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SHEEHAN SAYS FLAWED PROCESS LED TO BAD DEAL

A Guest Editorial from Denise Sheehan, Candidate for Colonie Town Supervisor

In my ten years at the state Department of Environmental Conservation, I worked extensively with local governments on a host of issues, from solid waste, to brownfield redevelopment to air quality. From that experience, I learned early on that the best results are achieved through an open process with meaningful community engagement representing all sides of an issue. None of that was present in the Town of Colonie Supervisor Mahan's recent landfill lease with California-based corporation, Waste Connections, and the resulting deal, which has left many people, including me, scratching their heads, is a direct result of this flawed process.

My main complaint with the deal is not that I don't believe the private sector can be instrumental in helping the Town better manage this asset. My complaint is that it is a bad deal financially for the Town and it will not bring long-term fiscal stability to our Town's finances. I agree that privatization can work in some instances to reduce government costs and/or provide a steady revenue stream. However, under this deal, neither is true -- the Town is giving up future revenues from this lucrative asset in exchange for a large one-shot upfront payment and significantly reduced revenues over the course of the 25-year deal. At the same time, the Town is adding substantial new unfunded costs to the Town budget. The net result is a short-term fiscal band-aid that camouflages the Town's quickly accumulating operating deficit, but will only lead to future deficits for the Town.

My second major concern is that the deal itself short-changes Town residents. Albany County Comptroller, Mike Conners, relying on a Town-commissioned report, pegs the landfill's worth at upwards of \$600 million. While some may take issue with this figure, even if he is wrong by half, the Town is still losing considerable revenues when you consider that Waste Connections is providing the Town with just over \$100 million for a landfill the company plans to expand to over two and one-half times its current size. So, while the figures presented by Supervisor Mahan at first appear impressive, they need to be viewed in context, with an understanding that the landfill currently generates \$10 million annually in gross revenue for the Town and this deal does not fairly compensate the Town for that lost revenue or for the impacts the Town will experience as hosts to a mega-landfill.

Thirdly, the Town's rushed decision-making process, which excluded meaningful public participation, did not consider the full range of options for how the Town could best leverage the landfill nor did it consider the important role the Colonie landfill plays in the overall management of solid waste in the Capital Region. The Town failed to consider the most obvious option -- hiring an expert to manage the landfill and changing the Town's current operations to

make the landfill more efficient and profitable for the long-term benefit of Colonie taxpayers – this is my preferred approach.

Finally, through this deal, Waste Connections and its local company, County Waste, will have a major influence on the market and the prices charged for collection and disposal of garbage in the Capital region. Although the Town argues that it has addressed this issue in the contract, the so-called rate caps that have been shared with the public to date do not sufficiently protect homeowners and businesses from paying more to have their garbage collected. Under the rosier scenario, this deal will allow residential trash collection rates to increase by no less than 3.5 percent compounded annually, with other price increases allowed for increased fuel costs and other unforeseen costs. Local businesses are not protected through the agreement as there are no caps on commercial rate pick-up costs. Costs for those who bring their garbage to the landfill will increase by 5 percent beginning in April 2012 and will be subject to annual and periodic increases thereafter for inflation, and other pass-through costs.

The landfill deal brokered with Waste Connections is a bad deal for Colonie. It undersells a valuable town asset; but most significantly this deal undersells the public confidence. Concocted in private and then rushed through to a Town Board vote after a two-week period, this deal simply stinks.

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For more information on Denise Sheehan, former DEC Commissioner, please visit her [website](#).

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