



H·R·R·A
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r e d u c e | r e u s e | r e c y c l e

HOUSATONIC RESOURCES RECOVERY AUTHORITY

Executive Committee Meeting
Thursday, November 8, 2012 3:30pm.
Brookfield Town Hall, Room 209

MINUTES

Chairman Mike Gill called the meeting to order at 3:35p.m. Members in attendance were M. Gill, R. Marconi, W. Davidson and H. Rosenthal. R. Marconi left the meeting at 3:50p.m. during discussion of agenda item 3 (audit) and returned at 3:55p.m. after item 3 (audit) was voted on. Others in attendance were C. Reedy, Director, J. Iannucci, Administrative Assistant and G. Nanavaty, auditor.

Approval of Minutes

Motion by R. Marconi, second by W. Davidson, to approve the minutes of the Executive Committee meeting of April 13, 2012, as presented. **Vote:** All in favor (4). None opposed.

Consider draft 2011-12 FY audit, review with auditor and recommend to the Authority

Glenn Nanavaty, from Nanavaty, Nanavaty & Davenport, presented the draft audit for the FYE 06-30-12. He noted that he would be issuing a clean, unqualified opinion on the Authority's fair presentation of its financial statements again this year.

There was no formal letter issued regarding internal control. Mr. Nanavaty recommended to the Board to continue oversight of operations through the Treasurer's review of all bank statements and scanned check images, having a counter signature on checks, reviewing investment account activities on a regular basis and reviewing monthly financial statements, specifically budget v. actual results. He further recommended the Management follow additional procedures by putting into place authorization and review of debit and payroll transactions.

Motion by B. Davidson, second by H. Rosenthal, to recommend to the Authority acceptance of the audit for FY 2011-12 as presented. **Vote:** All in favor (3). R. Marconi was not present. None opposed.

Change Order of Agenda Items

Since R. Marconi was still out of the room, without objection Chairman Gill tabled agenda item 4 to await his return and moved on to agenda item 5 for discussion.

Consider transfer of \$1,400 from Professional Services Legal to Miscellaneous Service Fees and recommend to the Authority

C. Reedy explained the fund transfer will be used to subscribe to the monthly Official Board Markets Report now contained in the PPI Pulp and Paper Week. This report will be used in conjunction with the Regional Single Stream Recycling Agreement with Winters Brothers Waste Systems of CT that



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November 6, 2012

Cheryl D. Reedy, Director
 Housatonic Resources Recovery Authority
 Old Town Hall
 162 Whisconier Road
 Brookfield, CT 06804

Re: Single Stream Recycling Receiving and Processing

Dear Ms. Reedy:

Winters Bros. Waste Systems of CT ("Winters Bros.") is pleased to propose to the Housatonic Resources Recovery Authority ("HRRRA") the following with regard to the receiving and processing of single stream recycling:

- Winters Bros. proposes the following formula to share commodity revenues with the HRRRA during favorable market periods. 25% share of OBM NY High (based upon a blended rate of OCC and ONP) above \$60 processing and marketing cost. Please see the table below for an illustration of the revenue share available to the HRRRA under various price scenarios.

OCC OBM NY High	\$ 75.00	\$ 100.00	\$ 110.00	\$ 135.00	\$ 160.00	\$ 185.00
ONP #8 OBM NY High	\$ 40.00	\$ 55.00	\$ 80.00	\$ 105.00	\$ 130.00	\$ 155.00
Blended rate (33% OCC / 67% ONP)			\$ 90.00	\$ 115.00	\$ 140.00	\$ 165.00
Less Processing and marketing cost			\$ (60.00)	\$ (60.00)	\$ (60.00)	\$ (60.00)
Revenue available for share			\$ 30.00	\$ 55.00	\$ 80.00	\$ 105.00
Revenue share to HRRRA			25%	25%	25%	25%
Net rebate per ton to HRRRA*	\$ 7.50	\$ 10.00	\$ 10.00	\$ 16.25	\$ 22.50	\$ 28.75
Net rebate charge to haulers	\$ 15.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
*\$7.50 per ton guaranteed minimum rebate to HRRRA						

- Open for discussion is whether calculations will be based upon monthly or quarterly periods.

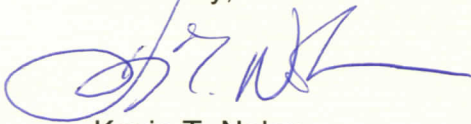
Cheryl D. Reedy, Director
Housatonic Resources Recovery Authority
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Thank you for your consideration of the above. We believe that we are the most viable company to provide this type of service given the fact that we are centrally located well within the vicinity of all the towns that comprise the HRRR. Currently, the vast majority of material is collected by our own trucks.

Should you have any questions, or if you require additional information, please feel free to contact me at (203) 743-0405. On behalf of Winters Bros., we look forward to being able to continue partnering with the HRRR to provide enhanced recycling services.

Thank you.

Sincerely,



Kevin T. Nolan
Vice-President, Hauling

is currently being negotiated. (R. Marconi returned to the room during discussion of this agenda item.)

Motion by W. Davidson second by M. Gill to transfer \$1400 from Professional Services Legal to Miscellaneous Service Fees. All in favor (4) None opposed.

Consider Winters Bros.' response to RFP and recommend to the Authority and its member municipalities

M. Gill and C. Reedy have met with Winters Brothers on several occasions. The two parties have come to a draft agreement. Winters Brothers proposed a formula to share commodity revenue with HRRRA based on OCC and ONP market rates. C. Reedy presented the formula which shows that at bottom market HRRRA would receive no less than \$7.50 a ton and at a high HRRRA would receive 25% share plus \$2.50 per ton of OBM NY High based upon a blended rate of OCC and ONP above \$60 processing and marketing cost. Rebates would be calculated quarterly. Haulers would pay a \$10 per ton tip fee. Only when the markets were very low would the tip fee increase to \$15 per ton.

C. Reedy presented a proposal for a \$2.00 per ton annual rebate incentive to the participating municipalities based on each municipality's total recycling tonnage. The Executive Committee did not agree with that proposal.

The contract between Winters Brothers and HRRRA would be signed for a three year agreement with a three year extension bringing the recycling contract to expire in 2019 at the same time as the Wheelabrator MSW contract.

The Executive Committee requested Bob Metzler to draw up formal contracts between HRRRA and Winters Bros. and between HRRRA and its participating municipalities to be approved by the Executive Committee. Said municipal contracts are to indicate that the Executive Committee will review, at the end of each year, the rebates HRRRA has received from Winters Bros. for the year and HRRRA's expenses and make an annual determination on possible rebates to each Town, subject to approval by the full Authority.

Motion by M. Gill, second by W. Davidson that the Executive Committee approve the attached proposal from Winters Brothers Waste Systems of CT dated November 6, 2012 regarding rebates to HRRRA based on OCC and ONP market rates and authorize contracts to be drawn up which reflect such proposal between HRRRA and Winters Bros. and between HRRRA and its participating municipalities. **Vote:** All in favor (4) None opposed.

Consider transfer of \$600 from Professional Services Legal to Travel/Mileage and recommend to the Authority

C. Reedy explained there were more meetings scheduled in Hartford in 2012 than anticipated and therefore a need to transfer funds from Legal to Travel/Mileage. **Motion** by W. Davidson, second by H. Rosenthal to transfer \$600 from Professional Services Legal to Travel/Mileage. **Vote:** All in favor (4) None opposed.

Adjournment

Motion by W. Davidson, second by R. Marconi, to adjourn the executive committee meeting at 4:45p.m. **Vote:** All in favor. (4) None opposed.

Minutes Respectfully Submitted by,
Jen Iannucci
HRRRA Administrative Assistant