

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED SIXTY-NINTH MEETING

MARCH 18, 2004

A regular meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Thursday, March 18, 2004 at 100 Constitution Plaza, Hartford. Those present were:

Chairman Michael Pace

Directors: Stephen Cassano (present by phone at 10:35 a.m.)
Benson Cohn
Mark Lauretti (arrived at 9:45 a.m.)
James Francis
Mark Cooper
Ray O'Brien
Alex Knopp (present by phone)(hung up at 10:35 a.m.)
Sherwood Lovejoy (ad hoc for Bridgeport)

Directors Sullivan and Martand and Ad hoc member Griswold did not attend.

Present from the CRRA staff:

James Bolduc, Chief Financial Officer
Peter Egan, Director of Environmental Affairs & Development
Floyd Gent, Director of Operations
Thomas Kirk, President
Angelica Mattschei, Corporate Secretary

Others in attendance were: John Maulucci of BRRFOC; Frank Marci of USA Hauling; John Maulucci of BRRFOC; David Arruda and Dominick DiGangi of the MDC and Jerry Tyminski of SCRRRA.

Chairman Pace called the meeting to order at 9:45 a.m. Chairman Pace requested that everyone stand up for the Pledge of Allegiance, whereupon, the Pledge of Allegiance was recited.

PUBLIC PORTION

Chairman Pace said that the next item on the agenda allowed for a public portion between 9:30 a.m. and 10:00 a.m. in which the Board would accept written testimony and allow individuals to speak for a limit of three minutes. Chairman Pace asked whether any member of the public wished to speak.

Chairman Pace noted that there were no comments from the public and that the regular meeting would commence.

APPROVAL OF THE MINUTES OF THE FEBRUARY 19, 2004 REGULAR BOARD MEETING

Chairman Pace requested a motion to approve the minutes of the February 19, 2004 regular Board meeting. The motion was made by Director O’Brien and seconded by Director Francis.

Director O’Brien asked whether Ms. Doyle was supplied the stack test results she requested during the public portion of the previous meeting and whether CRRA had received a response. Mr. Egan replied that the results were sent and that no response had been received from the recipient.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Alex Knopp	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

FINANCE

AUTHORIZATION REGARDING ALL RISK PROPERTY INSURANCE RENERAL

Chairman Pace requested a motion on the referenced topic. Director O’Brien made the following motion:

RESOLVED: That the Finance Committee has reviewed and discussed the options for renewing CRRA’s Property Insurance and recommends the purchase of the \$305 million policy from the following five insurers with their quota shares as indicated: Zurich 35%; XL 28%; ACE 16%; Arch 16% and Commonwealth 5% for the period 4/1/04-4/1/05 for a premium of \$751,866, and

FURTHER RESOLVED: The Finance Committee further recommends that CRRA purchase terrorism coverage as reviewed and discussed at this meeting for a premium not to exceed \$34,958, and

FURTHER RESOLVED: The Finance Committee recommends that CRRA obtain engineering services from Zurich for a premium of \$16,500 as reviewed and discussed at this meeting.

Director Francis seconded the motion.

Mr. Bolduc said that the existing policy would expire on April 1, 2004 and needed to be acted on by the Board. Mr. Bolduc reviewed page 4 under tab 2 of the Board materials and summarized that the limit of liability was lowered from \$450 million to \$305 million. He said that the previous policy covered 100% replacement of the entire Mid-Connecticut Facility including the Boiler and Machinery. Mr. Bolduc explained that what was put out to bid in the proposed policy was the value of the highest cost portion of the facility, which was the \$305 million. In addition, Mr. Bolduc said that the market itself had been more responsive than in previous years which further aided in driving the lower costs associated with the policy. The combination of the two items resulted in significant savings for the year, he said. The terrorism insurance was lowered from the previous year from \$169,701, which was not purchased, to \$34,958. It would be prudent to purchase the terrorism insurance at that price, Mr. Bolduc added. The end result was that CRRA had a policy offer in 2004 from numerous organizations with Zurich taking the lead, he said. Mr. Bolduc stated that except for the items already discussed, the policy was identical from the previous year but with a savings in the overall premium of approximately \$260,000. Chairman Pace said for the record that CRRA was covered.

Mr. Bolduc said that the Hartford Steam Boiler (HSB) covered engineering services in the previous year for \$25,000. The same engineering services would be covered by Zurich in the proposed premium for \$16,500, a savings of approximately \$10,000 than the previous year, Mr. Bolduc said.

Director O'Brien commented that CRRA's in-house expert, Ms. Lynn Martin, and Marsh did a good job of pulling the policy together and that both endorsed the Finance Committee's recommendation.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Alex Knopp	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING PUBLIC OFFICIALS AND EMPLOYEES LIABILITY INSURANCE

Chairman Pace requested a motion on the referenced item. Director O'Brien made the following motion:

RESOLVED: The Finance Committee has reviewed and discussed the options for renewing CRRA's Public Officials and Employees Liability insurance and recommends the purchase of the policy from American International Specialty Lines Company (AISLIC) with a \$5,000,000 limit, \$250,000 deductible for the period 3/31/04-3/31/05 for a premium of \$263,202.

Director Francis seconded the motion.

Mr. Bolduc said that the market was not very strong in this area and a fair number of organizations turn down the opportunity to bid. Mr. Bolduc said that he spoke Marsh of two possibilities. One was the possibility of increasing the coverage limit and the second was to consider putting out a bid with a higher deductible. Mr. Bolduc said that CRRA could absorb a \$250,000 deductible reasonably well without impairing the organization and would allow the purchase of an additional \$2 million of coverage over the previous year.

Mr. Bolduc said that management recommended a premium of \$263,000, which was slightly higher than the previous year's \$233,000 premium. Mr. Bolduc explained that the FY 04 budget had \$265,000 and the FY 05 budget had \$600,000. There was a fair amount of savings between the existing situation and the FY 05 budget and some savings in the premium of the FY 04 budget.

Mr. Bolduc said that the purchase of Terrorism Coverage would not be recommended. The terrorism on the Board side had significant costs and compared to the \$34,000 quoted for the \$205 million property program. The coverage needed to be focused on the property rather than the Board, he said.

Director O'Brien noted that Ms. Martin and Marsh both endorsed the recommendation before the Finance Committee voted. Director O'Brien said the recommended option did not include legal fees in the policy limit and that CRRA had \$5,000,000 coverage plus legal defense costs.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Alex Knopp	X		
Mark Lauretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

EXECUTIVE SESSION

Chairman Pace requested a motion to convene an executive session to discuss litigation, pending litigation, contractual negotiations and personnel matters with appropriate staff. Director O'Brien made the motion which was seconded by Director Cooper. Chairman Pace requested that Mr. Kirk remain during the executive session. The motion previously made and seconded was approved unanimously.

The Executive Session began at 10:00 a.m.

The Executive Session concluded at 10:25 a.m.

Chairman Pace reconvened the Board meeting at 10:26 p.m.

Chairman Pace noted that no votes were taken in Executive Session.

PROJECT REPORTS

MID-CONNECTICUT

AUTHORIZATION REGARDING THE INSTALLATION OF AN EXTENSION TO THE EXISTING PHASE 1 ASH AREA BASE LINER SYSTEM

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President is hereby authorized to execute an agreement with Nutmeg Gravel & Excavating, Inc. to install an extension to the existing base liner system in the Phase 1 Ash Area at the Hartford Landfill, substantially as presented and discussed at this meeting.

Director Francis seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Alex Knopp	X		
Mark Lauretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING CONSTRUCTION QUALITY ASSURANCE SERVICES ASSOCIATED WITH INSTALLATION OF AN EXTENSION TO THE EXISTING PHASE 1 ASH AREA BASE LINER SYSTEM

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the President is authorized to execute an agreement with SCS Engineering, PC to provide construction quality assurance services for the extension of the base liner system in the Phase 1 Ash Area at the Hartford Landfill, substantially as presented and discussed at this meeting.

Director Francis seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		

James Francis	X		
Alex Knopp	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING IMPROVEMENTS TO THE ASH LOADOUT BUILDING AT THE MID-CONNECTICUT POWER BLOCK FACILITY

Chairman Pace requested a motion on the referenced topic. Director O’Brien made the following motion:

RESOLVED: That the President is authorized to execute a change order with the Sentry Select Insurance Company to install improvements to the Ash Loadout Building at the Mid-Connecticut Power Block Facility, substantially as presented and discussed at this meeting.

Director Francis seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Alex Knopp	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

AUTHORIZATION REGARDING ACTIVITIES ASSOCIATED WITH AN INITIATIVE TO DETERMINE THE FEASIBILITY OF FULLY UTILIZING THE DESIGN CAPACITY OF THE HARTFORD LANDFILL

Chairman Pace requested a motion on the referenced topic. Director O’Brien made the following motion:

RESOLVED: That the President, to provide CRRA with the information necessary to determine the feasibility of fully utilizing the design capacity of the Hartford Landfill, is hereby authorized to enter into a contract with TRC Environmental Corporation to initiate

a detailed technical investigation and prepare permit modification applications associated with utilization of the full design capacity of the Hartford Landfill, substantially as discussed and presented at this meeting.

FURTHER RESOLVED: That concurrent with the detailed technical investigation, the Board of Directors directs the President to:

- Seek additional input from leaders of the Hartford community; and,
- To accelerate dialogue with the CTDEP.

Director Francis seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Benson Cohn	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Alex Knopp	X		
Mark Lauretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

LEGAL

AUTHORIZATION TO ADJUST BUDGET QUANTITIES FOR CHANGES IN LEGAL ASSIGNMENTS

Chairman Pace requested a motion on the referenced topic. Director O'Brien made the following motion:

RESOLVED: That the Board approve a \$99,000 increase in H&S fee Budget to perform work transferred from M&E, and to approve a corresponding decrease in M&E's fee Budget.

Director Cooper seconded the motion.

The motion previously and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Benson Cohn	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

CHAIRMAN’S AND COMMITTEE REPORTS

POLICY & PROCUREMENT COMMITTEE

AUTHORIZATION REGARDING DELEGATION OF THE CRRA’S PRESIDENT’S AUTHORITY PURSUANT TO CONN. GEN. STAT. § 22A-277(C)

Chairman Pace requested a motion on the referenced topic. Director Cohn made the following motion:

RESOLVED: Pursuant to Conn. Gen. Stat. § 22a-277(c), the CRRA Board of Directors (the “Board”) hereby authorizes the President of CRRA to delegate to designated officers and employees of CRRA the authority to execute disbursement vouchers and requisition purchase orders subject to the constraints of Conn. Gen. Stat. § 22a-268.

Director O’Brien seconded the motion.

The motion previously made and seconded was approved unanimously.

Eligible Voters	Aye	Nay	Abstain
Michael Pace, Chairman	X		
Stephen Cassano, Vice Chairman	X		
Mark Cooper	X		
Ray O'Brien	X		
James Francis	X		
Benson Cohn	X		
Mark Laretti	X		
Non Eligible Voters			
Sherwood Lovejoy, Ad Hoc - Bridgeport			

ADJOURNMENT

Vice Chairman Cassano requested a motion to adjourn the meeting. The motion to adjourn made by Director O'Brien and seconded by Director Cooper was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 12:22 p.m.

Respectfully submitted,

Angelica Mattschi
Corporate Secretary to the Board

CONNECTICUT RESOURCES RECOVERY AUTHORITY

EXECUTIVE SESSION

MARCH 18, 2004

An Executive Session called for the purposes of discussing litigation, pending litigation, contractual negotiations and personnel matters was convened at 11:47 a.m.

DIRECTORS

Vice Chairman Cassano
Director Sullivan
Director O'Brien
Director Martland
Director Cohn
Director Francis
Director Cooper

STAFF

Tom Kirk
Ann Stravalle-Schmidt

No votes were taken in Executive Session.

The Executive Session was adjourned at 12:10 p.m.