



**Preliminary Report to the Board**  
on the Fishers Island Waste Management  
Plans to Consolidate Their Sites and Expand Their Operations

**Compiled by Willard Soper and Nate Malinowski**

*This report has been prepared for the ICB, as a preliminary look at Waste Management's proposal to consolidate its facilities. It lays out what we have found as the facts on the ground, defined here as those that are publicly available as presented by Waste Management. This report was generated with the help of the Commissioners and Staff at FIWM and is expected to be accompanied by a jointly developed "FAQ and Informational Sheet" that will allow further detail to be explained. In cases, where we have been unable to corroborate facts, or locate documents, we have noted that.*

**Fishers Island Waste Management District (FIWM):**

The following information was compiled from the FIWM's website:

**Mission:** Fishers Island Waste Management Tax District is committed to the safe, environmentally responsible and efficient disposal of household garbage, furniture, appliances, recyclables, construction waste, yard and landscaping debris.

**Values:** The citizens, businesses and organizations of Fishers Island are entitled to have a fair, ethical and accountable FI Waste Management Commission. In keeping with this commitment, elected Commissioners will comply with both the spirit and letter of the Governing Policies and Guiding Principles herein.

Commissioners promise:

- Fiscal responsibility to the taxpayer
- Safe operations for staff and patrons
- To be mindful of the fragile nature of our small island environment and community

## Consolidation of Facilities

The following is a report on the current state of the project, a historical look at how WM arrived at the current state of the project as we understand it, key components of the project, tax rate implications, the current status of the project and expected timeline for completion and is presented alongside the opinion of an outside consultant.

Information presented below has been compiled from the following documents all of which are available here

[https://docs.google.com/spreadsheets/d/1s7A8p\\_bZvQXGPaiq6lqk64KPGDX5eeKnWi8TbHaEm3Q/edit?usp=sharing](https://docs.google.com/spreadsheets/d/1s7A8p_bZvQXGPaiq6lqk64KPGDX5eeKnWi8TbHaEm3Q/edit?usp=sharing)) and at the Waste Management District's office.

- *FIWM Review of Facility Options* published in 1997
- *FIWM Consolidated Facilities Planning Report*, Published in 2016
- *FIWM Updated Costs and Savings Estimates: Consolidated Facilities Plan*, most recently updated in October 2017
- *FIWM's Powerpoint Presentation to the FI Community ICB meeting on May 25, 2018*
- *FIWM Local Solid Waste Management Plan: 2018 - 2030*, published September 2018

## Project Development Timeline

### **1997 Report: *Review of Facility Options***

The 1997 Report, entitled *Review of Facilities Options*, commissioned from PMA (Project Management Associates, LLC), looked at two possible models for capital improvements to the FIWM's facilities on Fishers Island in order to meet some NYSDEC regulated safety guidelines at each facility (page 2-3, *Review of Facilities Options*, 1997)

- (a) Performance of necessary improvements to both existing facilities, and continue to operate two facilities
- (b) Make the necessary improvements to the District site so that all solid waste functions are at the same location.

The purpose of the report, as stated on Pg.3:

*“This report has been prepared to assist the District in its efforts to plan for the delivery of future solid waste services. As the district considered making improvements at both existing facilities, an opportunity was identified to possible combine all solid waste functions at one facility, thereby providing residents with the convenience of a single location, and the district with the operational advantages from staffing and managing a single location.”*

**This report’s summary:**

*“From this review, it would appear that either approach would provide the District with facilities which are adequate to meet current and expected needs. Option B appears at this time to cost approximately \$39,000 more than Option A. However, a decision to implement Option B may be justifiable as a result of the long-term advantages it would present:*

*(a) To the residence and users of the district’s facilities from combining all functions on one site; and,*

*(b) The management flexibility that would be presented to the district from operating a single facility.”*

- Page 18, *Review of Facilities Options*, 1997

**Notes:**

- **At that time, the estimated costs for consolidating the two facilities was \$523,000 versus \$484,000 to renovate the existing facilities.**
- Consideration was given to the potential to relocate all solid waste functions to the Transfer Station site and found that the “topography of the site does not provide adequate space for this to be accomplished.” - page 4, *Review of Facilities Options*, 1997
- The plan recommends that a building to house equipment and staff would be useful either way - page 16, *Review of Facilities Options*, 1997

**Outcomes:** It appears the report, guided FIWM to make some safety improvements to each of their sites separately and informed a decision to build a maintenance building on the District’s compost site. The idea to consolidate was shelved for a later date.

## **FY2014 and FY2015**

Between 2014 and 2015 the FIWD's Board of Commissioners again evaluated the two approaches to implementing improvements to its facilities and the goal to combine facilities was reaffirmed through a vote by the Commissioners in November of 2015.

A development plan to combine the sites was commissioned from PMA (Project Management Associates) and Anchor (Anchor Engineering Services, Inc.). The report was initially published on February 5, 2016 and was entitled *Consolidated Facilities Planning Report*. The most recent update addressing cost and savings was published October 19, 2017 and is entitled *Updated Cost and Savings Estimates: Consolidated Facilities Plan*.

### ***The Consolidated Facilities Planning Report (February 2016), states the following regarding the purpose of the plan:***

*"This report has been prepared at the request of the Fishers Island Waste Management District("District") to assist in meeting the following goals:*

- 1. The District desires to modernize its facilities and methods for how wastes and recyclables will be handled in the future and, where appropriate, processed on the Island. Its goal is to maximize the on-Island management of materials and thereby, to the extent possible, reduce reliance upon the Ferry District and corresponding hauling costs for off- Island transportation of waste and recyclables;*
- 2. The District has determined that the most cost-effective means to provide future services is through consolidation of the services it provides to the Island at the property it now owns and which is generally referred to as "the compost site". "*

**Key components of the plan include** (*Updated Cost and Savings Estimates: Consolidated Facilities Plan, Pg. 3*)

- Installation of composting pads, and heap enclosure with blower
- Replacing and reinforcing concrete walls and installing OSHA compliant fall protection
- Locating new chutes and electric for compactor boxes
- Addition of :
  - 40 by 60 new maintenance building
  - 50 by 90 foot building to process and mix organics
  - 20 by 30 foot building to act as a " swap shop"

- Renovation of “current district building by converting garage area to a meeting room and second floor employee area”

**Rationale for Project includes** (*FIWM Powerpoint Presentation, May 2017*)

The following is the rationale for the Project as it was laid out by FIWM at the May 25, 2018 meeting of the Island Community Board.

- Meeting the NYSDEC PART 360 Guidelines
  - Compost and transfer stations need:
    - approved run-on/run-off systems
    - approved leachate collection
    - adequate drainage water or stormwater collection systems
  - Tires and E-Waste
    - stored in enclosed containers
  - LSWMP (Local Solid Waste Management Plan must be submitted to show how the district plans to meet a NY State goal of reducing the amount of waste a single resident produces from 4.1 to .6 lbs/ day.
- Becoming OSHA Compliant
- Move trash compactors out of the floodplain
- Consumers safety and convenience
- Increased Operational Efficiencies and Operation Savings from diverting and capturing MSW from the current waste stream.
- Handling increased volume from rising seasonal population
- Increased revenue opportunities - ability to institute pay to dump programs and sales of product (ground glass and compost)
- Implementation of a Dust Reduction system
- Support FIWM’s goal of reducing MSW by capturing and reusing and repurposing specific types of organic and non-organic matter.

**Cost and Savings**

According to the *Updated Cost and Savings Estimates: Consolidated Facilities Plan* (Page 2):

- 1.) the capital cost for the proposed project is estimated at \$4.13 million

- 2.) NYSDEC has a grant program that could be sought to assist in the cost of a portion of the project related to composting (*Detailed Updated Cost and Savings Estimates: Consolidated Facilities Plan, Page 8*). If approved, could cover 50% of the compost expenses, not to exceed \$2mm. There may be other grants to help cover the other costs.
- 3.) it's estimated that 185 ton/year could be diverted from the disposal stream into an expanded composting initiative. Which would represent a savings of \$37,250/year.
- 4.) In total, the report identifies, estimated annual operating cost savings of \$51,292. (*Updated Cost and Savings Estimates: Consolidated Facilities Plan, Pg. 12*). This figure does not include any revenue figures that FIWM may accrue from increased collection activities (tipping fees) and product sales, nor does it include any costs associated with the debt service of a \$4.13mm bond.

### Cost Breakdowns:

According to the Report: *Updated Cost and Savings Estimates: Consolidated Facilities Plan, pg 7*, it appears to us that the costs of the project breaks down as follows. Back up for this breakdown is available in the document cloud.

Site Items	OSHA Compliance Items	Site Work Items	Equipment Items	Totals
Site Items Total	\$352,038	\$859,170	\$245,000	\$1,456,208
Buildings Total				\$561,500
Compost System Total				\$1,124,065
Total Site Items				\$1,685,565
General Items				\$204,215
Contingencies				\$478,843
Engineering Services				\$303,859
Total				\$4,128,690

### Current State of the Project and Timeline:

- ICB has met with FIWM staff and submitted and reviewed with them a **FAQ sheet** and **Informational sheet**, that we hope will be completed and made available by October 6, 2018.

- FIWM has filed for and received a SEQRA review (State Environmental Quality Review Act). We have received and reviewed the 12 page “*Notice of Determination of Non-Significance; Negative Declaration*” dated 27,2018 (posted on document cloud) but we have not reviewed the entire document submission which reportedly contains studies and assessment of traffic flow, potential effects of noise, light and odor, and makes suggestions about dust abatement at the new site. Ultimately, the SEQRA Review determined that the project does not impose a substantial effect on the Environmental Quality of the site and surrounding neighborhood and stated further environmental study is not needed.
- The DEC has given FIWM lead agent status for the project. Despite a letter, dated August 7, 2017 from the Town Planning Board objecting to that status.
- FIWM, has filed with the Southold Planning and Zoning for an expedited review, which took place on Monday, September 24th. The planning board found the Site Plan to be “incomplete.”
- A Planning Board hearing is being set for this Fall and will take place on Fishers Island.
- FIWM is planning to hold a public hearing October 10, 2018.
- FIWM has asked the Town of Southold to begin the bonding process for 2019.
- It appears the FIWM is moving forward with hopes to break ground on the project in Spring of 2019 and will aggressively pursue grant funding from the DEC.

### **Financial Review and Potential Tax Implications:**

The following figures were compiled from the FIWM’s FY16 and FY17 Audits and FY18 and FY2019 Budget. By our calculations, we’ve estimated that the debt service on a 20-year bond of \$4.1mm would add an estimated \$281,000 to the Annual Operations expenses at FIWM. Considered with the expected \$70,000 increase in composting revenues and factored across an estimated 600 households, the average annual tax increase required to service this debt would be somewhere in the ballpark of \$350-400/year. **We’d note that FIWM has maintained an artificially low tax rate on tax-payers through FY16 and FY17 due to a draw-down from the carried “Fund Balance”** which we understand are primarily funds received from the state after the capping of the Pickett Landfill . The 2020 expense projections were done by ICB and the methodology explained on the next page.

Year	Total Operating Expenses	Payroll Expenses	Consultants	Debt Service	Tax Revenue	Fund Balance Drawdown	Year End Fund Balance
2015 Actual	n/a	n/a	n/a	n/a	n/a	n/a	\$586,000
2016 Actual	\$737,000	\$379,000	\$82,000	\$0	\$562,000	\$107,000	\$479,000
2017 Actual	\$825,000	\$419,000	\$72,000	\$0	\$566,000	\$171,000	\$308,000
2018 Budget	\$909,000	\$548,000	\$100,000	\$0	\$855,000	\$0	\$308,000
2019 Budget	\$917,000	\$551,800	\$100,000	\$0	\$864,131	\$0	\$308,000
2020 Projection*	\$884,340	n/a	n/a	\$281,000	\$1,095,340	\$0	\$308,000

### 2020 Projection Definitions:

**Total Operating Expense** projections are ICB's and modeled on .02% Expense increase less \$51,000 in operational savings as estimated in *Updated Cost and Savings Estimates: Consolidated Facilities Plan, Pg 2*.

**Debt Service** is conservatively modeled on a 3.25% interest rate over for 20 years for the amount of \$4.1mm.

**Tax Revenue** is again an ICB calculation and is equal to the Total Operating Expenses less "\$70,000" in projected revenue (*Updated Cost and Savings Estimates: Consolidated Facilities Plan, pg. 2*) plus debt service.

**Note: The Fund Balance** is a reserve account primarily funded through a NYS Grant of approx. \$1mm after the capping of the Pickett Landfill

### Opinion of an Independent Consultant:

**ICB's Waste Management Subcommittee has contacted an independent consultant, Nat Egosi.** Nat is the CEO of *RRT Design and Construction*, a national leader in design and construction of solid waste processing and recycling facilities. He was asked to review the current Waste Management project cooperatively by a concerned citizen and a commissioner of the Waste Management District. He has read through the consultants work and Waste Management reports and has met with commissioners of the Waste Management District.



He made the following observations:

- There is no evidence that this project is being driven by regulatory requirements. There are guidelines, but those guidelines lack enforcement mechanisms.
- He saw no evidence of any requirements mandating a move or consolidation
- Though the transfer station is in a flood plain, the garbage in enclosed compactors that are sealed and the entry point is above the floodplain.
- It appeared to him that the driver behind the plan was to achieve operational efficiencies.
- There are some benefits to keeping the facilities separate and for keeping the garbage collection process away from populated areas.
- The equipment being proposed for composting is complex and sophisticated

### **Outstanding Questions:**

1. **We've heard that the consolidation of the FIWM facilities is being done partially in response to current and expected future NYSDEC mandates.** There is no evidence that this project is being mandated by current or future NYS or DEC requirements. We are aware that NYSDEC has published an update to its PART 360 guidelines but understand these to be benchmark targets and currently are not enforceable legislative requirements. It is not clear to us, what mandated updates are required at each facility.
2. It's not clear what planning work was done between the 1997 report on the consolidation of the facilities and the most recent 2016 plan. It appears that the 2016 plan refers to the 1997 report as precedent for the plan. No further planning documents have been made available to show any updates to the planning work done between 1997 and 2014. It concerns us that the new plan does not appear to consider, recent development initiatives now present in the "neighborhood" since the 1997 facilities report.
3. **We've heard two conflicting accounts of the content of FIWM's SEQRA Review (State Environmental Quality Review Act) - which determined that the consolidation plan to be "non-significant" in terms of its environmental impacts.** Having not had time to view the complete report, it is not clear to us that the environmental effects to the immediate area (traffic, light, noise, odor, dust) were conclusively looked into and that recent and future developments in the old Fort Wright District of FI - Community Center, Walsh Park Housing above Freight, Ordinance redevelopment, Tiny House Projects, increased school enrollment, etc - were appropriately considered in this final determination of the project as "non-significant."

4. **We've heard, that the consolidation of the facilities is being done in part to addresses upcoming legislation that will affect how we must process our MSW in order to ship it off Island.** It is not clear to us, that the contracts we have with the Connecticut companies that process our garbage are in danger of being canceled. We are not aware of a Connecticut State or DEC regulations that would negatively affect our ability to transport garbage off of Fishers Island.
  
5. **We've heard that the consolidation of the FIWM facilities is being done partially in response to an expected increase in trash generated by a growing population on Fishers Island - particularly a seasonal population.** This expectation is laid out in the Fishers Island Waste Management's recently published report, entitled *Local Solid Waste Management Plan: 2018 - 2030*.
  - a. This report was developed in response to a NYSDEC Part 360 requirement that all solid waste management facilities in NYS submit a plan for meeting the goals put forward by 2030. NYS Part 360 sets a goal of reducing the total amount of Garbage a single person produces in a day from 4.1 lbs to .6 lbs by 2030.
  
  - b. On page 53 of *Local Solid Waste Management Plan: 2018 - 2030*, it states "The foundation for the District's ability to meet the reduction and diversion goals outlined in this plan is the implementation of the consolidated facilities with the enhanced composting element."
  
  - c. According to *Local Solid Waste Management Plan: 2018 - 2030 (Chart on Page 56)*, FIWM has already achieved a MSW disposal rate of .76 lbs/per individual and plans to exceed NYSDEC Part 360 goal (.52 lbs./individual) for 2030.
    - i. *Pages 3 through 5 of the plan outlines "population and housing-- current and ten year projections" These #'s rely on the following assumptions:*
      1. there are an average of 8 persons per seasonal residences during every day of the months of July and August - Suffolk county uses an average of 5 persons per household.
  
      2. " the future housing units levels were based upon a linear regression analysis with the 1990 Census, and 20110 Census data as inputs. The resulting forecast of housing units was combined with the assumed population per unit in seasonal dwellings ( ie 8 person per unit)" - *Local Solid Waste*

3. Population projections indicate that in 2020 the total population in the summer months will increase to 5151 persons and in 2030 to 5771 persons. **Seasonal population would increase from an estimated 4210 in 2010 to 5424 by 2030.**

**This population growth (modeled at 8 individuals/house) would require 152 new seasonal residences be built or to be removed from year-round housing stock between 2010 and 2030 (at 5 per household there would need to be 243 additional units).** It's not clear that this number is feasible and thus further, we are not convinced that increased educational outreach, FIWM mandated changes to dumping practices (pay-to-dump), and increased enforcement would not see FIWM succeed in its goal of reaching and exceeding the NYSDEC guidance on MSW rate - without the consolidation of the sites.

### **Conclusion:**

The development of this report occurred on an admittedly quick two-week timeline. We have presented the facts as we have been able to find and digest them and believe that this report, when presented alongside the FAQ and Informational Sheets that were developed with Waste Management - presents an objective and fair review of the Waste Management Consolidation Project, and further that the information presented is accurate and the sources are properly noted.

We apologize in advance for any errors or omissions and ask that any corrections or suggested additions to this report be submitted to [Nate.Malinowski@gmail.com](mailto:Nate.Malinowski@gmail.com) or [wbsoper@comcast.net](mailto:wbsoper@comcast.net). **A final report will be compiled and will include all corrections, additions and all letters from the public received before October 30, 2018.**

We hope that the document library we have created in the "cloud" will allow the readers to conduct their own fact checking and research.