.00	173,436.00	16
GEI Consultants, Inc.	115,652.00	115,652.00	115,652.00	346,956.00	17

TAB 6

**RESOLUTION REGARDING CONSULTING SERVICES FOR
THE FINAL PHASE OF CLOSURE OF THE CRRA
HARTFORD LANDFILL**

RESOLVED: That the President is hereby authorized to enter into a Request For Services with Fuss & O'Neill, Inc. to provide consulting services in support of the final phase of closure of the CRRA Hartford Landfill, substantially as discussed and presented at this meeting.

Connecticut Resources Recovery Authority

Contract Summary for Contract entitled

Engineering Design Services for Final Phase of Closure of CRRA Hartford Landfill

Presented to the CRRA Board on: October 27, 2011

Vendor/ Contractor(s): Fuss & O'Neill, Inc.

Effective date: Upon Execution

Contract Type/Subject matter: Request for Services (RFS), pursuant to a 3 year engineering services agreement

For consulting services in support of the final phase of closure of the Hartford Landfill

Facility (ies) Affected: Mid-Connecticut – CRRA Hartford Landfill – MSW/Interim Ash Area

Original Contract: 3 Yr. Eng. Services Agreement (Contract 110126)

Term: Upon completion of services, currently estimated to be 8 months from the date of execution

Contract Dollar Value: \$71,440

Amendment(s): Not applicable

Term Extensions: Not applicable

Scope of Services: Fuss & O'Neill will provide engineering design, preparation of plans and specifications, solar energy project expertise through a subcontractor, update of stormwater pollution control plan, assistance during bid process, evaluation of bids, and other related services for final phase of closure of the Hartford Landfill.

Other Pertinent Provisions: N/A

**Connecticut Resources Recovery Authority
Mid-Connecticut Project - Hartford Landfill
Engineering Design Services
Final Phase of Closure of the CRRA Hartford Landfill**

October 27, 2011

Executive Summary

In accordance with its solid waste operating permit 0640824-M, CRRA initiated closure and capping activities at the Hartford Landfill in 2007. Since that time, approximately 61 acres has been closed and capped with a synthetic membrane capping system. This is to request that the CRRA Board of Directors authorize the President to enter into a Request for Services with Fuss & O'Neill to provide consulting services in support of the final phase of closure and capping of the CRRA Hartford Landfill.

Discussion

In October 2010, CRRA's Environmental Division staff issued a Request for Proposals to several consultants holding engineering service agreements with CRRA to provide consulting services in support of the final phase of closure and capping of the CRRA Hartford Landfill. The consultants (in alphabetical order) solicited for proposals were:

Fuss & O'Neill, Inc.
GZA GeoEnvironmental, Inc.
Malcolm Pirnie, Inc.
SCS Engineers
TRC Environmental Corp.

Staff requested that proposers include a comprehensive scope of work including but not limited to: research of new technologies and possible innovative design changes to improve the closure project, preparation of plans and specifications, and bid phase assistance. CRRA received and evaluated proposals from each of the consultants solicited (Malcolm Pirnie proposed to partner with Cornerstone Environmental) and selected Fuss & O'Neill, Inc. (F&O) as the most responsive qualified proposer. The table below summarizes the evaluation scores, proposed price, and blended hourly rate of each consultant.

Bidder	F&O	GZA	Pirnie	SCS	T R C
Evaluation Score*	8.90	7.60	7.85	7.95	7.55
Proposed Price	\$42,042.00	\$77,642.00	\$73,599.00	\$68,515.00	\$108,050.36
Blended Hourly Rate	\$108.64	\$106.50	\$124.32	\$132.78	\$131.45

*evaluation scores are based on a number of criteria including but not limited to firm and staff capability and experience, and price. Scores are on a scale of 0-10 with 10 being the best.

CRRA entered into an RFS for these services with F&O in January 2011. Based on the proposed pricing provided by F&O (<\$50,000), staff did not seek Board approval at that time.

During the research phase of the project in early 2011, CRRA staff recognized the opportunity to install an alternative capping system that could incorporate solar electricity producing panels without increasing the cost to cap the landfill. This idea was then proposed to the City of Hartford (the property owner) and to the Connecticut DEEP. Both the City and DEEP indicated their support of the idea and DEEP advised CRRA that a permit modification would be required to proceed with the alternative capping system. CRRA and F&O then assembled and submitted a permit modification application to DEEP in July, 2011. It is anticipated DEEP will issue an approval of CRRA's proposed alternative capping system prior to December 31, 2011.

Throughout 2011, CRRA staff and F&O have continued to gather information about the many technical, financial, and legal aspects of the solar energy portion of the project through research and meetings. On September 28, 2011, CRRA representatives met with the Clean Energy Finance and Investment Authority (CEFIA, formerly the Connecticut Clean Energy Fund) to discuss some of these aspects, including what incentives might be available to CRRA for the project.

In anticipation of a favorable decision by DEEP, CRRA entered into a revised RFS with F&O in July 2011 to provide consulting services for the final design, bidding, and bid evaluation phases of the project. The amount of that RFS is \$49,400. Having since learned more about the complicated nature of the solar portion of the project, CRRA staff believes the success of the project will be optimized if F&O utilizes a qualified third-party subcontractor to consult specifically on the solar aspects of the project. Such a contractor would coordinate its efforts with F&O and be accountable to and work under the direction of CRRA.

The expected level of effort provided by the subcontractor is one hundred fifty two hours over a three month period at an hourly billing rate of \$145/hour. The additional expense added to the July 2011 RFS is expected to be \$22,040. CRRA staff

recommends the Board of Directors approve increasing the existing RFS by \$22,040 so F&O can employ a qualified subcontractor with expertise in solar energy development so this portion of the landfill closure and capping project can be accomplished with minimum risk to CRRA while maximizing the potential financial return.

Financial Summary

CRRA would pay F&O on a time-and-materials basis not to exceed a total project cost of \$71,440. CRRA has sufficient funds in the Hartford Landfill closure reserve to fund this project.

TAB 7

**RESOLUTION REGARDING DELIVERY OF COVER SOILS
TO THE HARTFORD LANDFILL**

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

FURTHER RESOLVED: That the revenue received from this contract will be deposited into the Hartford Landfill Post-Closure Reserve.

Connecticut Resources Recovery Authority

Contract Summary for Contract Entitled

Special Waste Cover Soils Letter Agreement

Presented to the CRRA Board on:	October 27, 2011
Vendor/ Contractor(s):	City of Hartford
Effective date:	Upon Execution
Contract Type/Subject matter:	Agreement. Delivery of DEP approved soil to the Hartford Landfill to be used as cover material.
Facility (ies) Affected:	Hartford Landfill
Original Contract:	This is the original contract
Term:	Through December 31, 2012
Contract Dollar Value:	\$990,000 (estimated based on 90,000 tons at \$11/ton). This is a REVENUE Contract.
Amendment(s):	None
Term Extensions:	Not applicable
Scope of Services:	Delivery of DEP approved soil to the Hartford Landfill to be used as contouring and cover material. Generator – City of Hartford.
Other Pertinent Provisions:	None

Connecticut Resources Recovery Authority Hartford Landfill Delivery of Cover Soil

October 27, 2011

Executive Summary

CRRA has negotiated with the City of Hartford to deliver an estimated 90,000 tons of DEP approved soil generated in Hartford, Connecticut to the Hartford Landfill for use as contouring and cover material.

In accordance with Section 5.11 (Market Driven Purchases and Sales) of CRRA's Procurement Policies and Procedures, this is to request that the CRRA Board of Directors authorize the President to enter into an agreement with the City of Hartford for the delivery of soil at the negotiated price.

Discussion

Although the Hartford landfill ceased accepting solid waste on December 31, 2008 and no longer needs soil for daily cover, CRRA continues to need soil to support landfill closure activities, and is permitted to accept DEP approved soil to shape and grade the landfill surface in preparation for final closure.

Based on CRRA's need for DEP approved soils to support landfill closure activities, and in accordance with Section 5.11 (Market Driven Purchases and Sales) of CRRA's Procurement Policies and Procedures, CRRA management periodically identifies prospective sources of non-virgin soils, acceptable to DEP, that can be used as cover and contouring materials for the landfill closure, and for which a delivery charge can be assessed to the generator or deliverer of the soil. CRRA then negotiates a delivery price for the soil with the company that generates or otherwise is managing such soil. CRRA staff originally established a list of approximately 20 companies (e.g., construction contractors, environmental remediation companies, environmental consultants) and periodically contacts companies to determine if they have quantities of such soil for shipment to the landfill.

In order to reach out to more potential soil suppliers, in July 2010, staff advertised an "Expression of Interest for Soils" in the following publications throughout Connecticut:

Connecticut Post
Hartford Courant
Manchester Journal Inquirer
New Haven Register

Waterbury Republican-American
LaVoz Hispania de Connecticut
Northeast Minority News

Additionally, the Expression of Interest for Soils was submitted for posting on the DAS website and the Environmental Professionals of Connecticut website, as well as CRRA's website.

Since that time, staff has received over 60 inquiries from owners, contractors, and consultants with potential sources of soil. Based on quantity, soil composition, the estimated delivery time frame, receipt of CTDEP approval of the soil for use as cover material, and the Mid-Connecticut Project Permitting, Disposal and Billing Procedures, CRRA staff make a determination whether or not the soil would be of use, and if so, negotiate a tip fee for soil delivered to the landfill with the generator or their representative.

Of the more than 60 inquiries, CRRA contracted with 5 contractors at a price of \$15-\$16/ton for similar soil and has accepted approximately 41,000 tons in aggregate from those contractors since July 2010. With the pending approval of its revised closure plan by CTDEEP, CRRA will be able to accommodate approximately 130,000 additional tons of soil that can be used in preparation for the final capping project. The final capping project is expected to start in approximately 9-10 months, leaving little time to fill the remaining capacity of the landfill.

Based on its knowledge of this available capacity and its own need to dispose of approximately 90,000 tons of sediment from two flood control ponds, the City of Hartford approached CRRA to negotiate a price for disposal of the sediment in the Hartford Landfill. CRRA staff met with City officials and informed them the recent market rate for soil has been in the \$15-\$16/ton range. The city asked if the price could be lowered and CRRA staff suggested the City send a proposed price in writing to CRRA. In a letter dated October 3, 2011(attached), Mayor Segarra suggests a price of \$11/ton would be reasonable from the City's perspective.

CRRA staff evaluated the price suggested by the city by considering the following:

- 1) What is the best way to maximize the value of the remaining landfill capacity?
 - a. Could CRRA find a similar quantity of acceptable soil elsewhere?
 - b. Could CRRA receive more than \$11/ton for that soil?
 - c. What is the likelihood that the remaining capacity of the landfill will be filled with/without the soil from the City?

When considering how to best maximize the remaining capacity one must consider recent market conditions, future market conditions, and the window of opportunity. Recent market conditions suggest CRRA would have difficulty filling the remaining capacity at a price of \$15-\$16/ton. Future market conditions, with soil availability often tied to land development projects, are likely to remain depressed based on the current and foreseeable

economic conditions. The window of opportunity exists only for another 9-10 months (until the start of the final phase of the closure project), which limits CRRA's ability to identify and contract for acceptable soil.

Based on these considerations, CRRA staff believes accepting the City's soil at its proposed price is consistent with maximizing the value of the remaining landfill capacity because it guarantees CRRA a large quantity of soil at a set price and significant additional capacity will still exist if other soil sources become available.

Financial Summary

This will provide up to approximately \$990,000 in revenue to the Mid-Connecticut project (90,000 tons at \$11.00 per ton). These revenues will be deposited in the Hartford landfill post closure reserve account. (The landfill was originally scheduled to be closed by Fiscal Year 2012. Due to delays associated with the approval of the installation of solar panels instead of the more traditional cap, an additional reserve contribution is needed. However, this solar cap project has increased the airspace available for soil, and these additional soil revenues will be used to offset the additional reserve contribution.)



PEDRO E. SEGARRA
MAYOR

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**CRRA
OFFICE OF THE PRESIDENT**

October 3, 2011

Tom Kirk, Chief Executive Officer
Connecticut Resources Recovery Authority
100 Constitution Plaza
Hartford, CT 06103-1772

Dear Mr. Kirk:

Earlier this year, the City of Hartford embarked on a joint project with CRRA to secure Department of Energy and Environmental Protection (DEEP) support for installation of solar panels as part of the landfill closure process. The concept of modifying the closure plan to include solar panels creating renewable energy and revenue is a mutually meaningful project.

Concurrently, Hartford initiated maintenance of the City's levee system, funding a project to dredge approximately 90,000 tons of soil from two flood ponds, North and South Meadows. This project will increase the effectiveness of the levee to protect all businesses in both the North and South Meadows that are otherwise subject to river flooding.

Hartford's flood improvement project is an opportunity for CRRA to avoid costs associated with securing material for landfill closure. The soil is from one source, within the city limits and fully tested and approved for application. Additionally, the Hartford material reduces delays, provides for staggered deliveries, if needed, and diminishes material quantity and quality uncertainty. Finally, reducing transport distance is environmentally sensitive.

In our meeting on March 24, 2011, you and I agreed that collaboration between Hartford and the CRRA can be broadly advantageous to our city, as the host community, to CRRA and all of the member communities who, for decades, have been able to rely on Hartford as the end disposal location for their waste. With this understanding, a tip fee of \$11 per ton appears reasonable for CRRA's Policies and Procedures Committee to approve at its October 13, 2011 meeting.

I thank you in advance for CRRA's responsiveness to this matter.

Respectfully,

Pedro E. Segarra
Mayor

Cc: Dr. Robert Painter (*via electronic mail*)

550 Main Street
Hartford, Connecticut 06103
Phone (860) 757-9500
Fax (860) 722-6606



TAB 8

**RESOLUTION AUTHORIZING REVISIONS TO THE
CONNECTICUT RESOURCES RECOVERY AUTHORITY
TELEPHONIC MEETING POLICY AND PROCEDURE**

RESOLVED: That the Board hereby adopts the revised Telephonic Meeting Policy and Procedure substantially as presented and discussed at this meeting.

CONNECTICUT RESOURCES RECOVERY AUTHORITY

Telephonic Meeting Policy and Procedure

October 27, 2011

Executive Summary

This is to request that the Board of Directors adopt revisions to the Authority's Telephonic Meeting Policy and Procedure addressing telephonic participation of Directors in regular board meetings.

Discussion

In 2005, CRRA adopted a Telephonic Meeting Policy and Procedure to codify when and how CRRA does business by telephone. The policy requires the presence of a quorum in the meeting room during all regular board meetings, unless eight board members are available by phone or in person and the chair or vice-chair overrides the requirement of physical presence. During periods when CRRA has fewer than its statutorily-prescribed eleven directors, this requirement has occasionally caused a significant and burdensome delay in the start of a meeting, or the cancellation or postponement of a meeting, to the detriment of CRRA and its mission, even though a quorum was readily available by telephone.

Management therefore recommends adoption of the attached revised policy (proposed changes are underlined for ease of review), to be effective immediately.



TELEPHONIC MEETING POLICY AND PROCEDURE

BOARD OF DIRECTORS POLICY AND PROCEDURE No. BOD 045

1. POLICY

The Connecticut Resources Recovery Authority (CRRA) is governed by a Board of Directors comprised of volunteers from across the state in accordance with Sec. 22a-261(c) of the *Connecticut General Statutes*. Directors and aAd hHoc mMembers serve CRRA on their own time, without compensation, frequently in addition to their own full-time employment. Because CRRA is a dynamic organization, it is sometimes necessary and in the best interests of CRRA and its ratepayers for the Board of Directors to be able to act on important issues in a timely fashion. Therefore, from time to time it may be necessary for Directors and aAd hHoc mMembers to participate in and vote at special meetings using telephone equipment.

Because CRRA is an open and transparent organization, it is important that CRRA strictly adhere to all applicable open-meeting laws and regulations, especially those spelled out in the Freedom of Information Act (FOIA) and related case law. Further, as with all CRRA meetings, those conducted by telephone shall be open to the public and members of the public shall be able to address the Board in a public-comment period.

Because the FOIA does allow the use of telephone equipment for meetings and because CRRA recognizes the importance of giving the public access to CRRA proceedings, this policy and procedure will ensure that important business can be conducted in an open, transparent and timely manner.

2. TELEPHONE MEETING PROCEDURES

Directors and aAd hHoc mMembers shall be able to participate in and vote at special meetings by telephone, pursuant to the following conditions. Such special meetings shall be called only under the following circumstances:

~~•When an item of business arises that must be acted upon before the next regular meeting.~~

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~~•When a poll of the Directors has indicated that it is unlikely that a quorum will be available to attend the meeting in person.~~

As with all CRRA meetings, these special meetings shall

- ~~•Be noticed with the Secretary of the State in accordance with the state Freedom of Information Act, such notice to include the statement that the meeting will be open to the public;~~
- ~~•Have meeting notices, agendas and minutes posted on the CRRA Web site in accordance with the Freedom of Information Act and related case law;~~
- ~~•Be held in a room open and accessible to members of the public, using teleconferencing equipment that enables everyone in the room to hear and, as appropriate, participate in discussion;~~
- ~~•Include time reserved for public comment with regard to agenda items; and~~
- ~~•Have appropriate staff and any Directors and ad hoc members who wish to be present in the room.~~

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~~The State Freedom of Information Act requires that special meetings be limited to items listed on the agenda distributed prior to the meeting. It shall be CRRA's practice to limit special meetings to a minimum number of agenda items. Generally, such special meetings will address matters introduced and discussed at one or more prior regular meetings.~~

Section 22a-261(g) of the *Connecticut General Statutes* defines a quorum necessary for the transaction of CRRA business as six Directors, two of whom are from municipal government, and does not address the matter of telephonic participation in board meetings. At regular meetings held at times when the CRRA board comprises eleven duly appointed and qualified Directors, it shall be CRRA policy that Directors and Ad Hoc Members shall be able to participate in and vote at regular meetings by telephone only if a quorum as defined above is present in the meeting room, provided that, for quorum purposes, any director participating via videoconferencing equipment technology shall be considered "present in the meeting room" so long as such director is visible to those in attendance at the primary meeting site. In the event that eight of the Directors are available (whether in person or by telephone) to participate in and vote at a regular meeting, the Chairman, or in his absence, the Vice Chairman, shall have the authority to override the foregoing requirement and proceed with the meeting even though a quorum is not present in the meeting room. At regular meetings held during periods in which, due to resignations or term expirations, the CRRA board has less than its full complement of eleven duly appointed and qualifying Directors, Board members may participate in the meeting by telephone whether or not a quorum is present in the meeting room, provided that their participation is by teleconferencing equipment that enables everyone in the room to hear and, as appropriate, participate in discussion. Any vote involving Directors or Ad Hoc Members voting by telephone shall be conducted and recorded by roll call.

As always, all CRRA meetings shall

- Be noticed with the Secretary of the State in accordance with the state Freedom of Information Act, such notice to include the statement that the meeting will be open to the public;
- Have meeting notices, agendas and minutes posted on the CRRA Web site in accordance with the Freedom of Information Act and related case law;
- Be held in a room open and accessible to members of the public, using teleconferencing equipment that enables everyone in the room to hear and, as appropriate, participate in discussion;
- Include time reserved for public comment with regard to agenda items; and
- Have appropriate staff and any Directors and ad hoc members who wish to be present in the room.

Special Board meetings and Mmeetings of Committees of the Board may be held telephonically provided that such meetings are noticed and conducted in full accord with the State Freedom of Information Act.

ORIGINAL

Prepared by: Paul Nonnenmacher
Director of Public Affairs

Approved by: Board of Directors

Effective Date: December 15, 2005

Revised: December 20, 2007

Revised:

TAB 9

RESOLUTION REGARDING APPROVAL OF AN OPTIONAL AMENDMENT TO THE TIER 1 SHORT-TERM and TIER 1 LONG-TERM MUNICIPAL SOLID WASTE (MSA) OFFERING PROVIDING FOR TOWNS' ABILITY TO OPT OUT OF RECYCLABLES DELIVERY WHEN REBATES DO NOT MEET CERTAIN MINIMUM LEVELS.

WHEREAS, CRRA has provided to its Mid-Connecticut Project participating municipalities the opportunity to enter into new Municipal Services Agreements (MSAs) for the disposal of waste and the processing of recyclables at an efficient, publically owned system operated by CRRA on a cost of service basis; and

WHEREAS, municipalities are encouraged by CRRA to consider their individual municipal interests in deciding the most beneficial providers of these important services; and

WHEREAS, some MSA options contemplate the payment of recycling rebates to municipalities in the event that sufficient recycling revenues are received and this Board declares a surplus with respect to such revenues and

WHEREAS, the MSAs do not presently ensure the payment of recycling rebates, nor a minimum dollar amount for any recycling rebate that is paid; and

WHEREAS, the payment of rebates for recyclables is desirable and would provide additional incentive to towns and citizens to improve recycling performance; and

WHEREAS, some municipalities have indicated their preference for an MSA whereunder they commit their solid waste to CRRA but may opt to deliver their recyclables to others; and

WHEREAS, all CRRA customers -- municipalities, haulers, commercial and residential waste generators -- benefit from and enjoy lower disposal costs when CRRA maximizes its facilities capacity utilization, and

WHEREAS, CRRA's capacity utilization is maximized when municipalities participate with Tier 1 Municipal services agreements;

NOW THEREFORE be it

RESOLVED: That the Board of Directors approves an optional amendment to the CRRA Tier 1 MSA allowing participating municipalities to opt out of future recyclable delivery requirements in the event that the recycling rebate paid in any of the first five years of the MSA term fails to meet the minimum level established in the MSA, and authorizes the President to execute such amendments, substantially in the form described in this meeting.

Connecticut Resources Recovery Authority

Tier 1 Short Term and Tier 1 Long Term Municipal Solid Waste Management Services Agreements

Recycling Opt-Out Provision

October 27, 2011

Executive Summary

This proposal is designed to provide additional options and opportunity for participating Municipalities regarding delivery of recyclables. The Resolution directs Management to provide for an opt out provision for Tier 1 municipalities allowing for a unilateral decision by the municipality to discontinue delivery of recyclables to CRRA upon the decision by the Board of Directors to establish any annual rebate below \$10/ton.

Discussion

Historically, recycling has not been a consistently profitable enterprise. Although the financial advantage of municipal recycling has been inherent in the avoided costs of disposing as solid waste the tons of recyclables, but for all but the past 3 fiscal years CRRA, recycling has not generated sufficient surplus necessary to consider a rebate to customers. In fact, for the years prior to FY 2008, recycling was subsidized by the Solid waste tipping fee in order to maintain a \$0/ton recycling tipping fee. Since 2008, CRRA rebuilt the Murphy Road IPC and encouraged the towns to convert to Single Stream recycling. This, in conjunction with the further development and maturation of the recycling commodity markets have allowed for CRRA's Board of Directors to authorize, anticipate and pay annual recycling rebates to Towns. Rebates, if authorized by the Board, would be paid to all participating towns at the same rate under the terms of Tier 1, Tier 3 and Tier 4.

CRRA has historically budgeted for the expenses of the Trash Museum and the Murphy Road facility costs and other overhead costs from recycling revenues. Any remaining funds after costs have been paid have been considered 'surplus' and available for rebates to the participating towns. Any potential surplus is highly dependent on the prices received for sorted, baled commodities, which prices are very volatile. CRRA has an agreement with its IPC operator which establishes a minimum payment for delivered recyclables and a sharing agreement for revenues above certain price points. Today commodity prices are at or near record high levels.

In the evaluation of the MSAs for continuation of services at the Mid CT facility, municipalities have requested that CRRA consider a minimum recycling rebate or some other indication of the

rebate they may expect from CRRA. In some cases towns request this indication in order to better compare CRRA recycling offerings to alternative processor offerings.

Consequently, CRRA Management considered and suggested Board consideration of a minimum recycling rebate. The Board of Directors deferred consideration of the rebate question and requested that additional options be examined. After additional consideration Management is proposing, in lieu of a guaranteed rebate, an opt out provision that will allow Municipalities to opt-out of recyclable deliveries if CRRA is unable to provide the anticipated rebate. This will allow towns to have enhanced confidence in the ability of CRRA to provide a rebate and to more effectively evaluate alternatives to CRRA Recycling. It will likely encourage towns to consider maintaining their relationship with CRRA for recycling since it provides an option to exit in the event the publicly owned CRRA does not continue to be the most beneficial option. Importantly, it will avoid the risk to CRRA of committing to rebates that cannot be funded fully through recycling revenues only.

The opt out provision would be offered to all Tier 1 towns via an amendment. No town will need to consider or sign a modified version of the MSA. If the town is interested in the recycling opt out provision, consideration of a simplified amendment to the previously signed Tier 1 MSA is sufficient. Management believes it is important to avoid burdening the towns with a revised version of the Tier 1 MSA and the additional legal and administrative review that the revised version would require.

Towns choosing the optional recycling opt-out provision amendment would have the ability to opt out of delivery of recyclables within 90 days after the CRRA Board of Directors fails to declare a rebate at or above \$10/ton. The towns would be excused from recyclable deliveries to CRRA effective the next fiscal year. Re-entry to the recycling component of the MSA is not provided for and would be considered on a space available basis. The term of the opt-out provision would be concurrent with the end of the last full fiscal year of our FCR operating and commodity sales agreement, June 30, 2018. There is no provision for an opt-out beyond June 30, 2018.

Management therefore recommends adoption of the attached resolution in order to provide our Participating towns with the most beneficial options to maximize their recycling benefits without subjecting CRRA to potentially unsustainable rebate commitments or required subsidies from Solid Waste Tipping fee revenues.

TAB 10

**RESOLUTION REGARDING ADDITIONAL PROJECTED LEGAL
EXPENDITURES**

WHEREAS, CRRA has entered into Legal Service Agreements with various law firms to perform legal services; and

WHEREAS, the Board of Directors has previously authorized certain amounts for payment of fiscal year 2012 projected legal fees; and

WHEREAS, CRRA expects to incur greater than authorized legal expenses for Mid-Connecticut Project environmental legal services;

NOW THEREFORE, it is RESOLVED: That the following additional amount be authorized for projected legal fees and costs to be incurred during fiscal year 2012:

<u>Firm:</u>	<u>Amount:</u>
Brown Rudnick	\$150,000

CONNECTICUT RESOURCES RECOVERY AUTHORITY

Request regarding Authorization for Payment of Projected Additional Legal Expenses

October 27, 2011

Executive Summary

This is to request Board of Directors authorization of payment of additional projected fiscal '12 legal expenses.

Discussion

CRRA's petition to the Connecticut Department of Energy & Environmental Protection for an adjudicatory hearing in order to object to the issuance of a modified solid waste permit to Nutmeg Road Recycling, LLC, was granted on August 4, 2011. The parties are now engaged in discovery; DEEP has scheduled five hearing days for this matter in late November, to be followed by the parties' submittal of findings of fact and conclusions of law, issuance of a draft decision, and oral argument.

We are seeking board authorization to incur additional legal expenses for these matters.