



March 3, 2017

Ms. Valerie Bernardo, CPA
PaintCare
901 New York Ave, NW, Suite 300W
Washington, DC 20001

**RE: Independent Audit, State of Connecticut Paint Stewardship Program
(HRP #PAI2006.CE)**

Dear Ms. Bernardo:

HRP Associates, Inc. (HRP) has completed an Independent Audit of PaintCare’s calculations of the Paint stewardship Assessment to be placed on the sale of each container of architectural paint sold in the State of Connecticut (State) to administer a Paint Stewardship Program. A summary of the Audit findings are provided below.

Program Costs

The calculations and assumptions made to determine the program costs were reviewed and found to be reasonable. HRP reviewed the actual results from the 2016 program as well as the projected costs through 2017.

PaintCare’s anticipated expenses took into account the costs for collection, transportation, processing, collection containers, one-day event setup fees, communications (education and outreach), personnel & professional fees, state permitting, and travel, in addition to an allocation of corporate expenses. The expenses and assumptions made are acceptable and within industry standards. Savings were realized by utilizing an existing network of household hazardous waste collection facilities.

Paint Assessment

The anticipated volume of paint containers expected to be collected in Connecticut and the number of each type of paint container sold were based off of actual data from the most recently completed fiscal year. PaintCare proposes the following uniform paint stewardship assessment for the period of July 1, 2017 to June 30, 2019:

<u>Container Size</u>	<u>Fee</u>
Half pint or smaller	\$0.00
Larger than half pint to smaller than 1 gallon	\$0.35
1 gallon	\$0.75
Larger than 1 gallon up to 5 gallons	\$1.60

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HRP independently reviewed the calculations performed by PaintCare for accuracy and the calculations were deemed sufficient. Based on our review, we find the Paint Stewardship Assessment, determined by PaintCare, to be reasonable and not to exceed the actual operational costs to administer the Paint Stewardship Program.

If you have any questions or require additional information, please feel free to contact HRP at (860) 674-9570.

Sincerely,
HRP ASSOCIATES, INC.

A handwritten signature in blue ink that reads "Thomas Battles". The signature is written in a cursive style with a large initial 'T'.

Thomas R. Battles, P.E.
Corporate Director of Engineering Services