

TOWN OF WALLINGFORD, CONNECTICUT

**SPECIAL TOWN COUNCIL MEETING
Town Council Chambers**

NOVEMBER 20, 2014

RECORD OF VOTES & MINUTES

The Regular Meeting of the Wallingford Town Council was called to order at 6:30 P.M. A Moment of Silence was observed, and the Pledge of Allegiance was said. Councilors in attendance were: Chairman Vincent Cervoni and Councilors Craig Fishbein, Tom Laffin, John Letourneau, Christine Mansfield, Robert F. Parisi, Larry Russo and Vincent F. Testa, Jr. Councilor John Sullivan was not at the meeting with an excused absence. Mayor William W. Dickinson, Jr. and Corporation Counsel Janis M. Small.

3. Consent Agenda

- 3a.** Consider and Approve Tax Refunds totaling \$2,249.60 (#463 - #482)
Acct. #1001001-41020 – Tax Collector
- 3b.** Acceptance of Donation for *Youth & Social Services Special Fund-Holiday for Giving and Appropriation in the Amount in the Amount of \$5,070 to Donations Acct # 2134002-47152 and to Expenditures Acct # 21340100-58830 – Youth and Social Services*
- 3c.** Acceptance of Donation for *Youth & Social Services Special Fund-Coalition for a Better Wallingford and Appropriation in the Amount in the Amount of \$345 to Donations Acct # 2134002-47152 and to Expenditures Acct # 21340100-58830 – Youth and Social Services*
- 3d.** Consider and Approve a Transfer of Funds in the Amount of \$5,000 to Program Planning-Professional Services-Small Cities Acct # 10010200-56604 from Contingency-General Acct # 10019000-58820 - Program Planning
- 3e.** Approve Minutes of Special Town Council Meeting of November 6, 2014
- 3f.** Approve Minutes of Regular Town Council Meeting of November 12, 2014

AGENDA ADDENDUM

- 3g.** Consider and Approve the Re-Appointment of Robert Wiedenmann, Jr. to the Wallingford Housing Authority Board for a Term Expiring October 31, 2019 – Chairman Vincent Cervoni

Chairman Cervoni acknowledged Councilor Mansfield for her daring rescue of a woman from a burning car on November 19, 2014 in Durham, Connecticut. There was loud applause.

MOTION WAS MADE TO APPROVE THE CONSENT AGENDA, ITEMS 3a – Addendum 3g.

MADE BY: LAFFIN
SECONDED BY: LETOURNEAU
VOTE: ALL AYE (8)
MOTION PASSED.

4. Items Removed from the Consent Agenda – none

5. PUBLIC QUESTION AND ANSWER PERIOD

Robert Gross, 114 Long Hill Road, spoke about trash burning and its relationship to asthma. He was asked to save his comments until those questions are call in the agenda. He asked about the Lyman Hall field and if there is a grant. He noted public benches deteriorating. He asked why one large tree on Center Street near the Main Street corner has been allowed to stand.

6. Consider and Approve the Appointment of Mr. Michael McCann to the Wallingford Housing Authority Board to fulfill an unexpired term ending October 31, 2016 – Chairman Vincent Cervoni

MOTION WAS MADE TO APPROVE THE APPOINTMENT THE MICHAEL McCANN TO THE WALLINGFORD HOUSING AUTHORITY BOARD TO FULFILL AND UNEXPIRED TERM EXPIRING OCTOBER 31, 2016.

MADE BY: LAFFIN

SECONDED BY: FISHBEIN

No comments from the Council or the public.

ROLL CALL VOTE:

FISHBEIN: YES

MANSFIELD: YES

SULLIVAN: ABSENT

LAFFIN: YES

PARISI: YES

TESTA: YES

LETOURNEAU: YES

RUSSO: YES

CHAIRMAN CERVONI: YES

8-AYE; 1-ABSENT (SULLIVAN)

MOTION PASSED.

7. Discussion and Possible Action on the following items:

A. Discussion and Possible Action regarding Amendment to the - *Municipal Solid Waste Agreement with Covanta Projects of Wallingford, L.P.* – Mayor

B. Discussion and Possible Action regarding Amendment to – *Host Municipality Fee Agreement between Wallingford and Covanta Projects of Wallingford, L.P.* – Mayor

Both items 7A. and 7B. were called for discussion at the same time.

*In Attendance: Doreen Zaback, Resource Recovery Project Coordinator
Don Roe, Program Planning*

Mayor Dickinson said that this is the third time this subject will be discussed. He reported that there are basically two changes since the Town Council last saw the contracts.

Ms. Zaback stated that since they last met that there are two revisions to the Municipal Solid Waste contract amendment. Both of them are with regard to the fee. The first revision was to re-state what we have to the favored nation clause, which was omitted in the previous draft. She said the second revision was to put some further clarification on the local market re-set. She said that they discovered some information concerning projects that use transfer stations. She said that information was for fees for loading, for storage and transport, things like that, which can increase the total substantially of what is charged to a municipality. She said that in order to avoid those costs they had the local market reset for the first reset period, or July 1, 2015. She said that they had that capped so that it could go no higher than \$65 per ton plus the CPI. She said that will be in place for the first re-set period until the year 2020. It greatly improved our standing in the contract.

Councilor Fishbein asked who Ms. Zaback works for. Ms. Zaback said the her check is issued by the Town of Wallingford, her office is in the Town of Wallingford but that she is the liaison for the five towns. Councilor Fishbein said he heard her say that one of the reasons for the revision is to avoid costs to municipalities. How does that effect the revision and that whole situation, especially the Town of Wallingford as opposed to the other municipalities that are paying tip fees. Ms. Zaback said that because we are signing these contracts with Covanta, at the re-set we would be compared to other similar type projects. At the time of the re-set, she said, that they anticipate that this will be operating as a transfer station, so the costs have to do with the transporting, loading, etc.

Mr. Roe said that part of it was that there was an interest in making sure that it was an all “in number”. The dollar figure for the tip fee included all costs associated with the operation of a transfer station, including transportation to another facility. He said that they have learned that other transfer stations have different cost structures. Councilor Fishbein asked if it was fair to say that the revisions being discussed are of benefit to the haulers that we use in Wallingford as well as the other municipalities. Ms. Zaback said that yes that is fair. Mayor Dickinson said that it also applies to any refuse taken by Public Works, and our resident disposal would be affected by the change in tip fee. He said the real concern is that if that went up, and the potential was there for it to go up significantly at about \$15 or \$20 and that would have been a serious concern for everyone in town who pays a hauler because the haulers would pass that cost on to all of their customers. That is why they put a cap on it.

Councilor Fishbein was interested to know if they agreed that this contract , and the one currently in place, does not mandate that the rubbish be burned. They are taking it in and how they dispose of it is a different situation, like that is between them and the state. Is that fair? Ms. Zaback said that the original contract refers to a resource recovery facility which implies incineration of waste. He said that his point is that whether or not we enter into this agreement, is it fair to say that this is going to be a transfer station, if the state approves it, yet it does not mandate how they dispose of the trash. Mayor Dickinson said he thinks that the contract stands for the clear intention is to make it a transfer station. If it doesn't become a transfer station, the terms return to the original contract. The existing contract prevails, it they do not a permit for a transfer station. Councilor Fishbein said that he does not disagree as long as DEEP approves. We have a revision to a contract that is before the Council, and it is his position that whether or not the Council approves this as long a DEEP approves, then this is going to be a transfer station. Mayor Dickinson said that if we do not approve this, Covanta's position is that it will not be a transfer station. He said that they do not believe that they can do that on their own. It's an open question whether they will even take it to DEEP. He said that he does not think they will. They don't think that legally that they have the authority to do that. That's their position on it. He said that their original contract makes references that are varied and connected with trash burning whereas this contract is dealing with the change of the facility to a transfer station.

Councilor Fishbein said he thinks the original contract gives the opportunity to burn and it doesn't mandate that they burn. Corporation Counsel, Janis Small, stated that they represent in the agreement that they will maintain the license for that facility. She understands the position that you can look at we are obligated to bring our waste, and they are obligated to accept it. And we could take the position well what you do with it from that point on, we don't care. But if you look at the agreement, they are actually making representation in the original agreement that in fact it will be licensed as that facility. It is their position that they can't do it without us, and she doesn't believe that they have filed their application until they were far enough into the conversation that they thought that they had a possibility of getting an agreement from the towns. She doesn't believe that the application can go forward without the Town's consent.

Councilor Fishbein referred the change of law situation being a cloud over this whole thing. He asked if it is our position that if there is a change of law and that this is a transfer station and the waste is going to go elsewhere, perhaps Bristol for burning, and this change of law goes into effect, then can't they raise the tip fee here in Wallingford based upon that? Mr. Zaback said they would not raise the tip fee because the tip fee is set. She said that it only increases according to CIP and they would not have to re-do again. In the current contract, we are liable for a change in law cause so the towns would pay that additional fee in some manner. It would be some kind of extra cost to the towns, and it wouldn't necessarily be in the tip fee. The change in law applies to the facility in Wallingford. They are precluded from raising our fees without coming back to us to renegotiate.

With regard to the other towns, North Haven approved this November 18, 2014. It is on the agenda in Cheshire on November 25, 2014; and in Hamden December 1, 2014; Meriden already has the approval.

Councilor LeTourneau referred the Second Amendment to the - *Municipal Solid Waste Agreement with Covanta Projects of Wallingford, L.P.*, draft 11/11/14 on page 10 "Local market average...." He asked if the re-set happened today under current terms, what would the cost be?

Ms. Zaback stated that the receipt would be the tip fee. We are paying \$70.30. There is not storage fee right now because they take it in and they burn it. Mr. Roe said that they wanted to make sure that the number of \$65 was an "all in" number, that it includes everything, and we would not get visited with any of these additional costs as a transfer station up to year 2020. This is the ten year period with two five-year renewals. In 2020 we will have the option to get out of the contract is we want. Ms. Zaback assumed that if the fees are so high at the end of this period that the town would want to look around elsewhere. What are the tip fees of the other towns, what is their average? Ms. Zaback said their all in fees are about \$85-\$102. Regarding the host fee, we went from \$11 to \$5. We only get \$1 for residential trash that Covanta brings in. Why wouldn't we be getting the host fee for the residential? Ms. Zaback said the \$5 is based on member town's waste. Councilor Letourneau said that is unfair to us. He is confused that this was not negotiated in somehow.

Mayor Dickinson said that Covanta was not willing to pay more for that. He said they have outlined the significant changes that have occurred in the solid waste industry and market. There is a reduction in waste for example. The effort was to have this agreement. The town will receive less money so why would we want to sign on to it. The reason is because it gives us the certainty of having a place for our solid waste and it keeps the project alive which gives us some leverage in the marketplace. As reported earlier, one of the towns indicated that they may want to get out of the contract now. Covanta responded saying, "Great, go right ahead." They really are not anxious to have especially this existing contract continue. From their standpoint, it is unaffordable. The benefits to us again are the space of time for at least five years to have the certainty of a place in being able to dispose of the refuse generated in Wallingford, receive a host community benefit and then move forward with some space of time to determine what is best. The other side of that coin is very much unknown. We receive less money but there are things that are worthwhile. We have a transfer station instead of an incinerating plant. He said that there is a risk with incineration.

Councilor Testa said that the contract brings consistency. If they default, then the town has legal recourse. He thinks that the contract allows them to phase out. He spoke about contract permit termination, 8.8, page 6, on the Solid Waste contract. Ms. Zaback said that DEEP has not acted upon this. Councilor Testa said that if they do not receive their permit that they have the right to terminate this agreement. Ms. Zaback said yes. Councilor Testa said we are then holding the bag. This seems like a very strategic way to ease themselves out of the agreement. Ms. Zaback said that

Chairman Vincent Cervoni

Date

Town Clerk, Barbara Thompson