

Ontario County
ENVIRONMENTAL QUALITY COMMITTEE MINUTES
June 23, 2016

Committee Members: *RUSSELL*, Baker, Evangelista, Singer, Venuti, and Wickham

Attendees: Supervisors Russell, Baker, Singer, Venuti, Evangelista, and Wickham

Staff: Mary Krause, Brian Young, Tom Harvey, Gary Curtiss, Holly Adams, Supervisors Helming and Vedora

Consultants/Guests:

Call to Order: Chair Russell, called the meeting to order at 6:15 p.m., and declared all members present.

Ms. Adams addressed Supervisor Venuti's concerns over the closure and post closure bond with Mr. James' research. Ms. Adams reported that Casella has a 13 million dollar closure bond and a 10 million post closure bond in place. The annual premiums on these bonds are \$228,000 for the closure bond and \$174,000 for the post closure bond. The part 360 regulations determine the amounts that each of these bonds must be, with them being reviewed annually by DEC and adjusted accordingly. Under the new part 360 regulations proposed there would likely be a 15% increase in the bond amounts.

The part 360 regulation makes sure that financial assurance mechanisms are in place for closure and post closure activities that are required by the regulations. Permit holders are given four options; Casella has chosen the surety bond option. With the surety bond option, it must be from a company on the federal treasury's acceptable surety bond issuers list. Casella's are issued by Evergreen National Indemnity Company. Ms. Adams assured the committee that Casella can't cancel the bonds without DEC approval. If Evergreen decided that they were going to cancel the bond they would have to give 120 days' notice to cancel to DEC. If this were to happen Casella would then have to get a new surety bonding company or chose one of the other financial assurance options available to them. If the DEC determined that Casella was in default then the bond obligation is triggered. Once the bond has been triggered then the surety puts the bond proceeds into a standby trust fund that is established either by Casella (as the operator) or the County as the permit holder. Then application and approval is needed from the DEC to spend money from this trust. Mr. James spoke to Evergreen and they are very confident in Casella and their operations.

Supervisor Evangelista ask how many years is the post closure? Supervisor Venuti and Mr. Harvey noted that it was 35 years. Supervisor Evangelista asked if Casella could prepay the 35 years' worth of premiums for the post closure bond. Ms. Adams informed him that they couldn't as it's reviewed and changed annually, so they would need to be paid annually. Supervisor Evangelista expressed concern over Casella still paying the bond post closure. Mr. Harvey stated that Casella is willing to work with Evergreen and the County to make sure that the County could make the bond payment if Casella was ever in default. It would also give the county the ability to work with the bond company before default was declared by the DEC. This agreement would be an inter-creditor agreement. Mr. Harvey stated they are working on this and will bring it back to committee. Supervisor Venuti asked about the new proposed regulation that states that the post closure funds get transfer to the municipalities. This would require the county

to manage the funds and reimburse Casella for post closure work that includes leachate hauling, mowing, sampling ground water monitoring wells, and related lab testing. Supervisor Venuti feels this would be a security to keep Casella doing post closure work. Supervisor Baker asked what would the procedure be to reimburse Casella? Would this be legislative action each time? At this time there isn't a clear answer to that. Chairman Russell would like to see the surety in place and that will keep Casella doing the work post closure.

Mr. Harvey would like more time to work with Mr. James and others to get the inter-creditor agreement in place; also to have the County Attorney's Office look at how confident we are in linking the post closure obligations back to the Casella parent corporation since there are layers of corporations and at least one Limited Liability Corp (LLC).

Supervisor Singer made a motion that was seconded by Supervisor Baker to bring the resolution entitled "Adoption and Submission of Comments on Proposed Revisions to the 6 NYCRR Part 360 Regulations to the NYSDEC" to the board with the intention of laying the resolution over, and asking for comments from the full Board.

The motion was approved with a vote of 6-0.

Adjournment: There being no further business before the committee, at 6:26 pm a motion was made by Supervisor Singer and seconded by Supervisor Baker to adjourn; motion carried unanimously.

Submitted by Kristin Haremza