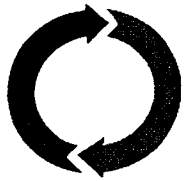


CRRA
REGULAR BOARD MEETING
March 21, 2013



**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 Benacquista, HR Specialist/Board Administrator

DATE: March 15, 2013

RE: Notice of Regular Board Meeting

There will be a Regular Board Meeting of the Connecticut Resources Recovery Authority Board of Directors on Thurs. March 21, 2013, at 9:30 a.m. The meeting will be held in the Board Room at 100 Constitution Plaza, Hartford, CT 06103.

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

Connecticut Resources Recovery Authority
Special Board of Directors Meeting

Agenda
March 21, 2013
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 Feb. 28, 2013, Board Meeting Minutes (Attachment 1).
2. Board Action will be sought for the Approval of the Special March 11, 2013, Board Meeting Minutes (Attachment 2).

V. Board Committee Reports

A. Finance Committee Reports

1. Board Action will be sought for the Resolutions Regarding Renewal of All Risk Property Insurance and Public Officials' & Employment Practices Liability Insurance (Attachment 3).
2. Board Action will be sought for the Resolution Regarding the Property Division (Attachment 4).

B. Policies & Procurement Reports

1. Board Action will be sought for the Resolution Regarding an Amendment to the Jet Turbine Facility Energy Management Services Agreement (Attachment 5).

C. Organizational Synergy & Human Resources Reports

VI. Chairman and President's Reports

VII. 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.

TAB 1

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND THIRTY-NINTH

FEB. 28, 2013

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thurs. Feb. 28, 2013, in the Board Room at 100 Constitution Plaza, Hartford, CT 06103. Those present were:

Directors: Chairman Stein
John Adams
Richard Barlow
Ryan Bingham (present by telephone)
Joel Freedman
Timothy Griswold
Andrew Nunn (present by telephone)
Pedro Segarra (present by telephone)
Scott Shanley
Steve Edwards, Bridgeport Project Ad-Hoc
Bob Painter, Mid-Connecticut Project Ad-Hoc

Present from CRRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Jeffery Duvall, Director of Budgets and Forecasting
Peter Egan, Director of Environmental Affairs and Operations
Laurie Hunt, Director of Legal Service
Virginia Raymond, Operations Manager
Moira Benacquista, HR Specialist/Board Administrator

Others present: Mike Calandra and Jason Manafort; John Pizzimenti, USA Hauling; Jim Sandler, Esq., Sandler & Mara, P.C.; Cheryl Thibeault and Jeffrey Young, Covanta.

Chairman Stein called the meeting to order at 9:35 a.m. and said a quorum was present.

PUBLIC PORTION

Chairman Stein said the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes. As there were no members of the public present wishing to speak, Chairman Stein proceeded with the meeting agenda.

**APPROVAL OF THE MINUTES OF THE SPECIAL FEB. 4, 2013, BOARD MEETING
MINUTES**

Chairman Stein requested a motion to approve the minutes of the Special Feb. 4, 2013, Board Meeting. Director Adams made the motion which was seconded by Director Griswold.

The motion previously made and seconded was approved by roll call. Director Adams, Director Barlow, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, and Director Nunn voted yes. Chairman Stein abstained as he was not present at the meeting.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | | | X |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personal matters, security matters, pending RFP's, and feasibility estimates and evaluations, and to consult with appropriate staff. The motion, made by Director Adams and seconded by Director Barlow, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

- Tom Kirk
- Jim Bolduc
- Jeff Duvall
- Peter Egan
- Laurie Hunt

The Executive Session began at 9:35 a.m. and concluded at 11:35 a.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded to go into Executive Session was approved unanimously by roll call. Chairman Stein, Director Barlow, Director Adams, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Nunn, and Director Painter voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

VOTE ON ITEMS WHICH QUORUM WAS LOST FOR ON SPECIAL FEB. 4, 2013, BOARD MEETING

Ms. Hunt explained the quorum was lost during the Special Feb. 4, 2013, Board meeting. She said as a result the five items listed below had to be re-approved by the Board.

Chairman Stein requested a motion and a second to approve the below referenced five items. Director Freedman made a motion to approve all five items, Director Adams seconded the motion. The resolutions and accompanying votes are listed below:

APPROVAL OF THE MINUTES OF THE REGULAR DEC. 20, 2012 BOARD MEETING MINUTES

Chairman Stein requested a motion to approve the minutes of the regular Dec. 20, 2012, Board Meeting. Director Freedman made the motion which was seconded by Director Adams.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

APPROVAL OF THE MINUTES OF THE SPECIAL JAN. 17, 2013 BOARD MEETING
MINUTES

Chairman Stein requested a motion to approve the minutes of the Special Jan. 17, 2013, Board Meeting. Director Freedman made the motion which was seconded by Director Adams.

The motion previously made and seconded was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Acting Director Adams, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

RESOLUTION REGARDING RFQ FOR ECONOMIC ADVISORS

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Freedman and seconded by Director Adams.

RESOLVED: That the President is hereby authorized to enter into contracts with the following firms for economic advisory services to assist management with work on a variety of projects including, but not limited to, financial and economic evaluation with regard to the plans of the Authority, market information on other comparable solid waste authorities and innovations within the solid waste field; financial feasibility analyses; and analysis of state and federal laws and regulations relative to solid waste management and municipal bonds.

- Environmental Capital, LLC
- Alternative resources, Inc.
- Gershman, Brickner & Bratton, Inc. (“GBB”)
- Connecticut Economic Resources Center, Inc. (“CERC”)

The motion previously made and seconded was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Acting Director Adams, Director Bingham, Director Freedman, Director Griswold, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|-----|-----|---------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | | | |
| Steve Edwards, SouthWest | | | |

RESOLUTION REGARDING SOUTHWEST BUDGET

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Freedman and seconded by Director Adams.

RESOLVED: That the estimated Fiscal Year 2014 SouthWest Division operating budget be adopted substantially in the form as presented and discussed at this meeting; and

FURTHER RESOLVED: That an estimated municipal solid waste tip fee of \$67.77 per ton be adopted for contracted member waste; and

FURTHER RESOLVED: That the actual municipal solid waste tip fee per ton will be calculated using the actual annual change in the Consumer Price Index (“CPI”) as reported in June 2013, which will be released prior to the commencement of the Fiscal Year 2014 billing for

contracted member waste as prescribed in the Southwest Division's Municipal Solid Waste Management Services Agreements.

The motion previously made and seconded was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Acting Director Adams, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | | | |
| Steve Edwards, SouthWest | X | | |

RESOLUTION REGARDING A MATTER RELATED TO THE CONTRACT FOR OPERATION/MAINTENANCE SERVICES FOR THE MID-CONNECTICUT REGIONAL RECYCLING FACILITY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Freedman and seconded by Director Adams.

WHEREAS: CRRA's Mid-Connecticut Project entered into an Agreement with Casella Waste Systems Inc. and FCR, Inc. in August, 2005 for Operation and Maintenance Services for the Mid-Connecticut Regional Recycling Facility; and

WHEREAS: said Agreement has a minimum annual delivery commitment of 70,200 tons, and failure to deliver that annual minimum subjects CRRA to significant monetary penalties; and

WHEREAS: Approximately 25 Mid-Connecticut Project towns, representing about 55% of the historical recyclable tonnage, have recently opted to deliver their recyclables to other, non-CRRA service providers which will impact CRRA's ability to meet the annual minimum delivery commitment during Fiscal Year 2014 and therefore significantly affect the economics of the facility; and

WHEREAS: said Agreement continues through October 1, 2018, unless CRRA terminates the Agreement after January 1, 2012, with at least six months prior written notice specifying the date of termination due to the failure of Mid-Connecticut Project municipalities to continue with CRRA; and

WHEREAS: said Agreement provides that the Contractor be paid a lump sum in unrecovered investment monies in accordance with Contractor's Unrecovered Investment Schedule attached to the Agreement as a result of CRRA's early termination;

Now therefore, it is hereby

RESOLVED: That the Board of Directors authorizes the President to resolve CRRA's mid Connecticut Project liability for Contractor's unrecovered investment, using the necessary funds, not to exceed \$3 million, from the Mid-Connecticut Project, substantially as presented and discussed at this meeting.

The motion previously made and seconded was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Acting Director Adams, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

VOTE TO ADD AN ITEM TO THE AGENDA REGARDING ELECTRIC POWER SALES CONSULTING SERVICES

Chairman Stein requested a motion to add an item to the agenda relating to electric power sales consulting services. The motion was made by Director Adams and seconded by Director Shanley.

The motion previously made and seconded to add an item to the agenda was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

RESOLUTION REGARDING ELECTRIC POWER SALES CONSULTING SERVICES

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Freedman.

RESOLVED: That the President of CRRA is authorized to enter into an agreement with La Capra Associates Inc. for Electric Power Sales Consulting Services, substantially as presented and discussed at this meeting.

Mr. Kirk said this resolution authorizes CRRA to enter into an agreement with LaCapra Associates, Inc., an electric power consulting service. He said this process is being done on a fast track basis in order to allow management to move quickly with the State of Connecticut to finalize a power purchase agreement. Mr. Kirk said management felt that only one of the consultants' in CRRA's existing stable is appropriately qualified for this task. He said the price of that consultant is much higher than LaCapra. Mr. Kirk said management looked into another consultant (in addition to LaCapra) which was conflicted out. He said this process is an appropriate use of CRRA's procurement process for special capabilities.

Director Adams asked which firms are currently in CRRA's stable. Mr. Kirk replied Navigant, Essex Associates and Power Associates. He said management felt Navigant was the only firm qualified to provide the needed services however its hourly rates are extremely high. Director Adams asked why CRRA would not wait for the State of Connecticut to come up with the agreement. Mr. Kirk said management does not know who will be drafting the agreement however CRRA wants to be prepared to undertake this process by June 30, 2013.

Director Freedman asked what the consulting firm will do that cannot be accomplished by CRRA staff and its legal counsel. Mr. Kirk said LaCapra would essentially write, or write in cooperation with the State of Connecticut, the power purchase agreement. He said that can happen one of two ways, a purchase or sale of power, or as the State of Connecticut's consultant has indicated, it may be preferable to do a financial arrangement outside of the financial sale of power.

Mr. Kirk said management is not in a position resource and capability wise to undertake this process. He said the financial contract would define a relationship and transfer of cash for kilowatts as opposed to sale of kilowatts which would involve ISO New England aggregates and a host of other issues.

Mr. Egan said LaCapra will be assisting management in developing a business structure for the contract and if CRRA has to analyze matching its' output with the State's load demand, CRRA wants to be certain (as electricity is priced on peak and off peak each day), to not convey more valuable power to the State when its' load does not justify it. He said the outside support is to assist in renegotiating the contract with a counter party concerning an issue which will be complex and LaCapra will be providing support as the contract is crafted and drafted by working with CRRA's legal counsel to ensure protection for CRRA.

Mr. Egan said Navigant's billing rates range from \$300 - \$600 an hour. He said that LaCapra is \$120 - \$250. Mr. Egan said management negotiated the best rate it could for a specific scope of work for about 150 hours over four months using five different people. He said if the work takes less time than less money will be spent. Chairman Stein asked if he was correct in stating this is not a contract with a fixed value. Mr. Egan agreed.

Director Griswold asked how much work had to be done before CRRA obtains clarity from the State. Mr. Kirk said management has already had conversations with the State's consultant which will likely be the party CRRA is working with. Director Freedman said it is in CRRA's best interest to provide the contract first, however the State may decide to do it first.

Mr. Egan said CRRA will not engage its attorney and LaCapra to start crafting a contract if they have a template which CRRA can then use to comment on. Director Shanley said given the dollar value of the contract and its importance to CRRA he agrees the expertise is needed and supports the resolution.

The motion previously made and seconded to add an item to the agenda was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

RESOLUTION REGARDING CT DEEP AGREEMENT

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

RESOLVED: That the President of the Connecticut Resources Recovery Authority be, and herby is, authorized to execute in the name and on behalf of the Authority the NetDMR Subscriber Agreement, and his execution of such Agreement is hereby ratified and confirmed.

Mr. Kirk said this resolution is for an enrollment in a CT DEEP electronic reporting account which will save some time and effort for the CT DEEP in submitting reports and data on an electronic basis. He said because this is a contract Board approval is required.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Freedman, Director Griswold, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | | | |
| Steve Edwards, SouthWest | | | |

POLICIES & PROCUREMENT REPORTS

RESOLUTION REGARDING AMENDMENT TO AN EASEMENT AGREEMENT BETWEEN CRRA AND CL&P AT THE SOUTH MEADOWS FACILITY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Barlow.

RESOLVED: That the President of CRRA is authorized to execute an Amendment to the Easement Agreement with the Connecticut Light & Power Company, associated with property at the South Meadows site, substantially as presented and discussed at this meeting.

Mr. Kirk said in October the Board approved an amendment to the easement agreement between the Connecticut Light and Power Company (hereinafter referred to as “CL&P”) and CRRA. He explained this resolution concerns the addition of 648 square feet of area to accommodate a building in the switchyard.

Director Painter asked what the switchyard is for. Mr. Egan replied the switchyard holds the transmission switching gear which takes high voltage energy and transforms it down to lower voltage power for load distribution. He said CL&P needs to do a large upgrade project and needs to expand the building into an area which was not included in the easement modifications approved by the Board in October.

Mr. Kirk said this is not a CRRA production or consumption issue, the switchgear and distribution gear just happens to be on CRRA land.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| | | | |
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

RESOLUTION REGARDING FIRST AMENDMENT TO THE AGREEMENT FOR METALS RECOVERY AND MARKETING SERVICES AND NEW AGREEMENT FOR METALS RECOVERY AND MARKETING SERVICES

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Barlow.

RESOLVED, That the President is hereby authorized to enter into the First Amendment to the contract with wTe Recycling, Inc., for the transportation, processing and marketing of municipal solid waste post-combustion ferrous metals generated at the South Meadows Resource Recovery Facility, and be it

FURTHER RESOLVED: The President is authorized to enter into a new agreement with wTe Recycling, Inc., for the transportation, processing and marketing of municipal solid waste pre-and-post-combustion ferrous and scrap metals generated at the South Meadows Resource Recovery Facility, substantially as presented and discussed at this meeting.

Mr. Kirk said CRRA has had a long term relationship with a metals vendor which purchases the ferrous metal recovered from the CRRA facility on the front end. He said this resolution is to pass an amendment to allow CRRA to sell the metals recovered on the back end of the facility after processing. He said it is not an insignificant waste stream and is an improvement to CRRA's bottom line at the operating facility.

Mr. Kirk said there are no alternative buyers for the material. He explained the material is entrained with solid waste material on the front end which requires a solid waste permit. Mr. Kirk said on the back end the material is entrained with ash residue which would require an additional permit for ash residue management.

Mr. Kirk said in both cases the material is taken back to the plant for disposal which management wants to continue to control for environmental and regulatory reasons. He said this is the only outfit in the area permitted for this process and noted that CRRA has enjoyed a good relationship with wTe Recycling Inc.

Director Griswold asked if the \$300,000 performance security is a bond. Ms. Raymond replied yes. Director Adams noted this resolution was discussed and approved by the Policies & Procurement Committee. Director Barlow said there is no guarantee or penalty for opting out early.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

RESOLUTION REGARDING CONTRACTS FOR TRANSFER STATION O& M AND TRANSPORTATION SERVICES

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Barlow.

RESOLVED: That the President of CRRA is hereby authorized to execute an Amendment to the Easement Agreement with the Connecticut Light & Power Company, associated with property at the South Meadows site, substantially as presented and discussed at this meeting.

Director Adams said this matter was discussed and approved by the Policies & Procurement Committee. Mr. Kirk said this resolution is essentially a renewal of the operator agreements with the transfer station. He said management is very pleased with the operation and performance of its current operators and pleased with their willingness to offer a reduction in prices to the bid. Chairman Stein said this agreement is for the current operators.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

RESOLUTION REGARDING AUTHORITY TO EXECUTE A DECLARATION OF ENVIRONMENTAL LAND USE RESTRICTION ASSOCIATED WITH REMEDIATION OF THE SOUTH MEADOWS PROPERTY

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Barlow.

RESOLVED: That the President of CRRA be authorized to execute a Declaration of Environmental Land Use Restriction and Grant of Easement (“ELUR”) in favor of the Commissioner of the Department of Energy & Environmental Protection (“DEEP”) of the State of Connecticut, in form and content as required by the Commissioner, associated with remediation activities at the South Meadow Station Site; and

FURTHER RESOLVED: That the President of CRRA be authorized to execute an *Affidavit of facts relating to title or interest in real estate* (“*Affidavit of Facts*”), in accordance with C.G.S. §47-12a, if filing of such an affidavit is determined to be necessary in order to correct any factual matters that may affect the status of the title to the South Meadow Station property, in connection with the execution of the ELUR; and

FURTHER RESOLVED: That the President of CRRA be authorized to record on the City of Hartford land records the ELUR, Affidavit of Facts and any subordination agreements necessary to subordinate existing title encumbrances on the South Meadow Station site to the ELUR, as required by DEEP; substantially as presented and discussed at this meeting.

Director Adams said this resolution was approved by the Policies & Procurement Committee. He said the consultant who works with management was present at the meeting. Director Adams said this is a fairly standard and normal process with the CT DEEP.

Mr. Egan said this resolution is associated with a large remediation project which has been going on for a decade. He said the \$26 million remediation program began in 2001 and CRRA is contractually obligated to execute these environmental land use restrictions. He said when the Project is completed the

CT DEEP requires a resolution from the CRRA Board authorizing the CT DEEP signature which is then included in a submittal.

Director Freedman asked if he was correct in stating CRRA is contractually obligated to this. Mr. Egan replied yes.

The motion previously made and seconded was approved by roll call. Chairman Stein, Director Adams, Director Barlow, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| John Adams | X | | |
| Richard Barlow | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

PRESIDENT’S REPORT

Mr. Kirk said all CRRA facilities operated without environmental safety, health impacts or excesses over the reporting period. He referred the Board to the source and use and funds for financial details and noted that the finance and variance report was unable to be provided this month due to resource demands.

Mr. Kirk said the tracking of the post-closure landfill is contained in the Supplemental Package and indicates about \$5.6 million was borrowed from the post-closure reserve. He said this will become a moot issue after June with the transfer of the responsibilities to the State of Connecticut.

Mr. Kirk said concerning operations all CRRA facilities continue to struggle due to fuel shortages due to the economy and diversions. He said availability and capacity factor are maintaining improved profiles versus historicals but still have plenty of room for improvement. Mr. Kirk said there are still occasional pressure part failures at the facility which reduce capacity factoring units and impact power sales. He said management is pulling back on both firing rate and operating hours at Mid-Conn as necessary to reflect the shortage of fuel.

Mr. Kirk said it is still a bleak picture as far as fuel availability is concerned as the plant operation is improving and CRRA is not able to take full advantage of the operating profile because of the fuel shortages. He said the tonnage receipts and trends by town deliveries of waste and recyclables

are available in the supplemental package where no significant changes were noted over the historical averages or prior months.

Mr. Kirk said 51 towns have signed with CRRA for waste disposal. He said the plant is essentially filled to capacity with spot waste and adjustments for reductions in spot availability as the market permits. He said the very low electric contract rate is still impacting CRRA as the 3.5 rate will be in effect until June 30, 2013, at which point management hopes that rate will improve. Mr. Kirk said management continues to work with the CT DEEP and Governor’s office for a solution to that problem.

ELECTION OF VICE-CHAIRMAN

Chairman Stein suggested nominating Director Barlow as Vice-Chairman of the Board. Director Adams made a motion to nominate Director Barlow as Vice-Chairman. Director Freedman seconded the motion to nominate Director Barlow.

The motion previously made and seconded was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

CLOSURE OF NOMINATIONS

Director Adams made a motion to close nominations. Director Shanley seconded the motion to close nominations.

The motion previously made and seconded to close nominations was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Acting Director Adams, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

FINANCE COMMITTEE REPORTS

RESOLUTION REGARDING THE APPROVAL OF THE FISCAL YEAR 2014 CONNECTICUT SOLID WASTE SYSTEM OPERATING AND CAPITAL BUDGETS AND TIP FEES

Chairman Stein requested a motion on the above referenced item. The motion was made by Director Adams and seconded by Director Freedman.

WHEREAS, the Connecticut Resources Recovery Authority (the “Authority”) is required by the Municipal Service Agreement (the “MSA”) with the Connecticut Solid Waste System (CSWS”) towns to submit the next succeeding fiscal year budget on a timely basis (i.e., on or before the last day of February before the beginning of the next fiscal year); and

WHEREAS, The Authority anticipates the State of Connecticut will purchase a portion of the Authority’s power production at \$0.065 per kilowatt hour and the Authority will sell the remaining power in the real time market and/or sell it to various municipalities; and

WHEREAS, on September 27, 2012 the Board of Directors approved a Resolution to Pay the City of Hartford (the “City”) Payment in Lieu of Taxes (“PILOT”) based on a prescribed methodology to calculate the actual payment and the Authority now wishes to change the methodology; and

WHEREAS, on October 25, 2012 the Board of Directors resolved to reimburse all borrowings from the Hartford Landfill Post-Closure Reserve and now wishes to defer repayment until such time the Authority can monetize its assets and/or no sooner than July 1, 2013 when the Authority provides the State of Connecticut \$30,000,000 from the Authority’s Landfill Post-Closure Reserves for Ellington, Shelton, Hartford, Waterbury, and Wallingford and the State legally assumes responsibility for these landfills for all liabilities and operating expenses; and

WHEREAS, the Authority has not reserved for risk exposures and certain liabilities for the CSWS and now wishes to reserve funds for these; and

NOW THEREFORE, it is

RESOLVED: That the proposed Fiscal Year 2014 CSWS budgets be adopted in the form presented and discussed at this meeting; and

FURTHER RESOLVED: That the following tip fees be adopted for the Fiscal Year 2014 operating budgets; and

| WASTE STREAM | TIP FEES |
|---|-----------------|
| Base Disposal Fee/Tier 1 Short-Term (per ton) | \$63.00 |
| Tier 1 Long-Term/Tier 3 (per ton) | \$61.00 |
| Tier 2 (per ton) | \$65.00 |
| Spot Waste (per ton) | Market Rate |
| Bulky Waste (per ton) | \$85.00 |
| Ferrous (per ton) | Market Rate |
| Mattress/Box Springs Surcharge (per unit) | \$30.00 |
| Recycling; Single or Dual Stream (per ton) | No Charge |

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the necessary funds and reserves to pay for costs and fees incurred during Fiscal Year 2014 in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policies and Procedures; and

FURTHER RESOLVED: That the portion of this Board of Directors' September 27, 2012 Resolution Regarding the New PILOT Agreement with the City of Hartford which prescribed the manner in which the amount of PILOT would be calculated each year is hereby rescinded, and that the President is authorized to negotiate a payment schedule with the City for a new PILOT which is reflected in the Fiscal Year 2014 Budget at \$2.2 million; and

FURTHER RESOLVED: That the section of this Board of Directors' October 25, 2012 Resolved regarding Approval of FY 13 CSWS Budget Modifications and Use of Hartford Landfill Post Closure Reserve which mandates repayment in Fiscal Year 2014 of the Hartford Landfill Post-Closure borrowings is hereby rescinded, and repayment of such borrowings shall be deferred until the earlier of 1) the date on which the Authority can monetize its assets or 2) the date, no sooner than July 1, 2013, on when the Authority provides the State of Connecticut a total of \$30,000,000 from the Authority's Landfill Post-Closure Reserves for Ellington, Shelton, Hartford, Waterbury, and Wallingford including the trust funds for which DEEP is the beneficiary and the State legally assumes all responsibility for these landfills for all liabilities and operating expenses; and

FURTHER RESOLVED: That the Authority establish a Severance Reserve and contribute \$430,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish a Legal Reserve and contribute \$500,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish a CSWS Risk Reserve and contribute \$250,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That \$8,109,000 be contributed to the Capital Expenditure Reserve in Fiscal Year 2014; and

FURTHER RESOLVED: That the President be allowed to add funds to the CSWS Capital Expenditures Reserve or the CSWS Operating Fund for working capital in an amount to be determined from Fiscal 2013 operating funds should they be available. The exact amount (s) to be reported to the Board of Directors.

After some discussion Director Freedman suggested amending the resolution to add the word approximately to the second whereas.

AMENDMENT TO THE RESOLUTION REGARDING THE APPROVAL OF THE FISCAL YEAR 2014 CONNECTICUT SOLID WASTE SYSTEM OPERATING AND CAPITAL BUDGETS AND TIP FEES

Chairman Stein requested a motion on the above referenced item. The motion to amend the motion by adding the word approximately to the second whereas was made by Director Shanley and seconded by Director Freedman.

WHEREAS, the Connecticut Resources Recovery Authority (the “Authority”) is required by the Municipal Service Agreement (the “MSA”) with the Connecticut Solid Waste System (CSWS”) towns to submit the next succeeding fiscal year budget on a timely basis (i.e., on or before the last day of February before the beginning of the next fiscal year); and

WHEREAS, The Authority anticipates the State of Connecticut will purchase a portion of the Authority’s power production at approximately \$0.065 per kilowatt hour and the Authority will sell the remaining power in the real time market and/or sell it to various municipalities; and

WHEREAS, on September 27, 2012 the Board of Directors approved a Resolution to Pay the City of Hartford (the “City”) Payment in Lieu of Taxes (“PILOT”) based on a prescribed methodology to calculate the actual payment and the Authority now wishes to change the methodology; and

WHEREAS, on October 25, 2012 the Board of Directors resolved to reimburse all borrowings from the Hartford Landfill Post-Closure Reserve and now wishes to defer repayment until such time the Authority can monetize its assets and/or no sooner than July 1, 2013 when the Authority provides the State of Connecticut \$30,000,000 from the Authority’s Landfill Post-Closure

Reserves for Ellington, Shelton, Hartford, Waterbury, and Wallingford and the State legally assumes responsibility for these landfills for all liabilities and operating expenses; and

WHEREAS, the Authority has not reserved for risk exposures and certain liabilities for the CSWS and now wishes to reserve funds for these; and

NOW THEREFORE, it is

RESOLVED: That the proposed Fiscal Year 2014 CSWS budgets be adopted in the form presented and discussed at this meeting; and

FURTHER RESOLVED: That the following tip fees be adopted for the Fiscal Year 2014 operating budgets; and

| WASTE STREAM | TIP FEES |
|---|-----------------|
| Base Disposal Fee/Tier 1 Short-Term (per ton) | \$63.00 |
| Tier 1 Long-Term/Tier 3 (per ton) | \$61.00 |
| Tier 2 (per ton) | \$65.00 |
| Spot Waste (per ton) | Market Rate |
| Bulky Waste (per ton) | \$85.00 |
| Ferrous (per ton) | Market Rate |
| Mattress/Box Springs Surcharge (per unit) | \$30.00 |
| Recycling; Single or Dual Stream (per ton) | No Charge |

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the necessary funds and reserves to pay for costs and fees incurred during Fiscal Year 2014 in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policies and Procedures; and

FURTHER RESOLVED: That the portion of this Board of Directors' September 27, 2012 Resolution Regarding the New PILOT Agreement with the City of Hartford which prescribed the manner in which the amount of PILOT would be calculated each year is hereby rescinded, and that the President is authorized to negotiate a payment schedule with the City for a new PILOT which is reflected in the Fiscal Year 2014 Budget at \$2.2 million; and

FURTHER RESOLVED: That the section of this Board of Directors' October 25, 2012 Resolved regarding Approval of FY 13 CSWS Budget Modifications and Use of Hartford Landfill Post Closure Reserve which mandates repayment in Fiscal Year 2014 of the Hartford Landfill Post-Closure borrowings is hereby rescinded, and repayment of such borrowings shall be deferred until the earlier of 1) the date on which the Authority can monetize its assets or 2) the date, no sooner than July 1, 2013, on when the Authority provides the State of Connecticut a total of \$30,000,000 from the Authority's Landfill Post-Closure Reserves for Ellington, Shelton, Hartford, Waterbury, and Wallingford including the trust funds for which DEEP is the

beneficiary and the State legally assumes all responsibility for these landfills for all liabilities and operating expenses; and

FURTHER RESOLVED: That the Authority establish a Severance Reserve and contribute \$430,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish a Legal Reserve and contribute \$500,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish a CSWS Risk Reserve and contribute \$250,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That \$8,109,000 be contributed to the Capital Expenditure Reserve in Fiscal Year 2014; and

FURTHER RESOLVED: That the President be allowed to add funds to the CSWS Capital Expenditures Reserve or the CSWS Operating Fund for working capital in an amount to be determined from Fiscal 2013 operating funds should they be available. The exact amount (s) to be reported to the Board of Directors.

The motion previously made and seconded to amend the above referenced resolution was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|-----|-----|---------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

FINAL VOTE ON THE RESOLUTION REGARDING THE APPROVAL OF THE FISCAL YEAR 2014 CONNECTICUT SOLID WASTE SYSTEM OPERATING AND CAPITAL BUDGETS AND TIP FEES AS AMENDED

Chairman Stein requested a motion on the above referenced item. The motion, which was originally made by Director Adams and seconded by Director Shanley, was approved as amended.

WHEREAS, the Connecticut Resources Recovery Authority (the “Authority”) is required by the Municipal Service Agreement (the “MSA”) with the Connecticut Solid Waste System (CSWS”) towns to submit the next succeeding fiscal year budget on a timely basis (i.e., on or before the last day of February before the beginning of the next fiscal year); and

WHEREAS, The Authority anticipates the State of Connecticut will purchase a portion of the Authority’s power production at approximately \$0.065 per kilowatt hour and the Authority will sell the remaining power in the real time market and/or sell it to various municipalities; and

WHEREAS, on September 27, 2012 the Board of Directors approved a Resolution to Pay the City of Hartford (the “City”) Payment in Lieu of Taxes (“PILOT”) based on a prescribed methodology to calculate the actual payment and the Authority now wishes to change the methodology; and

WHEREAS, on October 25, 2012 the Board of Directors resolved to reimburse all borrowings from the Hartford Landfill Post-Closure Reserve and now wishes to defer repayment until such time the Authority can monetize its assets and/or no sooner than July 1, 2013 when the Authority provides the State of Connecticut \$30,000,000 from the Authority’s Landfill Post-Closure Reserves for Ellington, Shelton, Hartford, Waterbury, and Wallingford and the State legally assumes responsibility for these landfills for all liabilities and operating expenses; and

WHEREAS, the Authority has not reserved for risk exposures and certain liabilities for the CSWS and now wishes to reserve funds for these; and

NOW THEREFORE, it is

RESOLVED: That the proposed Fiscal Year 2014 CSWS budgets be adopted in the form presented and discussed at this meeting; and

FURTHER RESOLVED: That the following tip fees be adopted for the Fiscal Year 2014 operating budgets; and

| WASTE STREAM | TIP FEES |
|---|-----------------|
| Base Disposal Fee/Tier 1 Short-Term (per ton) | \$63.00 |
| Tier 1 Long-Term/Tier 3 (per ton) | \$61.00 |
| Tier 2 (per ton) | \$65.00 |
| Spot Waste (per ton) | Market Rate |
| Bulky Waste (per ton) | \$85.00 |
| Ferrous (per ton) | Market Rate |
| Mattress/Box Springs Surcharge (per unit) | \$30.00 |
| Recycling; Single or Dual Stream (per ton) | No Charge |

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the necessary funds and reserves to pay for costs and fees incurred during Fiscal Year 2014

in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policies and Procedures; and

FURTHER RESOLVED: That the portion of this Board of Directors' September 27, 2012 Resolution Regarding the New PILOT Agreement with the City of Hartford which prescribed the manner in which the amount of PILOT would be calculated each year is hereby rescinded, and that the President is authorized to negotiate a payment schedule with the City for a new PILOT which is reflected in the Fiscal Year 2014 Budget at \$2.2 million; and

FURTHER RESOLVED: That the section of this Board of Directors' October 25, 2012 Resolved regarding Approval of FY 13 CSWS Budget Modifications and Use of Hartford Landfill Post Closure Reserve which mandates repayment in Fiscal Year 2014 of the Hartford Landfill Post-Closure borrowings is hereby rescinded, and repayment of such borrowings shall be deferred until the earlier of 1) the date on which the Authority can monetize its assets or 2) the date, no sooner than July 1, 2013, on when the Authority provides the State of Connecticut a total of \$30,000,000 from the Authority's Landfill Post-Closure Reserves for Ellington, Shelton, Hartford, Waterbury, and Wallingford including the trust funds for which DEEP is the beneficiary and the State legally assumes all responsibility for these landfills for all liabilities and operating expenses; and

FURTHER RESOLVED: That the Authority establish a Severance Reserve and contribute \$430,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish a Legal Reserve and contribute \$500,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish a CSWS Risk Reserve and contribute \$250,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That \$8,109,000 be contributed to the Capital Expenditure Reserve in Fiscal Year 2014; and

FURTHER RESOLVED: That the President be allowed to add funds to the CSWS Capital Expenditures Reserve or the CSWS Operating Fund for working capital in an amount to be determined from Fiscal 2013 operating funds should they be available. The exact amount (s) to be reported to the Board of Directors.

Director Shanley said over the last several months there have been many discussions concerning the budget and the extensional crisis of CRRA with respect to the loss of revenue from the energy payments made to the plant specifically for the CSWS Project. He thanked the CT DEEP for recognizing the importance of this form of disposal of trash versus other alternatives and its interest in entering into an agreement with CRRA for a solution. Director Shanley said he intends to support this resolution.

Chairman Stein thanked management for their diligence in working with the Board to provide information to the CT DEEP on short notice and providing three possible budget options and other information.

Director Painter thanked the Board representatives who worked with the CT DEEP closely on this issue.

Director Adams noted that CT DEEP Commissioner Dan Etsy had provided a letter to CRRA indicating the CT DEEP’s desire to work with CRRA to arrange the purchase power agreement generated by the State of Connecticut. Chairman Stein agreed, he said the letter was provided under very short notice which is much appreciated.

The motion previously made and seconded to approve the above referenced resolution as amended was approved by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Bingham, Director Freedman, Director Griswold, Director Painter, Director Nunn, Director Segarra and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | | | |

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending litigation, trade secrets, personal matters, security matters, pending RFP’s, and feasibility estimates and evaluations, and to consult with legal staff with appropriate staff. The motion, made by Director Griswold and seconded by Director Freedman, was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

- Tom Kirk
- Jim Bolduc
- Peter Egan
- Laurie Hunt

The Executive Session began at 12:14 a.m. and concluded at 1:32 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded to go into Executive Session was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Bingham, Director Edwards, Director Freedman, Director Griswold, Director Nunn, and Director Painter, Director Segarra, and Director Shanley voted yes.

| Directors | Aye | Nay | Abstain |
|--------------------------|------------|------------|----------------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Ryan Bingham | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Andrew Nunn | X | | |
| Pedro Segarra | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Bob Painter, CSWS | X | | |
| Steve Edwards, SouthWest | X | | |

ADJOURNMENT

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Adams and seconded by Vice-Chairman Barlow and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 1:32 p.m.

Respectfully Submitted,



Moira Benacquista
 HR Specialist/Board Administrator

TAB 2

CONNECTICUT RESOURCES RECOVERY AUTHORITY

FOUR HUNDRED AND FORTIETH

MARCH 1, 2013

A special meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Mon. March 1, 2013, in the Board Room at 211 Murphy Rd. Hartford, CT 06103. Those present were:

Directors: Chairman Don Stein
Vice-Chairman Barlow
John Adams (present by telephone)
David Damer
Joel Freedman
Timothy Griswold (present by telephone)
Scott Shanley
Steve Edwards, Bridgeport Project Ad-Hoc (present by telephone)
Mark Tillinger, Bridgeport Project Ad-Hoc (present by telephone)

Present from CRRA in Hartford:

Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs and Operations
Laurie Hunt, Director of Legal Service
Moira Benacquista, HR Specialist/Board Administrator

Others present: John Pizzimenti, USA Hauling.

Chairman Stein called the meeting to order at 11:08 a.m. and said a quorum was present.

PUBLIC PORTION

Chairman Stein said the agenda allowed for a public portion in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes.

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

EXECUTIVE SESSION

Chairman Stein requested a motion to enter into Executive Session to discuss pending claims and litigation, trade secrets, personal matters, security matters, pending RFP's, and feasibility estimates and evaluations. The motion, made by Director Damer and seconded by Vice-Chairman Barlow was approved unanimously. Chairman Stein asked the following people join the Directors in the Executive Session:

Tom Kirk
 Jim Bolduc
 Peter Egan
 Laurie Hunt

The Executive Session began at 11:08 a.m. and concluded at 2:00 p.m. Chairman Stein noted that no votes were taken in Executive Session.

The motion previously made and seconded to go into Executive Session was approved unanimously by roll call. Chairman Stein, Vice-Chairman Barlow, Director Adams, Director Damer, Director Edwards, Director Freedman, Director Griswold, Director Shanley and Director Tillinger voted yes.

| Directors | Aye | Nay | Abstain |
|----------------------------|-----|-----|---------|
| Chairman Stein | X | | |
| Vice-Chairman Barlow | X | | |
| John Adams | X | | |
| Dave Damer | X | | |
| Joel Freedman | X | | |
| Timothy Griswold | X | | |
| Scott Shanley | X | | |
| | | | |
| Ad-Hocs | | | |
| Steve Edwards, Bridgeport | X | | |
| Mark Tillinger, Bridgeport | X | | |

ADJOURNMENT

Chairman Stein requested a motion to adjourn the meeting. The motion to adjourn was made by Director Adams and seconded by Director Griswold and was approved unanimously.

There being no other business to discuss, the meeting adjourned at 2:00 p.m.

Respectfully Submitted,



Moira Benacquista
 HR Specialist/Board Administrator

TAB 3

RECOMMENDED DRAFT RESOLUTION FOR CRRA BOARD OF DIRECTORS

**RESOLUTION REGARDING THE PURCHASE OF PUBLIC OFFICIALS AND
EMPLOYMENT PRACTICES LIABILITY INSURANCE FOR THE PERIOD
4/1/13 – 4/1/14**

RESOLVED: That CRRA's Public Officials and Employment Practices Liability insurance be purchased from ACE with a \$10,000,000 limit and up to \$10,000,000 in defense costs and expenses outside the limit, and a \$150,000 self insured retention for the period 4/1/13 – 4/1/14 for a premium of \$144,796, as discussed at this meeting.

Connecticut Resources Recovery Authority
Public Officials and Employment Practices Liability Insurance Renewal
3/21/13

Current Policy

- Expires 4/1/2013 – Public Officials and Employment Practices Liability Insurance (POL/EPL)
- \$10,000,000 limit and up to \$10,000,000 in additional defense costs outside the limit
- \$150,000 self insured retention each claim
- Premium \$144,796
- Insurer – ACE American (Rated A+ by AM Best)

Renewal Policy

- Quotes sought from ACE American,, Ironshore and RSUI Indemnity (see Exhibit A);
- Firm quotes received from only the incumbent ACE (see below for options);
- Indication received from RSUI Indemnity (Rated A) for a maximum primary limit of \$5,000,000 and a minimum \$250,000 self-insured retention for a premium range of \$90,000-\$98,000. Coverage would not be nearly as broad as ACE. For example, defense costs would be included within, and not in addition to the limit. RSUI is not admitted in CT and therefore not protected by the state’s guarantee fund should the carrier be unable to pay claims;
- Ironshore (Rated A-) indicated their premium would be at least \$200,000.

| | <u>Insurer</u> | <u>Limit</u> | <u>Self-Insured Retention</u> | <u>Premium</u> |
|------------------|-----------------------|---------------------|--------------------------------------|-----------------------|
| Option #1 | ACE | \$10,000,000 * | \$ 150,000 | \$144,796 |
| Option #2 | ACE | \$10,000,000 * | \$ 250,000 | \$127,875 |

***Defense outside limit - capped at \$10 MM**

- ACE terms and conditions are the same as last year.

Management Summary & Recommendation

Section 1-125 of the Connecticut General Statutes (CGS) states that any director or employee of CRRA, including ad hoc members, may not be held personally liable for damage or injury, not wanton, reckless, willful or malicious, caused in the performance of his or her duties and within the scope of his or her employment or appointment as such director, officer or employee, or ad hoc member.

- CRRA is required to protect and indemnify all of its directors, officers and employees in accordance with Section 1-125 of the CGS.
- Public Officials Liability Insurance covers liability resulting from “wrongful acts” – any act, error, misstatement, misleading statement, omission, neglect or breach of duty committed or attempted by the insured, or Employment Practices Violations by any Insured solely in the performance of duties for CRRA as defined by the policy.
- This insurance provides secure, consistent, broad coverage with the least troublesome exclusions available in the marketplace.
- Based upon benchmarking, CRRA’s claims history and pricing, purchase of a \$10,000,000 limit is reasonable at this time, particularly since there is an additional \$10,000,000 in defense costs provided outside of the policy limit.
- The small premium savings between Option #1 and #2 (\$16,921) does not justify selection of Option #2 and it would increase in self-insured retention by \$100,000.
- Management in consultation with our broker recommends securing Option #1 - \$10,000,000 coverage limit with \$150,000 self insured retention and up to \$10,000,000 in additional defense costs outside of the limit for a premium of \$144,796.
- This premium is the same as the expiring policy, despite incurred claims expenses over \$500,000 in 2011.
- Multi-year policies are not currently available for this insurance coverage.
- Considering claims and expenses and the fact we had not received a premium increase for the past two years, CRRA budgeted 20% more this year.
- The renewal premium is \$28,959 below the budget for this insurance program (Exhibit B).

**Quote Disclosure Report for CRRR
Public Officials Liability Program**

| Program | Carrier | Carrier Response | Carrier Declination Reason | Premium 1 | Quoted ARS Commission | Nationally Agreed Commission Rate | Intermediary, if applicable | Estimated Intermediary Commission | Exhibit A |
|---|-----------|------------------|----------------------------|----------------------|-----------------------|-----------------------------------|-----------------------------|-----------------------------------|-----------|
| Policy Term: April 1, 2013 - April 1, 2014 | | | | | | | | | |
| POL \$10M Limit, \$150k SIR | ACE | Quoted | | \$144,796 | N/A | N/A | N/A | N/A | |
| POL \$10M Limit, \$250k SIR | ACE | Quoted | | \$127,875 | N/A | N/A | N/A | N/A | |
| POL \$10M Limit | Ironshore | Indication only | | \$200,000 | N/A | N/A | N/A | N/A | |
| POL \$5M Minimum Limit, \$250k Minimum SIR | RSUI | Indication only | | \$90,000 to \$98,000 | N/A | N/A | Sharebridge | 10% | |
| Presentation Date: Renewal Proposal 3.4.13 | | | | | | | | | |

EXHIBIT B

**PUBLIC OFFICIALS' & EMPLOYMENT
PRACTICES LIABILITY - 4/1/13 - 4/1/14**

PREMIUM TO BUDGET COMPARISON

| Insurance Type | 2012-2013 | FY 2013 | FY 2014 | Proposed | FY 2014 | Surplus/ | Variance |
|--|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-----------------------------|--|
| | 4/1/12-4/1/13 Premium | 4/1/13-6/30/13 Actual | 7/1/13-4/1/14 Budget | 4/1/13-4/1/14 Premium | 7/1/13-6/30/14 Budget | (Deficit) to FY13 Budget | btw 2012-13 and 2013-14 Premiums |
| Public Officials & Employment Practices Liability | \$144,796 | \$39,819 | \$130,316 | \$144,796 | \$173,755 | \$28,959 | \$0 |

RECOMMENDED DRAFT RESOLUTION FOR CRRA BOARD OF DIRECTORS

**\$350 MILLION BLANKET ALL RISK (subject to policy terms and exclusions)
INSURANCE, INCLUDING BOILER & MACHINERY, REAL AND PERSONAL
PROPERTY, BUSINESS INTERRUPTION AND EXTRA EXPENSE**

RESOLVED: That CRRA purchase CRRA's \$350 Million Property Insurance from the following four (4) insurers with their shares as indicated:

| | | |
|--------------|------------|--------|
| ➤ Zurich | (Rated A) | 42.10% |
| ➤ Swiss Re | (Rated A) | 26.30% |
| ➤ Starr Tech | (Rated A+) | 16.60% |
| ➤ XL | (Rated A) | 15.00% |

for the period 4/1/13 – 4/1/14 for a premium of \$760,391 (including terrorism) and other terms and conditions as discussed at this meeting;

FURTHER RESOLVED: That CRRA purchase loss control engineering services from XL GAPS for the period 4/1/13 – 4/1/14 for an amount not to exceed \$14,625 as discussed at this meeting.

Connecticut Resources Recovery Authority
All Risk Property Insurance Renewal
3/21/13

Property Policy Discussion

Current Policy

- Expires 4/1/13 – \$350 million Blanket All Risk (subject to policy terms and exclusions) including Boiler & Machinery, insuring Real and Personal Property, Business Interruption and Extra Expense
- Four Insurers – Zurich 42.1%, Swiss Re 26.3%, Starr Tech 16.6% and XL 15%
- Engineering inspection services, were purchased from XL GAPS, for \$14,440 for the Mid-Connecticut/CSWS facilities
- 4/1/12 – 4/1/13 total premium - \$770,079 (\$729,639 with terrorism and flood patch \$26,000 and engineering at \$14,440 = \$770,079)

Policy Limit Determination

A monetary value, based on the cost to rebuild or replace the facility, is recorded for all of CRRA's properties at the time of acquisition or construction. Values are reviewed and updated by CRRA personnel responsible for each location each year. (For example, values assigned to the South Meadow Facility from last year are reviewed and updated by Rich Quelle; Tom Gaffey reviews the values at the recycling facility, etc.) This activity ensures that no locations have been overlooked, discontinued or replaced and that the current values assigned reflect replacement cost and are accurate.

Industry trending factors provided by the most recently published FM Global data sheets are applied as appropriate. These indices measure cost trends based on published labor rates for primary building trades and material costs found in six typical industrial and commercial buildings. The FM machinery and equipment indexes are based on a representative schedule of machinery and equipment in plants of varying types and are compiled from information furnished by more than 250 machinery builders. (This year's factors were - Industrial Buildings (1.0314%) and Machinery & Equipment (1.0171%).

Worksheets are prepared by CRRA personnel based upon CRRA's fiscal year budgets and contract requirements for the CSWS facilities. The worksheets are designed to calculate the amount of the Business Interruption (BI) exposure and to project what Extra Expense (EE) would be incurred to continue to meet contractual requirements (e.g., waste disposal) should a business interruption event occur.

The total of all these property values, including BI and EE, is the annual insurable property expense of all CRRA locations. The CSWS facilities (primarily the South Meadows Facility) drive the limit of insurance and the premium.

Based upon CRRA's contracted engineering firm, XL GAPS, the Maximum Foreseeable Loss (MFL) for the CSWS facilities is approximately \$347 million. MFL is the largest

monetary loss that may be expected from a single fire or other peril to any given property. The impairment of the fire protection that can be visualized on worst case scenario (i.e., free-burn with no intervention whatsoever) should be assumed when calculating MFL.

Renewal Discussion

Limits:

Aon Risk Services (Aon), CRRA's broker/consultant, evaluated the MFL and the value statements and BI/EE worksheet prepared and determined that the reasonable overall property insurance limit should remain at \$350 million, given the MFL and capacity available in the current market.

1. The total of all CRRA property values, including BI and EE, is the annual insurable property expense for all CRRA locations. This year it is \$567 million;
2. Aon marketed the property policy with the same \$350 million limit as last year as it maximizes current market capacity;
3. The \$350 million limit applies on a blanket basis, per occurrence for property damage to all scheduled locations;
4. It is important to note that while it may appear logical that a lower limit would automatically result in a dramatically lower premium; that is not the case because:
 - a. Each market calculates what they believe to be the MFL. Three of the four markets stated that each of their MFL's were lower than the offered \$350 million. In other words, they believe the largest loss CRRA could suffer would be lower than the \$350 million limit.
 - b. Because markets calculate their maximum expected loss at much less than the policy limit purchased (\$350M), they are providing the excess capacity above the MFL at no additional cost. In other words, the savings to reduce the overall policy limit would be basically nil;
 - c. Generally, more of the premium dollars are targeted by insurance companies at the lower levels of a limit as that is the level most vulnerable to paying losses.

Marketing:

1. Over the last several years CRRA has enjoyed an extremely favorable premium rate for this type of risk exposure;
2. Aon marketed the program to all companies listed on the spreadsheet attached (Exhibit A).
3. Due, to the nature of CRRA's operations, markets for CRRA's program are limited in the best of circumstances; in addition, weather and other catastrophic losses in the industry influenced underwriters' responses;

Sublimits:

1. Solid quotes were received from Zurich, Swiss Re, Starr Tech and XL;
2. The nature of CRRA's property risk prevents any one market from covering the entire program;
3. Aon specifies the policy limits and sublimits, such as flood, earthquake, business interruption, extra expense, etc., to the markets on which to base their quotes. In some cases, the markets cannot match every limit or sublimit required, but they work to get as close as they can, taking into consideration their internal guidelines. This is not necessarily uncommon but creates differences within the program, not only in price, but, in some cases, in terms and conditions. Some examples of these differences will be discussed below.
4. XL's quote last year severely limited coverage for flood exposures due to the location of the South Meadows plant and other facilities in Flood Zones;
5. This year XL's quote raised the flood limit from \$75M to \$125M eliminating the need to buy a flood patch to make up the difference as was done last year;
6. With this added coverage, the Flood Limit will be at the expiring sublimit levels.

Summary of Quotations:

After negotiation the final quotes on the program reflected the following percentages:

| | | |
|------------|------------|--------|
| Zurich | (Rated A) | 42.10% |
| Swiss Re | (Rated A) | 26.30% |
| Starr Tech | (Rated A+) | 16.60% |
| XL | (Rated A) | 15.00% |

These are all incumbent insurers on the program.

Deductibles:

1. Starr Tech mandated a Property Damage (PD) deductible at the Twin Packs (Jets) of \$350,000. This only applies to Starr Tech's participation (16.6%).
2. The rest of the program quoted the Twin Packs (Jets) program deductible at \$250,000. In the event of a loss at the Jets, subject to the terms and conditions of the policy, CRRA would have to pay a PD deductible of \$250,000, plus 16.6% of \$100,000 (representing the increase in deductible for Starr Tech's participation). $\$250,000 + \$16,600 = \$266,600$ and the Time Element deductible of 45 Days would be additional.
3. The Property Damage deductible at the South Meadows Facility quoted by all insurers is \$250,000.

4. The Property Damage Deductible for all other locations (excluding Jets and South Meadows) is \$50,000.
5. XL mandated a Flood deductible at locations in Flood Zones A/V to 2% of the values, minimum of \$500,000 for Property Damage. This only applies to XL's participation (15%).
6. The rest of the program quoted the Flood deductible in Flood Zones A/V at the policy deductible.

Engineering

Most states, counties or cities, including the State of Connecticut, require periodic inspections of commercial boilers or pressure vessels (jurisdictional inspections and engineering). The law or regulations may also require a certificate that attests the equipment complies with these requirements.

In addition to these engineering services, for the past several years, CRRA increased the scope of engineering services purchased to include:

1. Loss control visits where the company loss control engineer completed extensive evaluation of the risk and provided summaries of findings and written recommendations to mitigate potential property damage. These services were provided for the following facilities:
 - South Meadows Electric Generating Facility (EGF)
 - South Meadows Power Block Facility (PBF)
 - South Meadows Waste Processing Facility (WPF)
 - Twin Packs (Jets)
2. Because of the value of and complexity of the South Meadows facilities, inspections which produced recommendations for improvements, and discussions with in-house engineers, it was determined that loss control engineering of the type described above continues to be beneficial to CRRA.
3. Aon has stated that underwriters need engineering reports to evaluate the potential risk of loss and adequate protection of that risk. Without that, underwriters will not provide quotes especially on power generation exposures.
4. CRRA put into place a formalized loss control inspection plan and followed up those inspections with a spreadsheet of responses to those open recommendations. This shows an understanding of the potential risk of loss and a willingness to improve that risk.
5. Going forward it is important to prove to the marketplace that the safety programs currently in place at the sites are well documented and that the operators are being held accountable where there is a need for improvement.
6. Since 2008, CRRA has utilized the services of XL GAPS for third party engineering. Every year, proposals were sought from other third party engineering companies for the WPF, PBF, EGF and Twin Packs (Jets) facilities which ranged from \$12,500 to \$17,000 for similar services.
7. This year three companies quoted on third party engineering service – Paragon (\$14,500), XL GAPS (\$14,625) and Global Risk Consultants (\$15,378).

8. The analysis from our in-house engineering professionals, after reviewing the proposals and sample reports, was that XL GAPS provides the most comprehensive oversight for the least amount of money.
9. Given XL GAPS' familiarity with the facilities, the quality of the engineering reports and relationship with CRRA, Aon and our chief engineer recommend continuing with the same service provider even though their quote is \$125 above the lowest bid.
10. XL GAPS' service quote for the same locations is \$185 above last year.

Premium Summary

| Property Insurance | Expiring Program 4/1/12 – 4/1/13 | Renewal Program 4/1/13 – 4/1/14 |
|---|---|---|
| Limit of Liability | \$350,000,000 | \$350,000,000 |
| Policy Deductible (PD) | \$50,000 , except \$100,000 Mobile Equipment \$250,000 at South Meadows and Jets (\$350K Jets-Starr-Tech) | \$50,000 , except \$100,000 Mobile Equipment \$250,000 at South Meadows and Jets (\$350K Jets-Starr-Tech) |
| Policy Deductible (TE) | 45 Days | 45 Days |
| Annual Premium | \$729,639 | \$760,391 |
| Engineering (Jurisdictional Inspections, Loss Prevention Visits w/ Reports and Recommendations) | \$14,440 | \$14,625 |
| Additional Premium to add Flood "Patch" for XL participation | \$26,000 | N/A |
| Terrorism Coverage | Included | Included |
| Total \$350M Policy Limit Option | \$770,079 | \$775,016 |

Management Summary & Recommendations

- Policy expiration on 4/1/13 requires approval at the March 21, 2013 Board meeting for continuance of coverage.
- Property insurance, business interruption and extra expense on CRRA property is required due to ownership and/or contractual requirements.
- Management recommends securing \$350 million all risk property insurance coverage for the period 4/1/13 – 4/1/14 as follows:

| <u>Insurer</u> | <u>AM Best Rating</u> | <u>% Participation of \$350M</u> |
|----------------|-----------------------|----------------------------------|
| Zurich | Rated A | 42.1% |
| Swiss Re | Rated A | 26.3% |
| Starr Tech | Rated A+ | 16.6% |
| XL | Rated A | 15.0% |

- Management recommends selection of XL GAPS for loss control engineering, inspection and reporting for \$14,625.

Finance Committee Recommendation to the CRRA Board

The Finance Committee has reviewed and discussed renewing CRRA's Property Insurance and recommends the purchase of the \$350 million policy for a premium of \$760,391 from the following four (4) insurers with their quota shares: Zurich 42.1%; Swiss Re 26.3%; Starr Tech 16.6%; and XL 15%; and engineering services from XL GAPS for \$14,625 for the period 4/1/13 – 4/1/14.

Anticipating the small pool of potential insurers for CRRA's program and market conditions in general, we budgeted 20% more for FY13 property insurance than the previous year.

The overall premium for \$350 million of property insurance, including business interruption and extra expense, engineering and terrorism coverage is \$4,937 (1%) more than last year.

The renewal premium is \$172,407 below the budget for this insurance program (Exhibit B).

**Quote Disclosure Report for CRRR
Property Program**

| Program | Carrier | Carrier Response | Carrier Declination Reason | Premium | Quoted ARS Commission | Nationally Agreed Commission Rate | Intermediary, if applicable | Estimated Intermediary Commission |
|--|--|------------------|----------------------------|--------------|-----------------------|-----------------------------------|-----------------------------|-----------------------------------|
| | Arch Insurance Company | Declined | Class of Business | N/A | N/A | N/A | N/A | N/A |
| | AXIS Insurance Company | Declined | Uncompetitive | N/A | N/A | N/A | N/A | N/A |
| | FM Global | Declined | Occupancy | N/A | N/A | N/A | N/A | N/A |
| Flood Wrap \$7.5M p/o \$50M x \$50M | Landmark American (RSUI) | Quoted | | \$27,500.00 | \$0 | N/A | R-T Specialty | 7.5% |
| | Liberty Insurance Underwriters, Inc. | Declined | Uncompetitive | N/A | N/A | N/A | N/A | N/A |
| | QBE Insurance Corporation | Declined | Uncompetitive | N/A | N/A | N/A | N/A | N/A |
| 16.6% or \$58.1M p/o \$350M inc. TRIA | Star Tech / ACE American Insurance Company | Quoted | | \$135,796.00 | \$0 | N/A | N/A | N/A |
| 20% or \$70M p/o \$350M inc TRIA and \$125M Flood & Quake option 1 | Swiss Reinsurance Company | Quoted | | \$132,000.00 | \$0 | N/A | N/A | N/A |
| 26.3% or \$92.050M p/o \$350M inc TRIA and \$100M Flood & Quake option 2 | Swiss Reinsurance Company | Quoted | | \$173,580.00 | \$0 | N/A | N/A | N/A |
| | SYN1414 ASCOT - London | Declined | Class of Business | N/A | N/A | N/A | Aon Limited in London | 10% |
| | SYN2003 Catlin London | Declined | Uncompetitive | N/A | N/A | N/A | Aon Limited in London | 10% |
| | SYN5000 Travelers - London | Declined | Uncompetitive | N/A | N/A | N/A | Aon Limited in London | 10% |
| | United Insurance Company | Declined | Uncompetitive | N/A | N/A | N/A | N/A | N/A |
| 15% or \$52.5M p/o \$350M inc TRIA | XL Insurance Co Ltd | Quoted | | \$150,000.00 | \$0 | N/A | N/A | N/A |
| 42.1% or \$147.350M p/o \$350M inc. TRIA | Zurich American Ins Co | Quoted | | \$301,015.00 | \$0 | N/A | N/A | N/A |

Policy Term: April 1, 2013 - April 1, 2014

Quote Disclosure Report for CRR

Property Program

| Program | Carrier | Carrier Response | Carrier Declination Reason | Premium | Quoted ARS Commission | Nationally Agreed Commission Rate | Intermediary, if applicable | Estimated Intermediary Commission | Exhibit A |
|---------|---------|------------------|----------------------------|---------|-----------------------|-----------------------------------|-----------------------------|-----------------------------------|-----------|
|---------|---------|------------------|----------------------------|---------|-----------------------|-----------------------------------|-----------------------------|-----------------------------------|-----------|

Policy Term: April 1, 2013 - April 1, 2014

x means excess of

p/o means part of

Renewal/Proposal 3413

EXHIBIT B

ALL RISK PROPERTY - 4/1/13 - 4/1/14

PREMIUM TO BUDGET COMPARISON

| Insurance Type | 2012-2013 4/1/12-4/1/13 Premium | FY 2013 4/1/13-6/30/13 Actual | FY 2014 7/1/13-4/1/14 Budget | Proposed 4/1/13-4/1/14 Premium | FY 2014 7/1/13-6/30/14 Budget | Surplus/ (Deficit) to FY13 Budget | Variance btw 2012-13 and 2013-14 Premiums |
|-------------------|---------------------------------------|-------------------------------------|------------------------------------|--------------------------------------|-------------------------------------|---|--|
| All Risk Property | \$770,079 | \$192,520 | \$706,067 | \$775,016 | \$941,423 | \$172,407 | \$4,937 |

TAB 4

CONNECTICUT RESOURCES RECOVERY AUTHORITY

**FISCAL YEAR 2014
PROPERTY DIVISION
PROPOSED OPERATING BUDGET**

**RESOLUTION REGARDING THE APPROVAL OF
THE FISCAL YEAR 2014 PROPERTY DIVISION
OPERATING AND CAPITAL BUDGETS**

WHEREAS, The Authority has the ability and expertise to develop future solid waste initiatives and wishes to reserve funds to develop innovative solid waste processes; and

WHEREAS, The Authority needs to support the State of Connecticut's Solid Waste Management Plan initiatives from non-project resources; and

WHEREAS, The Authority supports the State of Connecticut's Solid Waste Management Plan's education and outreach objective by providing education services and uses its Hartford facility located at 211 Murphy Road facility to provide these services; and

WHEREAS, The Property Division provides sufficient revenues to accommodate the continuing expenses associated with the education services; and

WHEREAS, The Board of Directors has established a Severance Reserve which needs \$430,000 of additional funding to be combined with \$430,000 from the Connecticut Solid Waste System Budget for a total of \$860,000 to properly fund the severance plan if it is utilized; and

WHEREAS, the Authority has the option to terminate its office lease on December 31, 2013, by giving notice to its landlord no later than June 30, 2013, or on December 31, 2014, by giving notice to its landlord no later than June 30, 2014, failing which, the lease will expire according to its terms on December 31, 2015; and

WHEREAS, the Board of Directors has requested that management review its current operational functions including a potential home office relocation, and the Authority has incorporated funds in the Fiscal Year 2014 Property Division budgets for the performance of such reviews, and, if appropriate, an office relocation as well; and

WHEREAS, in the event that the Authority's long term plans are still in development as of June 30, 2013, and therefore, the Authority does not give notice of its exercise of its option to terminate its office lease, any unused relocation funds together with all other unused operating expenditures will be retained in the Property Division's operating account for future use as directed by the Board; and

WHEREAS, The Authority needs to reserve funds for routine capital needs for the Property Division's facilities.

NOW THEREFORE, it is

RESOLVED: That the proposed Fiscal Year 2014 Property Division budgets be adopted in the form presented and discussed at this meeting; and

FURTHER RESOLVED: That the President is hereby authorized to approve the use of funds from the necessary funds and reserves to pay for costs and fees incurred during Fiscal Year 2014 in accordance with the operating and capital budgets adopted pursuant hereto, as presented and discussed at this meeting, provided that all purchases of goods and services shall comply with the requirements of the Authority's Procurement Policies and Procedures; and

FURTHER RESOLVED: The real property at 211 Murphy Road Hartford Connecticut, 06103 be reflected in the Authority's Property Division along with the corresponding education activities; and

FURTHER RESOLVED: That \$430,000 be contributed to the Board designated Severance Reserve in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish the Board designated Facilities Capital Refurbishment Reserve and contribute \$300,000 in Fiscal Year 2014; and

FURTHER RESOLVED: That \$200,000 be contributed to the Board designated Jets Capital Reserve in Fiscal Year 2014; and

FURTHER RESOLVED: That the Authority establish the Board designated Solid Waste Future Development Reserve and contribute \$788,000 in Fiscal Year 2014.

CRRA - PROPERTY DIVISION

REVENUE & EXPENDITURE SUMMARY

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|---------------------------------|---------------------|
| | South Central Facility Capacity | \$ 239,000 |
| | Jets | \$ 5,823,000 |
| | Lease Income | \$ 425,000 |
| | Education & Trash Museum | \$ 235,000 |
| | Total Revenues | \$ 6,722,000 |

EXPENDITURE

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|--|---------------------|
| | Telecommunications | \$ 2,500 |
| | Mileage Reimbursement | \$ 1,000 |
| | Legal | \$ 10,000 |
| | Insurance Expenditures | \$ 20,000 |
| | Other Consulting Services | \$ 200,000 |
| | Contribution to Facilities Capital Refurbishment Reserve | \$ 300,000 |
| | Indirect Labor & Overhead - Administration | \$ 354,000 |
| | Direct Salaries/Labor & Benefits - Administration | \$ 31,000 |
| | Direct Salaries/Labor & Benefits - Operational | \$ 25,000 |
| | Relocation Expense | \$ 800,000 |
| | Contribution to Solid Waste Future Development Reserve | \$ 788,000 |
| | Contribution to Severance Reserve | \$ 430,000 |
| | Murphy Road Operations Center, Net | \$ 94,000 |
| | 1410 Honey Spot Road | \$ 95,000 |
| | 171 Murphy Road | \$ 45,000 |
| | Education & Trash Museum | \$ 278,000 |
| | South Central Facility Operating Charges | \$ 220,400 |
| | Jets Operating Charges | \$ 3,029,000 |
| | Total Expenditures | \$ 6,722,000 |
| | Balance | \$ - |

CRRA - PROPERTY DIVISION

REVENUE & EXPENDITURE SUMMARY

JETS FACILITY

ASSUMPTIONS

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|----------------------------|------------------|
| | FUEL USAGE | |
| | K1 Fuel Price (per gallon) | \$ 3.70 |
| | Gallons/Hr./Unit | 4,200 |
| | Annual Run Hours | 20 |
| | Number of Units | 4 |

REVENUES

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|---------------|------------------|
| | Jets Revenues | \$ 5,823,000 |

EXPENDITURE DETAILS

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|---|------------------|
| | Fees/Licenses/Permits | \$ 5,000 |
| | Jets PILOT (Pro-rata Share of \$2.2M) | \$ 175,000 |
| | Fuel | \$ 1,243,000 |
| | Discrete Emission Reduction Credit (DERC) Fee | \$ 100,000 |
| | Contribution to Jets Capital Reserve | \$ 200,000 |
| | Jets Operating Costs | \$ 785,000 |
| | Power Products Management Fee | \$ 153,800 |
| | Engineering Consulting Services | \$ 10,000 |
| | Legal | \$ 40,000 |
| | Insurance Expenditures | \$ 86,000 |
| | Indirect Labor & Overhead - Administration | Incl. Above |
| | Direct Salaries/Labor & Benefits - Administration | \$ 50,000 |
| | Direct Salaries/Labor & Benefits - Operational | \$ 81,000 |
| | Electricity | \$ 100,000 |
| | Subtotal | \$ 3,029,000 |
| | Balance | \$ 2,794,000 |

CRRA - PROPERTY DIVISION

REVENUE & EXPENDITURE SUMMARY

EDUCATION & TRASH MUSEUM

REVENUES

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|--------------------------------------|------------------|
| | Gift Shop Sales | \$ 10,000 |
| | Admission Fees/Group Tours | \$ 50,000 |
| | Fundraising | \$ 5,000 |
| | Donations & Grants | \$ 10,000 |
| | Outreach Program | \$ 5,000 |
| | Facility Rental | \$ 2,000 |
| | Birthday Parties/Activity Kit Rental | \$ 3,000 |
| | Use of Trash Museum Bank Account | \$ 150,000 |
| | Subtotal | \$ 235,000 |

EXPENDITURE DETAILS

| ACCOUNT | DESCRIPTION | PROPOSED FY14 |
|---------|---|------------------|
| | Communications Services | \$ 10,000 |
| | Office Supplies | \$ 1,000 |
| | Educational Supplies | \$ 5,000 |
| | Subscriptions/Publications/Ref. Material | \$ 500 |
| | Dues-Professional Organizations | \$ 500 |
| | Meetings & Training | \$ 3,500 |
| | Education Exhibits Maintenance | \$ 5,000 |
| | Direct Salaries/Labor - Administration | \$ 30,699 |
| | Direct Salaries/Labor & Benefits - Administration | \$ 42,000 |
| | Direct Salaries/Labor & Benefits - Operational | \$ 211,000 |
| | Subtotal | \$ 278,000 |
| | Balance | \$ (43,000) |

PROPERTY DIVISION - CAPITAL PLAN

FY13 - FY14 Capital Plan (\$000's)

| JETS CAPITAL RESERVE | | FY13 Adopted | FY14 Proposed |
|----------------------------------|-----------|-----------------|------------------|
| Reserve Balance as of July 1 | \$ | 1,625 | \$ 1,440 |
| Expenditures | \$ | 185 | \$ 450 |
| TOTAL EXPENDITURES | \$ | 185 | \$ 450 |
| Contributions to Capital Reserve | \$ | - | \$ 200 |
| Estimated Reserve Balance | \$ | 1,440 | \$ 1,190 |

| FACILITIES CAPITAL REFURBISHMENT RESERVE | | FY13 Adopted | FY14 Proposed |
|--|-----------|-----------------|------------------|
| Reserve Balance as of July 1 | \$ | N/A | \$ - |
| Expenditures | \$ | - | \$ 250 |
| TOTAL EXPENDITURES | \$ | - | \$ 250 |
| Contributions to Capital Reserve | \$ | - | \$ 300 |
| Estimated Reserve Balance | \$ | N/A | \$ 50 |

TAB 5

**RESOLUTION REGARDING AMENDMENT TO
JET TURBINE FACILITY
ENERGY MANAGEMENT SERVICES AGREEMENT**

RESOLVED, The President is hereby authorized to execute an amendment to the Agreement for Jet Turbine Facility Energy Management Services with NextEra Energy Power Marketing, LLC for the provision of energy management services for the Connecticut Solid Waste System South Meadows Facility, substantially as presented and discussed at this meeting.

Amendment Summary
Jet Turbine Facility Energy Management Services Agreement

| | |
|------------------------------|--|
| Presented to Board | March 21 , 2013 |
| Facility | South Meadows Waste-to-Energy Facility |
| Recommended Contractor | NextEra Energy Marketing Services, LLC |
| Commencement Date | July 1, 2013 |
| Base Term | Base term of two (2) years (coterminous with termination of JTF Agreement, June 30, 2015.) |
| Term Extensions | Two successive one (1) year extension periods at CRRA's sole discretion. The first Extension if exercised shall begin on July 1, 2015 and shall end on June 30, 2016; the second Extension if exercised shall begin on July 1, 2016 and end on June 30, 2017. |
| CRRA Termination Rights | Pursuant to the base agreement, after December 31, 2012, CRRA has the right to terminate the Agreement for any reason by written notice to Manager (a "CRRA Termination Notice"); such termination to be effective six (6) months following the date of such CRRA Termination Notice (the earliest date on which CRRA may terminate the Agreement is June 30, 2013). |
| Contract Type/Subject Matter | Serve as the Lead Market Participant in the ISO-New England market and perform certain scheduling, bidding, marketing, and related services on behalf of CRRA with respect to the energy and capacity products associated with the South Meadows Facility. |
| Contract Dollar Value | Amendment value: Annual Management Fee of \$72,000 escalated annually (escalation capped at 2.5% each Contract Year). |
| Scope of Services | Perform the services required to transition from the current Lead Market Participant to the new Energy Manager and perform the Lead Market Participant services for the Facility. |

**CONNECTICUT RESOURCES RECOVERY AUTHORITY
AMENDMENT TO JET TURBINE FACILITY ENERGY MANAGEMENT
SERVICES AGREEMENT FOR THE ENERGY MANAGEMENT OF THE
CONNECTICUT SOLID WASTE SYSTEM SOUTH MEADOW FACILITY**

March 21, 2013

EXECUTIVE SUMMARY

On January 27, 2012, CRRA issued a Request for Proposals for Jet Turbine Facility (“JTF”) Energy Management Services. Based upon CRRA’s review of the proposals received, the discussion and information received during interviews with proposers, and the clarifying information received thereafter, the Board of Directors (“Board”) authorized the President to enter into an agreement with NextEra Energy Marketing Services, LLC, (“NextEra”) to serve as the Lead Market Participant to manage on CRRA’s behalf the JTF power products in the ISO-New England market. NextEra commenced services June 1, 2012.

Historically CRRA has conducted competitive auctions to retain a buyer for the electric output of the South Meadow Resource Recovery Facility (“Facility”) units 5 and 6 (the waste-to-energy facility turbine units) at a firm, fixed rate. At its November 2012 meeting, the Board of Directors adopted a resolution to forego an auction of the net electric power for a fixed price for Fiscal Year 2014, and instead sell the net electric output from the Facility, or some portion thereof, into the real-time ISO New England power market on a daily basis. Foregoing auctioning its power for FY2014 provides CRRA the flexibility to sell some or all of its power to the State of Connecticut (as well as to an aggregator for municipalities) in the event that CRRA and the State of Connecticut execute a bilateral agreement to accomplish this.

To participate in the day-ahead market requires the services of a party to serve as the Lead Market Participant on CRRA’s behalf. Having retained NextEra through a competitive procurement process to perform Lead Market Participant services for the JTF, CRRA approached NextEra and negotiated a price of \$72,000 (\$6,000/month) to perform the additional services associated with the Facility, as provided for in Section 4.5.2.2 of CRRA’s Procurement Policies and Procedures. Management believes this to be a very attractive price, providing CRRA with real economies of scale, and a price that would not be replicated by NextEra or any other contractor were CRRA to conduct a solicitation. Accordingly, Management recommends that the NextEra/CRRA agreement be amended pursuant to Section 4.5.2.2 of CRRA’s Procurement Policies and Procedures in order to expand the scope of services performed by NextEra to include the Facility.

DISCUSSION

RFQ Process for JTF and Facility in 2011

In September 2011, CRRA initiated a competitive procurement process to:

- Engage with a new, credit worthy purchaser for the electric output of the Mid-Connecticut Resource Recovery Facility (“Facility”), and
- For an Energy Manager for the Jet Turbine Facility (“JTF”).

CRRA employed a two-stage procurement process incorporating a Request for Qualifications (“RFQ”) and then a Request for Proposals (“RFP”). The RFQ required prospective proposers to submit a statement of qualifications (“SOQ”) – including 10-K and 10-Q financial statements or certified financial statements (as applicable) - and provided interested proposers the opportunity to comment on both the draft Mid-Connecticut Resource Recovery Facility Power Purchase Agreement (the “PPA”) and the draft Jet Turbine Facility Energy Management Agreement (“EMA”). The RFQ documents were available to interested parties on September 12, 2011. Seven (7) companies subsequently submitted SOQs to CRRA by the October 20, 2011 deadline.

The purpose of the RFQ submittal was to provide CRRA the opportunity to evaluate each firm’s experience in the ISO-New England market, to review each firm’s financial strength, and to enable CRRA and its legal counsel to produce a final form of the PPA reflective of current electric market conditions and operating procedures based on comments to the PPA received by CRRA from interested bidders and to receive comments on the form of the JTF EMA. Subsequent to the SOQ submittal deadline, CRRA, its legal counsel, and its consultant conducted interview meetings with all companies that submitted an SOQ. CRRA’s Assistant Treasurer & Director of Finance reviewed each firm’s financial statements and credit worthiness.

Auction of Facility Power

The selection of the purchaser for the electric output of the Facility was completed January 19, 2012 when the Board of Directors authorized the President to enter into a thirteen (13) months long Mid-Connecticut Resource Recovery Facility Energy Purchase Agreement (“PPA”) with Constellation Energy Commodities Group, Inc. This Agreement ends June 30, 2013.

RFP for JTF Energy Manager

Subsequent to the conclusion of the PPA phase of the procurement process, CRRA issued a Request for Proposals on January 27, 2012 to complete the JTF Energy Manager phase of the procurement .

The RFP was issued to those procurement participants that had expressed interest via their SOQ submittals in providing the JTF Energy Manager services. The proposal submittal deadline date was February 15, 2012. The following companies submitted proposals:

- Emera Energy Services, Inc. (“Emera”);

- PSEG Energy Resources & Trading, LLC (“PSEG”);
- NextEra Energy Power Marketing, LLC (“NextEra”) and
- Select Energy (“Select”).

Proposals received were evaluated in the following areas:

- the pricing offered with the objective of securing the best pricing consistent with the terms and conditions outlined in the Agreement;
- the proposer’s approach for offering the energy and capacity of the JTF into the ISO-NE energy and Locational Forward Reserve Markets; and
- the materiality of the JTF Agreement business exceptions taken by proposer.

Based upon the review team’s initial evaluation of the proposals received, the team agreed it would invite two of the four submitters to enter into contract discussions, NextEra and PSEG. Following the contract discussions CRRA issued to both parties a revised contract and a Request for Best and Final Offers. The Best and Final Offers received are presented in the table below.

| Proposer | One Time Transition Cost | Management Fee (\$/Year) | Alternative Price Proposal | Average Fee (\$/Year) | Ranking |
|----------|--------------------------|--------------------------|----------------------------|-----------------------|---------|
| Next Era | \$0.00 | \$150,000 | N/A | \$150,000 | 1 |
| PSEG | \$4,000 | \$180,000 | N/A | \$181,333 | 2 |

Based upon CRRA’s review of the proposals received as summarized in this document, the discussion and information received during interviews and contract discussions, and the final price offers, CRRA management recommended and the Board approved that the Jet Turbine Facility Energy Management Services Agreement be awarded to NextEra.

Amendment of NEXTERA Contract to include Energy Manager Services for Facility

Having executed the agreement for JTF Lead Market Participant Services, pursuant to Section 4.5.2.2 of CRRA’s Purchasing Procedures, CRRA discussed with NextEra their interest in performing the same services for the Facility pursuant to an amendment to the existing scope of work in the Agreement and at what price NextEra would be willing to perform the services. CRRA has negotiated an annual price of \$72,000 (\$6,000/month) with NextEra, less than one-half the cost associated with the JTF services. Management believes this to be a very attractive price, providing CRRA real economies of scale, and believes it is highly unlikely that this price would be obtained from any contractor were CRRA to conduct a new procurement.

FINANCIAL SUMMARY

Funds for this expenditure will come from the FY 2014 CSWS Operating Budget.