

ONEIDA-HERKIMER SOLID WASTE AUTHORITY

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April 20, 2006

Mr. David Mathis
Supervisor, Town of Ava
PO Box 165
West Leyden, NY 13489

Dear Mr. Mathis:

Your letter to the editor in the April 12, 2006 Boonville Herald states that this Authority has never made the Town a formal offer, only conjecture of what a host community benefit package might include.

The Authority has written the Town Board on numerous occasions outlining the types of compensation that could be considered. Even without a complete review of our files I counted 13 letters in the last 10 years. We suggested, and still believe, that only through discussions with Town officials can the priorities of the Town be identified and a specific package negotiated.

We have suggested and requested that the next step be taken to begin developing such an agreement.

Some Ava residents have contacted this office and suggested that we simply show up at a Town Board meeting and discuss the issue. The only information we would cover at a meeting like that (i.e. The fact that we are willing to negotiate a community compensation package; the types of compensation that could be considered; and confirmation that a community compensation agreement will neither increase the Town's liability nor open the door for waste importation.) has already been sent in writing to the Town Board and provided to Town residents through our newsletters.

What needs to be done next is the actual negotiation of an agreement. Like any legitimate negotiation, there should be an understanding between the parties of the objectives of the agreement and an ability to openly discuss options and their associated pros and cons. This should be done by a designated negotiating team for both sides. For the Authority this will be myself, Deputy Executive Director Bill Rabbia, and General Counsel Peter Rayhill.

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The Town, of course, is free to configure its team in whatever way it sees fit. The negotiations should be conducted confidentially with the final terms of the agreement obviously made available to the public upon completion.

In reading your public comments and from my conversations with Ava residents, there are several issues I'd like to clarify.

1. The Authority is required to make a payment in lieu of taxes (PILOT) to the Town based on the unimproved value of the property owned by the Authority.
2. The Authority is not required to pay the Town anything in addition to the PILOT nor is the Authority required to enter a community compensation agreement. The proposal for such an agreement is strictly voluntary.
3. The Authority is ready and willing to discuss options with the Town and to negotiate an agreement. We believe this is an issue of fairness. Financial compensation by other communities in the two Counties to the citizens affected by the presence of our facilities is warranted. Both Rome and Utica receive payments in recognition of their hosting the two complexes where all the solid waste generated in the two Counties is processed. We view the citizens of Ava no differently.
4. Such an agreement would not open the door to importing waste. The State Law that created the Authority specifically prohibits the Authority from taking any non-recyclable waste from outside Oneida or Herkimer Counties. We have never imported waste, we've never made plans to import waste, and we will not import waste in the future. The economics of this facility do not depend on income from any waste other than that generated in our two Counties.
5. There have also been concerns that a new liability would be incurred by the Town of Ava if they entered a community compensation agreement with the Authority. The Town can not be held liable for environmental damage from the landfill for entering into a community compensation agreement with the Authority. We are willing to include specific language to such an agreement to satisfy this concern.
6. The ability to obtain and exchange timely and accurate information is important. An agreement could establish a mechanism to achieve this objective. Recent claims by landfill opponents reflect either a misunderstanding or a lack of understanding about the facility construction. Claims made without reviewing on-site conditions have proven to be wholly inaccurate.

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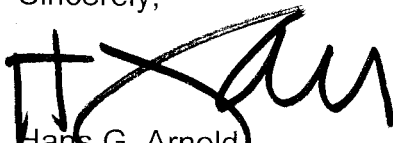
7. The Authority will not enter a community compensation agreement if the Town is engaged in legal action or other actions seeking to delay, impede, or stop construction or operation.
8. Any agreement we may ultimately enter with the Town will have to reflect the legal and other fees incurred by the Authority to respond to legal and other actions brought to delay or stop the development of the landfill facility.

If the Town Board is interested in beginning negotiation of a community compensation agreement, I would ask that you or your designee write or call so that we could make arrangements to meet. If we continue to hear nothing from the Town Board we will conclude that you have no interest in negotiating a community compensation agreement.

I have received several inquiries from the Ava Concerned Citizens and am therefore providing a copy of this letter to their officers. Please feel free to provide a copy of this letter to any other interested individuals.

If you have any questions please feel free to call.

Sincerely,



Hans G. Arnold
Executive Director

HGA/aag

cc: Authority Board of Directors
Peter Rayhill, Authority General Counsel
Alex Stempien, Town Councilman ✓
James Ossont, Town Councilman
Francis Reid, Town Councilman
John Doiron, Town Councilman
David Rundle, President Ava Concerned Citizens
Jim Williams, Vice President Ava Concerned Citizens
Tom Tkachuk, Secretary Ava Concerned Citizens