



Waste Management
Greater Mid-Atlantic Area Office
107 Silvia Street
Ewing, NJ 08628

June 12, 2019

Shawn M. Garvin, Secretary
Delaware Dept. of Natural Resources
and Environmental Control
89 Kings Highway
Dover, DE 19901



Dear Secretary Garvin:

I am enclosing a replacement copy of a letter dated June 11, 2019, submitted to your office by Delaware Recyclable Products, Inc. via overnight delivery yesterday. The copy sent yesterday inadvertently was not printed on letterhead, and we'd like to correct that error by substituting the enclosed copy, which is identical to the original draft except it is on letterhead.

Very truly yours,

A handwritten signature in black ink that reads 'Kristy Loteckie'.

Kristy Loteckie

Executive Administrative Assistant to
Rafael Carrasco
Waste Management

Encl.



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Shawn M. Garvin, Secretary
Delaware Dept. of Natural Resources
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89 Kings Highway
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**Re: May 29, 2019 Letter from the Honorable Jea P. Street, Councilman,
Tenth District, New Castle County Council to Secretary Garvin, DNREC;
Delaware Recyclable Products, Inc. Permit Modification Application**

Dear Secretary Garvin:

I am the President of Delaware Recyclable Products, Inc. ("DRPI"). DRPI is in receipt of a copy of the letter submitted to your office by Councilman Jea P. Street dated May 29, 2019, requesting that your office investigate whether any benefit payment or agreements between DRPI and the Minquadale Civic Association (the "Association"), or Minquadale Village (the "Village"), violate any laws, regulations, policies, or procedures. DRPI welcomes this opportunity to provide information with respect to the benefits that DRPI contributes to its neighbors, which are the result of arm's length agreements between the parties, and which in no way violate any laws, regulations, policies, or procedures.

As demonstrated on the attached aerial photo, the DRPI facility sits nearly contiguous to the western half of the Association (West Minquadale), and just across US-13 from the eastern portion of the Association (East Minquadale), and the Village.¹ Accordingly, these two communities of residential homes have been neighbors to the landfill since operations at the site commenced several decades ago. Because of their proximity, DRPI has attempted to foster a cooperative relationship with both community groups, in order to understand and address any potential questions or concerns that might be raised because of the landfill's operations, including any issues related to dust, traffic, or other potential impacts that might result naturally from the co-existence of industrial operations and residential neighborhoods. For a number of years, DRPI representatives have routinely attended the regularly scheduled meetings held by the Association and the Village, to answer questions about the landfill, and hear firsthand about any issues that might be related to landfill operations. On several occasions, these meetings also have been attended by local political leaders and/or members of their staffs, including Councilman Street, State Senator David McBride, former State Representative J.J. Johnson, and more recently by State Representative Franklin D. Cooke, Jr. DRPI views this interaction as an invaluable way in which to connect with its neighbors, and to work cooperatively to define and resolve issues in an expedient manner.

¹ Minquadale Civic Association is comprised of more than 400 households; Minquadale Village is comprised of 53 households.

Benefits to Minquadale Civic Association

For a number of years, DRPI has been providing financial and service benefits to the Association on an informal basis, including an annual cash donation of as much as \$10,000, and tens of thousands of dollars' worth of free waste disposal services each year.² In 2017 as DRPI began preparations for submission of the pending Permit Modification Application, landfill representatives initiated discussions with the Association to determine if there were specific long-term benefits the landfill could provide the Association in conjunction with an extension of the landfill's operating life. DRPI learned that there were a number of potential community improvement projects that the Association was interested in pursuing (including, among other things, paving and curbing, snow removal, installation and maintenance of park or recreational improvements, and the installation of a sound barrier wall or other screening between the neighborhood and Interstate 495) for which the Association lacked funds. The discussions continued through the first half of 2018, and the potential benefits assistance was an agenda topic during several of the Association's regularly-scheduled public meetings during that period. In July 2018 the parties reached agreement in principle on the terms of a formal "Neighboring Community Agreement," and as the parties worked to memorialize the final terms in a binding contract agreement, the Association submitted an expansion support letter to DNREC, urging approval of the Permit Modification Application. The final form of the Neighboring Community Agreement (the "Agreement") was executed on May 23, 2019. The Agreement outlines a collection of benefits DRPI will provide to the Association, and establishes an issue resolution process by which the Association can bring questions and concerns directly to the landfill staff for expedient resolution.

The centerpiece of the Agreement is the establishment of a Trust to be funded by DRPI and administered by a local bank as a neutral trustee, through which the Association can pay for community improvement projects. By the Agreement's express terms, the funds deposited into the Trust may not be used to benefit just one or a few individual residents; instead, the funds must be invested in community improvement projects for the betterment of the Association community as a whole. DRPI will make several initial lump-sum contributions to the Trust, including \$50,000 once all Trust documents are completed and executed; \$250,000 if the Permit Modification Application receives final DNREC approval; and \$100,000 on the date the expansion airspace is first utilized. DRPI also will contribute fifty-five cents (\$0.55) per ton for each ton of dry waste deposited in the site throughout its extended operational life. At current fill rates, the per-ton benefit could total approximately \$300,000 per year in additional benefits during the landfill's site life.

DRPI also will continue to provide the Association with free-of-charge waste disposal services as an additional benefit. DRPI residents may dispose of their dry waste at no charge if they deliver it directly to the landfill. This benefit, which had been provided by DRPI informally for years as described above, is now included specifically in the written Agreement. DRPI also has

² For example, the value of free waste disposal services totaled \$34,580 in 2015, \$36,246 in 2016, \$43,616 in 2017, and \$33,544 in 2018.

agreed to provide each Association household with one free-of-charge temporary roll-off container per year for household clean-up projects and the like.³

DRPI is very pleased to have reached this benefits Agreement with our closest community neighbor, because it will provide targeted funding for necessary community projects. DRPI believes this Trust arrangement is a one-of-a-kind solution within the State of Delaware and the broader Mid-Atlantic region, and demonstrates DRPI's binding commitment to assist its closest residential neighbors.

Benefits to Minquadale Village

Projects to be funded by the Association Trust, such as the installation of a sound barrier between the neighborhood and Interstate 495, may benefit the broader surrounding community including Minquadale Village. DRPI has, however, also provided benefits specifically to the Village over the past several years, primarily in the form of free waste disposal services. For example, DRPI has provided free waste disposal services to Village residents with a value of \$6,270 in 2017, and \$7,464 in 2018. That free disposal benefit continues today and is planned to continue into the future if the vertical expansion is approved. DRPI also has provided Minquadale Village Holiday Home Decoration Gift Cards to Village residents totaling \$750 in each of the last two years, and that benefit will continue into the future. In recognition of DRPI's value as a conscientious business neighbor, in July 2018 the Village also submitted a letter to DNREC supporting DRPI's expansion application. DRPI is proud to have the Village's support.

Benefits to Minquadale Volunteer Fire Company and Ladies Auxiliary

Another neighbor to the landfill that DRPI has supported financially over the past few years is the Minquadale Fire Company, as well as its Ladies Auxiliary. Each year, DRPI makes a \$2,500 donation to the Fire Company, and a \$2,500 donation to the Ladies Auxiliary. DRPI intends to continue this support so long as the landfill is operating.

Jobs Across Delaware, and Tax Revenue from Landfill Operations

The DRPI facility also benefits the broader community by employing eleven (11) full-time and three (3) part-time employees. In addition, Waste Management of Delaware operates two collection companies within the State of Delaware (Wilmington and Laurel). These collection companies dispose of much of the construction and demolition waste they collect at the DRPI facility, and thus DRPI indirectly supports the employment of Waste Management's 92 full-time employees at Wilmington, and 77 full-time employees in Laurel. Eighty (80) of our employees live in New Castle County, contributing to the local economy. And as an ongoing business concern, each year DRPI contributes more than \$50,000 in gross receipts taxes to the State of Delaware, as well as more than \$108,000 in New Castle County School Property Taxes.⁴ These contributions,

³ Under the Agreement, DRPI also reimbursed the Association for up to \$10,000 in legal and accounting costs for the preparation of the Agreement and Trust documents, and DRPI will reimburse the Association up to \$5,000 each calendar year for accounting and tax preparation costs related to the Trust.

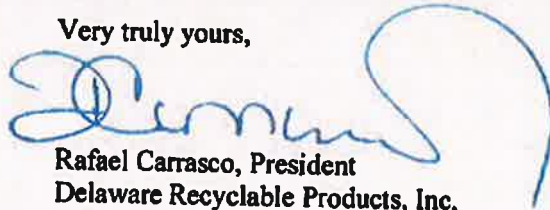
⁴ Tax figures are from calendar year 2018.

as well as the substantial community benefits detailed above would, unfortunately, largely terminate upon closure of the landfill in the event that the expansion application is not approved.

As a dry waste landfill that primarily accepts construction and demolition debris, DRPI is a critical component of Delaware's growth infrastructure supporting construction, renovation, development, and redevelopment across the state and in neighboring states. DRPI hopes to continue serving that critical role for years to come, and in doing so, it can continue to provide its neighbors with the benefits identified herein. As is abundantly clear, neither the benefits themselves, nor the negotiation process by which the benefit agreements were reached, violated any laws, regulations, policies or procedures. DRPI is proud of the relationships it has built with its residential neighbors, and it welcomes an opportunity to meet with other civic and neighborhood representatives to discuss the landfill, and to engage in a dialogue on matters important to those communities.

Thank you for the opportunity to provide this information. Please contact the undersigned if you request any additional information about the benefits or other charitable donations DRPI provides to the local community. DRPI respectfully requests that a copy of this letter be included with the record of comments and other information associated with the public hearing on DRPI's Permit Modification Application held on May 29, 2019.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Rafael Carrasco', with a large, sweeping flourish extending to the right.

Rafael Carrasco, President
Delaware Recyclable Products, Inc.

Attach.

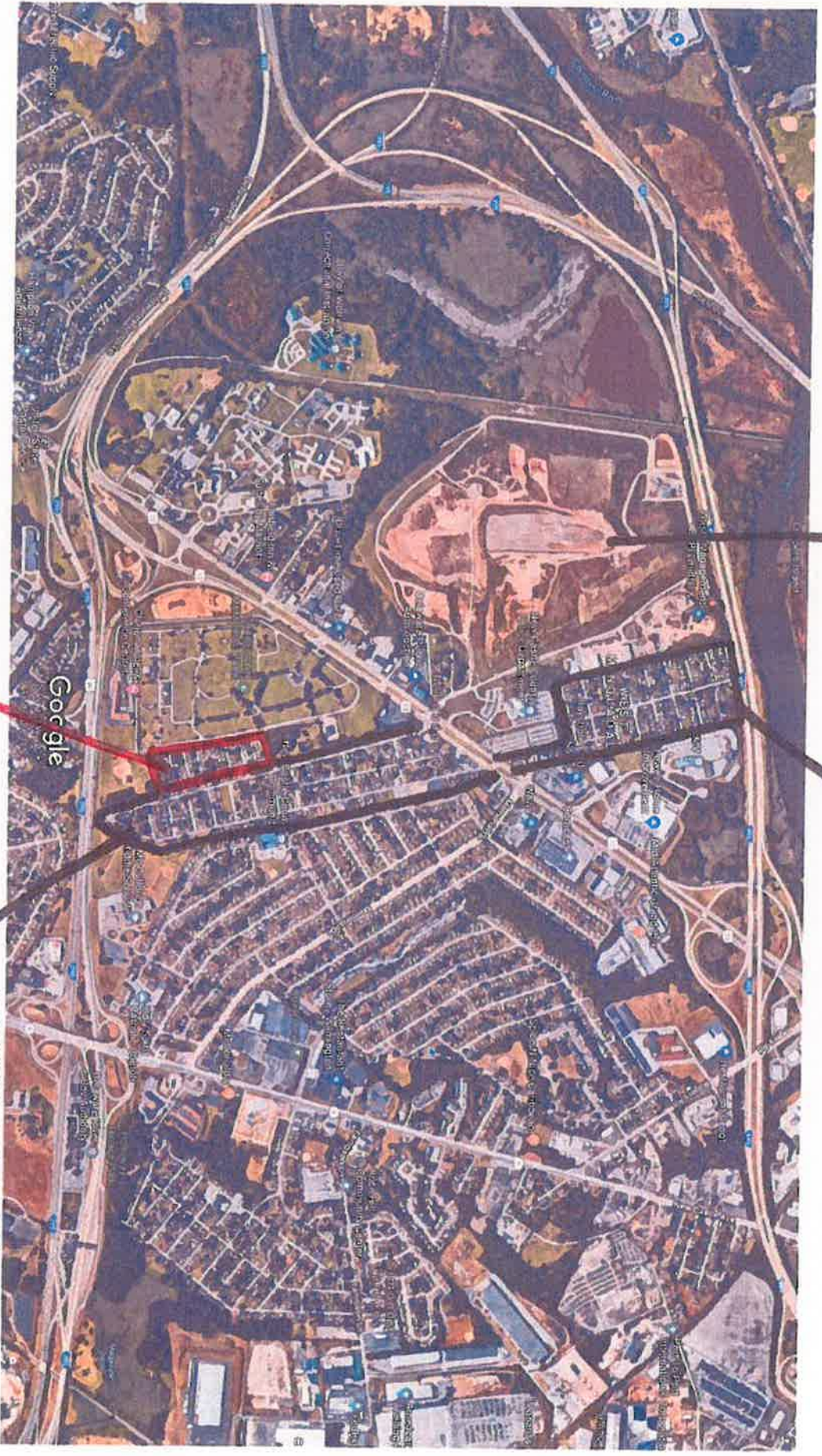
cc: David Trincia, President
Minquadale Civic Association

Scott Clemens, Board President
Minquadale Village HOA, Inc.

Google Maps

DRPI

MINQUADALE CIVIC ASSOCIATION



MINQUADALE VILLAGE

MINQUADALE CIVIC ASSOCIATION

Imagery ©2019 Google, Map data ©2019 500 ft