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October 11, 2002

Hon. Robert W. Elliott III  
Mayor of the Village of Croton-On-Hudson  
and Members of the Village Board  
One Van Wyck Street  
Croton-On-Hudson, New York 10520

**Re: *Allied Waste Industries, Inc. and Metro Enviro Transfer, LLC –  
Renewal of Special Permit***

Dear Mayor Elliott and Members of the Village Board:

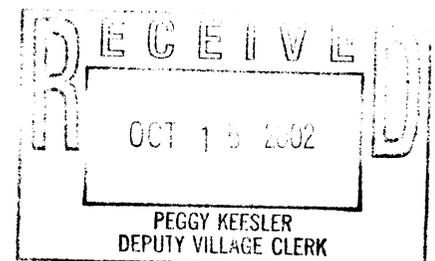
As you know, in a letter to me dated September 3, 2002, Mr. Waldman enumerated a series of questions for Allied Waste Industries, Inc. and Metro Enviro Transfer, LLC (together "Allied"). While all of these questions were answered during the September 9, 2002 Village Board meeting, the written responses are as follows:

1. *What were the circumstances under which the arrangements were made with Engelhard and who made them on behalf of Metro Enviro or Allied Waste?*

Hauling arrangements with Engelhard were originally made prior to Allied's acquisition of the Metro Enviro facility. Allied cannot speculate as to the specifics of those particular circumstances. Allied can state, however, that since it acquired the Metro Enviro facility, additional arrangements with Engelhard were made by Matt Hickey, Aaron Deems, John Lombardo and Ron Iaboni, as well as potentially other individuals. Messrs. Hickey, Deems, Lombardo and Iaboni worked for Allied's predecessor and were then hired by Allied.

2. *Who was the hauler for these loads?*

The hauler of the 18 loads of industrial waste picked up from Engelhard's 1050 Lower South Street, Peekskill, New York location was Hudson Waste.



3. *From the time that the first load was accepted until Walter Mack discovered what had occurred, who within Metro Enviro or Allied Waste knew about the Engelhard shipments and their nature, and what was the position occupied by each such person?*

Based upon the information currently available to Allied, the General Manager at the time, Matt Hickey, Aaron Deems, an operations manager working for Allied, John Lombardo, a salesman working for Allied, Tony Cardillo, a dispatcher working for Allied, Bobby Thomas, a driver working for Allied, and Ron Iaboni, a sales manager working for Allied, knew of the shipments from Engelhard. Charles Marino, the Metro Enviro Site Manager in 2001, knew about the shipments from Engelhard and realized they were not construction and demolition debris. Matt Hickey and Tony Cardillo may have realized the shipments from Engelhard contained industrial waste. It is possible that other individuals employed by Allied had some understanding of the nature of the Engelhard shipments as well.

4. *The Village has received an Allied Waste daily disposal report form. . . . With respect to the 8<sup>th</sup> column from the left with the five circled entries and the large number of "02" entries, what is Allied's full description for the materials covered by the "02" code and for the code of the other five encircled entries? As to these latter, our copy is indistinct but they appear to be 03 or 05, or both.*

The 02 code identifies the size of the container, not the materials therein. On this account, the 02 code indicates a closed 40-yard compactor. The 03 code identifies a 30-yard open container. The 05 code identifies a 15-yard open container. Those are the only three identifying codes for the Engelhard account. Besides the subject 18 shipments, Allied believes that there were five shipments that were C&D or non-industrial loads.

5. *What was the route taken by the trucks that were hauling the industrial waste from Englehard to Metro Enviro?*

The route from the Engelhard facility in Peekskill would likely have been onto New York State Route 9 southbound, westbound onto the Croton Point Avenue Exit to the facility.

6. *Why did Engelhard cease shipping to Metro Enviro and instead started shipping its industrial waste to another Allied facility?*

Mr. Marino spoke with his supervisor, Mr. Hickey, and insisted that Engelhard waste cease being shipped to Metro Enviro. After the 18<sup>th</sup> shipment, Allied believes that Mr. Hickey made alternative arrangements to have the material rerouted to the Mount Kisco facility.

7. *According to a Journal News article, testimony was given in a Karta Corp. proceeding that dust from the Engelhard plants contained substances like titanium or other materials that might be harmful. Could any of these materials have been part of the shipments to Metro Enviro? What does Metro Enviro or Allied know about the nature, composition, properties, etc., of the materials in these shipments?*

Allied believes that the materials received from Engelhard's 1050 Lower South Street, Peekskill, New York location at the Metro Enviro Facility consisted of plastic wrap and irregular shaped hardened plastic. Allied has no reason to believe that titanium or hazardous substances were intermingled with the loads, and DEC has not cited Engelhard as a hazardous waste generator.

8. *The DEC letter of this matter says that Allied Waste is examining its records to determine if any other prohibited materials were accepted at Metro Enviro. What has been learned thus far on this subject and what kind of search has been made? If it is not yet complete, how quickly can this be done?*

Allied has engaged in a series of corrective measures to prevent the reoccurrence of the violation. It has informed its employees that that the Site Manager has the authority and the line of communication to his supervisors to ensure that this situation cannot occur again. Moreover, Allied has made important personnel changes since its acquisition of Metro Enviro.

More specifically, Allied is executing a comprehensive reanalysis of all of its manufacturing customers in Westchester in the aftermath of the February – March 2001 incidents to ensure no additional industrial or non-permissible waste comes through the Croton facility. To date, Allied knows of no other incidents.

Most importantly, Allied has instituted a waste audit program of all of its commercial customers in Westchester County which potentially produce industrial or other non-permissible waste. This audit includes categorizing wastes, instructing employees of both Allied and its customers, conducting individual customer interviews, preparing waste generator profile sheets and requiring commercial customers to begin filling out documentation so that Allied has a solid paper trail as to what is represented as being delivered to Metro Enviro. The audit requires an Allied sales representative assigned to the particular account to visit the generator site and review the disposal process with a generator representative at the site. The Allied representative and the generator certify that they understand what materials Allied is permitted to accept, that they have seen how waste is generated and that only permitted wastes are placed into the containers and delivered to the Allied. The records will be maintained at the Mamaroneck facility.

The audit, which involves reviewing records of current accounts going forward, has thusfar revealed no other customer generated industrial waste that was delivered to the Metro Enviro facility. Allied is also investigating whether it accepted additional industrial waste generated by Engelhard, including any such waste generated at locations other than 1050 Lower South Street, Peekskill, New York. This audit is not yet complete, and Allied intends to apprise the Village of its findings upon its completion.

Allied will continue to take unilateral voluntary measures to ensure that industrial waste or any unacceptable or unauthorized waste under its Special Permit will not be delivered to and accepted by its Croton facility. As always, Allied will cooperate with the Village to the extent possible in gathering information.

We look forward to appearing before your Board on Monday, October 21, 2002 to continue the processing the Renewal of Allied's Special Use Permit.

If you have any further questions, please do not hesitate to contact me.

Respectfully submitted,

ZARIN & STEINMETZ

By: \_\_\_\_\_

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DSS:mr

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