

Item #10A:
Village Trustee Schmitt
SWALCO Board Meeting - April 11, 2013



SOLID WASTE AGENCY OF LAKE COUNTY, IL

MEMORANDUM

To: SWALCO Directors and Alternates
From: Walter S. Willis, Executive Director *ZSW*
Subject: April 2013 Meeting Notice Information
Date: April 5, 2013

Attached you will find the agenda for this month's meeting, minutes from our January 2013 meeting (and revised minutes from the November 29, 2012 meeting and minutes from executive session that same meeting), and the referenced consent, action and information items.

I look forward to seeing you at the meeting, and please let Lorin know if you or an alternate will be attending the meeting. **We need at least 32 members to show up at the meeting to vote on the O&M Fee action item.** It is important to note that we need to get an affirmative vote from 32 members in order to increase the O&M Fee. Please contact me if you plan to vote "no" on the O&M Fee action item.

**SOLID WASTE AGENCY OF LAKE COUNTY, IL
BOARD OF DIRECTORS
THURSDAY, APRIL 11, 2013 7:00 P.M.
HAINESVILLE VILLAGE HALL
100 HAINESVILLE ROAD, HAINESVILLE, IL 60030**

AGENDA

1. **CALL TO ORDER** Chairman
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL** Secretary
4. **APPROVAL OF MINUTES** Committee
Minutes of January 24, 2013
Revised Minutes of November 29, 2012
Minutes of Executive Session of November 29, 2012
5. **PUBLIC COMMENT**
6. **NEW AGENDA ITEMS**
7. **BOARD ITEMS** Executive Director

Consent Item

1. Expenditure Report: March 2013

Action Items

1. Proposed Host Agreement with Groot
2. Proposed Increase in the O&M Fee

Information Items

1. Elections to the Executive Committee
2. 4th Quarter 2012 Per Ton Payments
3. Compost Bin/Rain Barrel Sale
4. Member Services – Resources for SWALCO Members
5. Health Department Report – Mike Kuhn
6. Project and Program Updates

8. **EXECUTIVE SESSION - IF NEEDED**
9. **ADJOURNMENT**

MINUTES

SOLID WASTE AGENCY OF LAKE COUNTY, IL
BOARD OF DIRECTORS
THURSDAY, JANUARY 24, 2013 7:00 P.M.
100 HAINESVILLE ROAD, HAINESVILLE, IL

MEMBERS ATTENDING: *See Attachment 1, Sign In and Attachment 2, Voting Record.*

PLEDGE OF ALLEGIANCE

CALL TO ORDER

Chairman Mount called the meeting to order at 7:04 p.m. with 32 members present. Great Lakes was also in attendance.

APPROVAL OF MINUTES

Motion by *Third Lake*, seconded by *Riverwoods* to approve the minutes of November 29, 2012. *Motion was approved.*

PUBLIC COMMENT: *None*

NEW BOARD ITEMS: *None*

BOARD ITEMS – Walter Willis discussed Information Item #5 – Proposed Groot Garbage Transfer Station due to public attendance. Public comments were made.

Merleanne Rampale presented Information Item #2 – Recycle First, Trash Last Video

Consent Item

1. Expenditure Report – \$197,310.85 (November 2012) \$65,295.02 (December 2012)
Motion by *Lake Bluff*, seconded by *Deerfield* to approve the expenditure report.
Motion was approved on a roll call vote of 32 to 0.

Action Items

1. **SIMS Contract Amendment**
Walter Willis explained that SWALCO received a letter from Sims Recycling Solutions requesting that amendments be made to the Agreement between SWALCO and Sims due to changes in the marketplace. Sims requested to lower the payments that SWALCO would receive for its electronics. A conference call between SWALCO and SIMS resulted in a new proposal that was accepted. The proposal was as follows:
 - CEDs/EEDs (except TVs and monitors) - \$0.08 per pound (same as current payment)
 - TVs and monitors - \$0.035 per pound (current payment is \$0.08 per pound)
 - Acceptable Non-CEDs/EEDs – (no payment or charge, same as current terms)

If SWALCO's CPUs/laptops meets or exceeds 10% of the total weight collected (currently they are 7.89% of the materials collected) in any quarter in 2013, Sims will pay an additional \$0.05 per pound (for a total of \$0.13 per pound) for CPU/laptop weight in that quarter.

The proposed changes in payments will reduce the anticipated revenue from electronics significantly.

Motion by *Lake Bluff*, seconded by *Tower Lakes* to accept the amended SIMS contract.
Motion was approved on a roll call vote of 32 to 0.

2. **Proposed Increase in the O&M Fee**

Walter Willis brought to the Board again the increase in the O&M Fee . This had originally been on the Nov. 29th 2012 agenda, but not enough members were in attendance to approve an increase. The item was moved to the January 24th, 2013 agenda for vote again.

Motion by *Vernon Hills*, seconded by *Grayslake* to approve the O&M Fee increase.
Motion was NOT approved on a roll call vote of 31 to 1(Round Lake Park).

Walter Willis explained that we needed 32 municipalities to vote yes. At this time there were 32 members present, and 31 voted yes and 1 voted no.

Motion by *Deerfield* and *Lake Barrington* to RECONSIDER the O&M Fee Increase (.25) at the March 28th BOD meeting. Robert's Rules were used as a reference point.
Motion was Approved.

3. **Executive Committee and Legislative Committee Appointments**

Walter Willis discussed committee openings and the recommendations made for open positions.
Recommended Appointment: Tony Blumberg, Highland Park Councilman – Executive Committee

Recommended Appointment: John Norris current Legislative Committee member – Chairman
Recommend Appointment: Chuck Black – Legislative Committee.

Motion by *Libertyville*, seconded by *Round Lake* to accept recommendations for open positions.
Motion was Approved.

Information Items

1. **HCW Collections Event Schedule**

Steve Nelson presented the Household Chemical Waste calendar for the 2013 Fiscal Year. The current calendar is based upon pricing structure in the HCW Labor/Transportation contract, the 2013 Fiscal budget and the terms of agreement with IEPA funding. SWALCO is budgeted for 24 public drop-offs (Gurnee) and 6 mobile events.

2. **Recycle First, Trash Last Campaign Materials**

The item (video) was presented at the beginning of the meeting. Merleanne Rampale also discussed Spanish guidelines, kits and teams that are still available for use.

3. **ARD Events/Recycle –O-Ramas**

Merleanne gave a brief update on the success of the America Recycles Day that was held in November of 2012. The following items were collected at the event:

Items collected at the November 3 event (to be recycled, upcycled or donated) included:

- 40,000 pounds of electronics
- 119 Tanks (Large Propane/Small Propane Tanks)
- 68 Fire Extinguishers
- 95 Smoke/CO2 Detectors
- Approximately 800-900+ shoes
- Approximately 300 Cell Phones & Accessories
- 348 Eyeglasses & Cases
- Approx. 100 automotive batteries
- 57 bikes plus several bike helmets and parts
- Over 100 car seats were collected
- Nearly 9,000 pounds of paper were collected for shredding/recycling

4. **Textile Recycling Update**

Merleanne Rampale discussed the opportunity to work with various vendors that would help generate revenue for SWALCO by recycling textiles. Once final meetings are held with the various vendors, all information will be collected, and discussions and proposals reviewed, staff will select a list of the most viable candidates.

5. **Update on the Proposed Groot Garbage Transfer Station**

This item was presented at the beginning of the meeting.

6. **Project and Program Updates**

Walter Willis gave a brief update on several projects and programs SWALCO is currently working on:

- Walter Willis continues to assist Round Lake Beach, Hainesville and Bannockburn with their residential hauler contracts.
- Walter Willis has been asked to speak at two upcoming conferences: 1) the 5th Annual Waste to Energy Development and Finance Summit, and 2) the 2013 Residential Recycling Conference.
- Walter Willis has also been asked to attend a three day national meeting in San Francisco entitled *Zero Waste in Action: San Francisco's Experience Creating a Zero Waste Infrastructure*.
- Walter Willis met with Bill Gentes, Lake County Project Coordinator, Drug Free Communities Program and Lieutenant Kevin Leslie of the Zion Police Department about what role SWALCO could play in assisting local law enforcement with managing pharmaceuticals.

- Walter will be attending a meeting with the Lake County Public Works and Transportation Committee which will be reviewing the proposed changes to the County's Solid Waste Hauling and Recycling Ordinance per the recommendation of the 60% Recycling Task Force Report.
 - Both the Deerfield and Grayslake Village Boards gave staff approval to issue RFPs for commercial franchises.
7. **4th Quarter 2012 and Annual Residential Electronics Collection Program Summary**
Peter Adrian gave a brief summary of all activity within the SWALCO Residential Electronics Collection Program for 2012. The summary showed a 39% increase in e-scrap over 2011.
8. **Health Department Report**
Mike Kuhn discussed recent activities regarding the landfills (Countryside/Grayslake) (Veolia/Zion), compost facilities/landscape waste transfer stations and Food Scraps.

Executive Session: *None*

NEXT BOARD MEETING: Thursday, March 28, 2013 - 7:00 p.m. Hainesville Village Hall, 100 N. Hainesville Road

ADJOURNMENT: *8:58 p.m.*

Motion by *Lake Bluff*, seconded by *Lake Zurich* to adjourn. *Motion was approved.*

REVISED MINUTES

SOLID WASTE AGENCY OF LAKE COUNTY, IL
BOARD OF DIRECTORS
THURSDAY, NOVEMBER 29, 2012 7:00 P.M.
100 HAINESVILLE ROAD, HAINESVILLE, IL

MEMBERS ATTENDING: *See Attachment 1, Sign In and Attachment 2, Voting Record.*

PLEDGE OF ALLEGIANCE

CALL TO ORDER

Chairman Mount called the meeting to order at 7:06 p.m. with 31 members present. Great Lakes also in attendance. *Larry Mount welcomed new members (Directors/Alternates) – Tower Lakes, Joe Skurla.*

APPROVAL OF MINUTES

Motion by *Hawthorn Woods*, seconded by *Round Lake* to approve the minutes of October 25, 2012. *Motion was approved.*

PUBLIC COMMENT: *Larry Mount also asked that any public that were in attendance to please sign the Public Sign in Sheet – Public Sign in Sheet is attached. The public was given the opportunity to speak – they were asked to say their name and address. The public in attendance were there to voice their opinions on the proposed garbage transfer facility in Round Lake Park.*

NEW BOARD ITEMS: Walter Willis presented the Resolution to recognize Board Member Steve Mandel. Steve Mandel was elected to the Lake County Board and this would be his last meeting on the SWALCO Board of Directors representing Highland Park. Much thanks to Steve Mandel for all his years of dedicated service.

Motion by *Grayslake*, seconded by *Riverwoods* to approve Resolution.
Motion was approved.

BOARD ITEMS

Consent Item

1. Expenditure Report - \$94,973.22 (October 2012)
Motion by *Riverwoods*, seconded by *Hainesville* to approve the expenditure report.
Motion was approved on a roll call vote of 31 to 0.

Action Items

1. O&M Fee Increase
Motion by *Hawthorn Woods*, seconded by *Hainesville* for additional roll call to confirm attendance for a vote on the O&M fee increase. *Motion Approved.*

Walter Willis explained that we needed 32 municipalities to be present to discuss and vote. At this time only 31 were present, so this item would be moved to the January 2013 Board Meeting.

2. **Round Lake Park/Groot Proposed Transfer Facility**

Walter Willis discussed Groot's proposed garbage transfer station and the issue that it was not consistent with the Lake County Solid Waste Management Plan. This is important because one of the nine siting criteria that the project will be judged on is whether it is consistent with the plan. Before going into executive session, Larry Clark gave a brief explanation to explain IL siting law also known as ILSB172. Walter explained that this has become a timing issue due to the anticipated filing on 11/30/12.

Information Items

These items have been moved to the January Board Meeting due to time constraint discussions regarding Action Item #2.

1. **ARD Events/Recycle-O-Ramas**

2. **Recycle First, Trash Last Video**

Executive Session:

Motion by *Deerfield*, seconded by *Riverwoods* to go into Executive Session citing 5 ILCS 120/2(c)(11) to discuss the purpose of potential litigation. *Motion was approved on a roll call of 31 to 0.*

Discussion of potential litigation.

Motion by *Highland Park*, second by *Hainesville* to come out of Executive Session. *Motion was unanimously approved.*

Return to Open Session:

Motion by *Riverwoods*, second by *Lake Barrington* to authorize participation in the siting hearing and to oppose the proposed facility, due to lack of consistency with criteria #8, the County plan.

Motion was approved on a roll call of 29 to 1(Round Lake Beach). Hawthorn Woods had to leave early due to another commitment.

NEXT BOARD MEETING: Thursday, January 24, 2013 - 7:00 p.m. Hainesville Village Hall, 100 N. Hainesville Road

ADJOURNMENT: 9:04 p.m.

Motion by *Wadsworth*, seconded by *Hainesville* to adjourn. *Motion was approved.*

MINUTES

EXECUTIVE SESSION

SOLID WASTE AGENCY OF LAKE COUNTY, IL
BOARD OF DIRECTORS MEETING
THURSDAY, NOVEMBER 29, 2012 7:00 P.M.
100 N. HAINESVILLE ROAD, HAINESVILLE, IL 60030

MEMBERS ATTENDING: Bannockburn; Deerfield; Fox Lake; Grayslake; Green Oaks; Gurnee; Hainesville; Hawthorn Woods; Highland Park; Highwood; Island Lake; Lake Barrington; Lake County; Lake Forest; Lake Villa; Lake Zurich; Lincolnshire; Lindenhurst; Long Grove; Mundelein; Riverwoods; Round Lake; Round Lake Beach; Round Lake Heights; Round Lake Park; Third Lake; Tower Lakes; Vernon Hills; Wadsworth; Wauconda; Zion.

8:02 p.m. Motion by *Deerfield*, seconded by *Riverwoods* to go into Executive Session citing 5 ILCS 120/2(c)(11) to discuss the purpose of potential litigation regarding the Round Lake Park/Groot Proposed Transfer Facility. *Motion was approved on a roll call of 31 to 0.*

Legal Counsel Larry Clark gave a brief overview of the reasons for litigation discussing criteria #8 and meeting the County plan.

The members discussed whether there was a conflict of interest for Round Lake Park to be present in executive session and Larry Clark indicated there was not a conflict of interest at this time.

The member also discussed the importance of supporting the County Plan and that it had been developed with significant stakeholder input, and reviewed and approved by the SWALCO Board of Directors and ultimately the Lake County Board.

8:58 p.m. Motion by *Highland Park*, seconded by *Hainesville* to come out of Executive Session. *Motion was unanimously approved.*

SWALCO BOD SIGN IN SHEET/1.24.13

MEMBER COMMUNITY	REPRESENTATIVE	TITLE
ANTIOCH		
BANNOCKBURN	MICHAEL SANDS	Village Manager
BEACH PARK		
DEER PARK		
DEERFIELD	Kent Street	Village Manager
FOX LAKE	Downy Schmitt	TRUSTEE
GRAYSLAKE	MICHAEL BELLIS	MANAGER
GREEN OAKS	JOHN WATSON	TRUSTEE
GURNEE	Pat Murtz	Administrator
* HAINESVILLE	James Scott	MAYOR
* HAWTHORN WOODS	Steve Ross	Trustee
HIGHLAND PARK		
HIGHWOOD		
ISLAND LAKE	John Little	Finance Dir.
KILDEER		
LAKE BARRINGTON	CHRIS MURPHY	V. MANAGER
LAKE BLUFF	John Hill	V.A.
LAKE COUNTY	Pat Carlin	Board Member
LAKE FOREST	Michael Thomas	Director of Public Works
LAKE VILLA	Scott Bartlett	Trustee
LAKE ZURICH	Tom Foynton	TRUSTEE
LIBERTYVILLE	Kelly Amidei	Asst. Village Administrator
LINCOLNSHIRE	Tom McDonough	Trustee
LINDENHURST	Tracy M. Clark	Trustee
LONG GROVE	Paula Lotz	Manager
MUNDELEIN	Ellen Voss	Trustee
NORTH BARRINGTON	GARY HERMANN	Trustee
NORTH CHICAGO	JOE NAPOLITANO	DIRECTOR OF ECON. DEV.
PARK CITY		
PORT BARRINGTON		
RIVERWOODS	John W. Morris	TRUSTEE
ROUND LAKE	John Murphy	Trustee
ROUND LAKE BEACH	John Hill	MAYOR
ROUND LAKE HEIGHTS		
ROUND LAKE PARK	BOB CERRETTI	TRUSTEE
THIRD LAKE	BOB KOWALKE	TRUSTEE
TOWER LAKES	TOM BOLGER	Trustee
VERNON HILLS	Will H. Fox	Dir of PW
WADSWORTH	Gene P. Coen	MAYOR
WAUCONDA	CHUCK BLACK	TRUSTEE
WAUKEGAN		
WINTHROP HARBOR		
ZION	Sheryl Spooner	Alternate (Clerk)
GREAT LAKES	David Ross	ISW P. Manager

PUBLIC SIGN-IN SHEET

Name	Address	Representing
Alice Roth	591 S Essington	Round Lake
ALAN ROTH	591 S ESSINGTON DR	ROUND LAKE
JOAN Spilis	650 S. CURRAN	Round Lake
NELSON KUNZ	639 S ESSINGTON	ROUND LK
MARION KAZ	635 S. CURRAW	ROUND LK
Krista Tanami	213 Holiday Ln	Hainesville
JOY + DAVID THORNBROUGH	604 Nippersink Ave	RL
JIM DELORMIE	120 TALL OAK DR	HAINESVILLE
George Duberkin	82 W Tall Oak Dr	Hainesville
CYNTHIA MILISON	365 W Sweet Clover	RL
JON SCHUMACHER	327 N PATRIOT DR	HAINESVILLE
Jim Dietz		RL
Eileen Stanton	617 S. ESSINGTON DR	RL
Date: <u>1/24/13</u>		
PETER ZYKLIUSKI	340 S. CLEARVIEW CIR	ROUND LAKE

SWALCO BOD VOTING RECORD/1.24.13

MUNICIPALITY		CONSENT EXP		SIMS CONTRACT		O&M FEE INCREASE			
		A	N	A	N	A	N	A	N
Attendance									
ANTIOCH									
BANNOCBURN	✓	✓		✓		✓			
BEACH PARK									
DEER PARK									
DEERFIELD	✓	✓		✓		✓			
FOX LAKE	✓	✓		✓		✓			
GRAYSLAKE	✓	✓		✓		✓			
GREEN OAKS	✓	✓		✓		✓			
GURNEE	✓	✓		✓		✓			
HAINESVILLE	✓	✓		✓		✓			
HAWTHORN WOODS	✓	✓		✓		✓			
HIGHLAND PARK									
HIGHWOOD									
ISLAND LAKE	✓	✓		✓		✓			
KILDEER									
LAKE BARRINGTON	✓	✓		✓		✓			
LAKE BLUFF	✓	✓		✓		✓			
LAKE COUNTY	✓	✓		✓		✓			
LAKE FOREST	✓	✓		✓		✓			
LAKE VILLA	✓	✓		✓		✓			
LAKE ZURICH	✓	✓		✓		✓			
LIBERTYVILLE	✓	✓		✓		✓			
LINCOLNSHIRE	✓	✓		✓		✓			
LINDENHURST	✓	✓		✓		✓			
LONG GROVE	✓	✓		✓		✓			
MUNDELEIN	✓	✓		✓		✓			
NORTH BARRINGTON	✓	✓		✓		✓			
NORTH CHICAGO	✓	✓		✓		✓			
PARK CITY									
PORT BARRINGTON									
RIVERWOODS	✓	✓		✓		✓			
ROUND LAKE	✓	✓		✓		✓			
ROUND LAKE BEACH	✓	✓		✓		✓			
ROUND LAKE HEIGHTS									
ROUND LAKE PARK	✓	✓		✓			✓		
THIRD LAKE	✓	✓		✓		✓			
TOWER LAKES	✓	✓		✓		✓			
VERNON HILLS	✓	✓		✓		✓			
WADSWORTH	✓	✓		✓		✓			
WAUCONDA	✓	✓		✓		✓			
WAUKEGAN									
WINTHROP HARBOR		✓				✓			
ZION	✓	✓		✓		✓			
GREAT LAKES	✓	✓		✓		✓			

32/33 (32) (32) (31) 1

Consent - 1. Expenditure Approval

ISSUE: Approve Expenditures

RECOMMENDATION: I recommend approval

TIMING: Routine

BACKGROUND: The Board of Directors authorized the Executive Director to pay expenditures under \$10,000. The Executive Director submits the monthly expenditures to the Board for approval.

The total for Administration - \$47,337.61; Education - \$4,529.50
Household Chemical Waste - \$5,142.50; Recycling \$0;
Total expenditures for March 2013 - \$57,009.61

ENCLOSED DOCUMENTS: BOSS Account Analysis Report

STAFF: Lorin Buchta, Executive

SWALCO - MARCH 2013 EXPENDITURE BUDGET

SWALCO - Solid Waste Prog-SWALCO Administration-Regular Salaries And Wage---			
Budget Amount:	335,060.00	Funds Available:	232,553.89
		Beginning Balance for Period	76,828.30
		Total Expenditures	25,677.81
		Ending Balance for Period	102,506.11

SWALCO - Solid Waste Prog-SWALCO Administration-Part Time Salaries And Wa---			
Budget Amount:	40,100.00	Funds Available:	28,419.14
		Beginning Balance for Period	8,767.50
		Total Expenditures	2,913.36
		Ending Balance for Period	11,680.86

SWALCO - Solid Waste Prog-SWALCO Administration-Special Pay---			
Budget Amount:	16,680.00	Funds Available:	11,676.96
		Beginning Balance for Period	3,752.28
		Total Expenditures	1,250.76
		Ending Balance for Period	5,003.04

SWALCO - Solid Waste Prog-SWALCO Administration-Trips And Training---			
Budget Amount:	8,000.00	Funds Available:	7,571.74
		Beginning Balance for Period	328.26
		Total Expenditures	100.00
		Ending Balance for Period	428.26

SWALCO - Solid Waste Prog-SWALCO Administration-Gas For Heating---			
Budget Amount:	13,000.00	Funds Available:	9,194.72
		Beginning Balance for Period	2,500.92
		Total Expenditures	1,304.36
		Ending Balance for Period	3,805.28

SWALCO - Solid Waste Prog-SWALCO Administration-Electricity---			
Budget Amount:	11,000.00	Funds Available:	8,189.69
		Beginning Balance for Period	1,756.66
		Total Expenditures	1,053.65
		Ending Balance for Period	2,810.31

SWALCO - Solid Waste Prog-SWALCO Administration-Telephone---			
Budget Amount:	6,200.00	Funds Available:	4,367.84
		Beginning Balance for Period	1,307.77
		Total Expenditures	524.48
		Ending Balance for Period	1,832.36

SWALCO - Solid Waste Prog-SWALCO Administration-Printing Services---			
Budget Amount:	3,300.00	Funds Available:	2,759.98
		Beginning Balance for Period	266.64
		Total Expenditures	273.38
		Ending Balance for Period	540.02

SWALCO \ Solid Waste Prog-SWALCO Administration-H/L/D Employee Benefits---			
Budget Amount:	75,780.00	Funds Available:	51,913.12
		Beginning Balance for Period	17,864.94
		Total Expenditures	6,001.94
		Ending Balance for Period	23,866.88

SWALCO \ Solid Waste Prog-SWALCO Administration-Retirement Benefits/FICA---			
Budget Amount:	28,700.00	Funds Available:	20,645.79
		Beginning Balance for Period	5,876.59
		Total Expenditures	2,177.62
		Ending Balance for Period	8,054.21

SWALCO \ Solid Waste Prog-SWALCO Administration-Retirement Benefits/IMRF---			
Budget Amount:	44,230.00	Funds Available:	31,511.35
		Beginning Balance for Period	9,514.40
		Total Expenditures	3,204.25
		Ending Balance for Period	12,718.65

SWALCO \ Solid Waste Prog-SWALCO Administration-Miscell Contractual Servi---			
Budget Amount:	13,500.00	Funds Available:	7,644.00
		Beginning Balance for Period	1,800.00
		Total Expenditures	2,856.00
		Ending Balance for Period	4,656.00

SWALCO \ Solid Waste Prog-Education-Advertising---			
Budget	13,000.00	Funds	25,140.31
		Beginning Balance for Period	4,571.61
		Total Expenditures	4,529.50
		Ending Balance for Period	9,101.11

SWALCO \ Solid Waste Prog-Household Hazard Waste-Operational Supplies---			
Budget	12,500.00	Funds	6,387.30
		Beginning Balance for Period	1,071.58
		Total Expenditures	1,680.38
		Ending Balance for Period	2,751.96

SWALCO \ Solid Waste Prog-Household Hazard Waste-Consultants---			
Budget	138,800.00	Funds	41,640.64
		Beginning Balance for Period	8,048.09
		Total Expenditures	2,813.00
		Ending Balance for Period	10,861.09

SWALCO \ Solid Waste Prog-Household Hazard Waste-Garbage Disposal---			
Budget	5,900.00	Funds	2,845.45
		Beginning Balance for Period	372.00
		Total Expenditures	124.00
		Ending Balance for Period	496.00

SWALCO - Solid Waste Prog-Household Hazard Waste-All Other Maintenance And---			
Budget Amount:	24,150.00	Funds Available:	19,770.66
		Beginning Balance for Period	
		858.18	
		<i>Total Expenditures</i>	
		525.12	
		Ending Balance for Period	
		1,383.30	

TOTAL EXPENDITURES \$57,009.61

A – 1. Proposed Host Community Agreement With Groot Industries, Inc.

ISSUE: Whether to approve entering into a Host Community Agreement with Groot Industries, Inc. for proposed garbage transfer station to be located in Round Lake Park.

RECOMMENDATION: SWALCO staff recommends approval of entering into a Host Community Agreement with Groot. Due to timing issues, the Executive Committee was not able to review the draft document and provide a recommendation to the Board of Directors.

BACKGROUND: Since Groot's decision not to file a siting application back in November 2012, the County and SWALCO have been jointly negotiating host agreements with Groot. The attached final agreement is identical to the one the County Board will be considering at its meeting on April 9th, except for the switch in names. Groot also completed the life cycle assessment required by the *2009 Solid Waste Management Plan Update* and held the required public meeting on March 6, 2013. The Agreement acknowledges that the proposed garbage transfer station is consistent with the 2009 Plan.

The proposed Agreement also contains additional environmental safeguards, including:

- Daily litter patrols and litter removal within 1,500 feet of the transfer facility.
- Dust control measures including at least daily street sweeping within 1,000 feet of the transfer facility and a misting system within the building to control dust.
- An odor neutralization system as part of the misting system within the facility.
- To help address potential noise concerns, during the hours from 4 am to 8 am the transfer facility shall keep its doors closed except to allow for the arrival and departure of trucks.
- No outside storage of full transfer trailers, they must be stored within the building for no more than 24 hours, except on weekends and holidays.
- A commitment by Groot to fund the construction of de-acceleration turn lanes on Route 120.
- A commitment by Groot to implement a landscaping/aesthetic screening plan and to do so as substantially provided in an exhibit to the host agreement.

These safeguards are considered minimum measures and the host agreement acknowledges that the potential siting authority, Round Lake Park, is in no way limited by these measures in imposing more stringent or additional measures in its host agreement or as conditions upon siting approval.

Both Lake County and SWALCO will receive \$0.45 per ton on the first 600 tons per day and \$0.55 per ton for any tonnage exceeding 600 tons per day.

ENCLOSED DOCUMENT: Proposed Host Community Agreement

STAFF: Walter Willis, Executive Director

HOST COMMUNITY AGREEMENT

This Host Community Agreement is made this the ____ day of _____, 2013 by and between Groot Industries, Inc. (the "Company"), and the Solid Waste Agency of Lake County, IL ("SWALCO").

WITNESSETH:

WHEREAS, the Company desires to file with the Village of Round Lake Park, Illinois a request for siting approval to construct and operate a transfer facility (the "Transfer Facility") on some or all of the property that is legally described in Exhibit A (the "Subject Property"), which is attached hereto and made a part hereof; and

WHEREAS, the Company desires to provide certain benefits to SWALCO with respect to the Transfer Facility if the Transfer Facility obtains all required approvals and satisfies all conditions precedent set forth herein; and

WHEREAS, if the Village of Round Lake Park grants siting approval for the Transfer Facility, the Illinois Environmental Protection Agency issues appropriate and necessary permits for the development and operation of the Transfer Facility on the Subject Property, and the Transfer Facility is constructed, commences operations and receives waste, then the Company is willing to afford certain benefits as set forth herein to SWALCO; and

WHEREAS, SWALCO generally favors (in concept) properly designed and operated Transfer Facilities, which can be of great benefit and can facilitate and enhance

the clean, efficient, lawful, convenient and economical movement of municipal waste and recyclables from homes, businesses and industries; and

WHEREAS, all words used in this Agreement, which are not defined herein, but are defined in the Act and its corresponding regulations shall have the same definitions and meanings as found in the Act and its corresponding regulations in effect on the date of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, SWALCO, and the Company agree as follows:

1. INCORPORATION OF RECITALS

SWALCO and the Company agree that the foregoing recitals are material to this Agreement, and are hereby incorporated and made a part of this Agreement as if they were fully set forth herein.

2. DEFINITIONS

“Act” means the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.*

“Agreement” means this Host Community Agreement.

“Anniversary Date” means the date that Municipal Waste or Recyclables are first received at the Transfer Facility.

“Application” means the Company’s Application for siting approval for the Transfer Facility pursuant to Section 39.2 of the Illinois Environmental Protection Act (415 ILCS 39.2).

“Authorized Waste” means Municipal Waste, Landscape Waste and Recyclables as defined by Section 2 of this Agreement.

“Company” means Groot Industries, Inc. an Illinois corporation authorized to do business in Illinois.

“County” shall mean Lake County, Illinois, a local unit of government.

“Host Benefit Fee” means the per ton fee payable to SWALCO, commencing on the Anniversary Date, as more fully set forth in Section 6 herein.

“Host Benefit Fee Adjustment” means the upward adjustment of the Host Benefit Fee, as set forth in Section 6(c).

“Landscape Waste” means landscape waste as defined in Section 3.270 of the Act.

“Municipal Waste” means garbage, general household and commercial waste, industrial lunchroom or office waste, landscape waste, construction or demolition debris, in accordance with Section 3.290 of the Act. Further, the term municipal waste does not include any: 1) hazardous substance, as defined by Section 3.215 of the Act, 2) hazardous waste, as defined by Section 3.220 of the Act, 3) industrial process waste, as defined by Section 3.235 of the Act, 4) pollution control waste, as defined by Section 3.335 of the Act, 5) sludge, as defined by Section 3.465 of the Act, and 6) special waste, as defined by Section 3.475 of the Act. Municipal Waste includes non-hazardous industrial wastes.

“Operating Year” means the year commencing on the Anniversary Date.

“Parties” means the SWALCO, and Company.

“Recyclables” means any material, which would otherwise be disposed or discarded, which is separated from Municipal Waste at the source of generation or at the Transfer Facility so as to render it useable in a process, or alone, such that it can be returned to the economic mainstream in the form of raw materials or products.

“Subject Property” means the site described and shown in Exhibit A.

“SWALCO” shall mean the Solid Waste Agency of Lake County, Illinois, a unit of local government.

“Transfer Facility” means “transfer station” as defined by Section 3.500 of the Act, including the property on which the transfer station is located, which may include some or all of the property as described and shown in Exhibit A.

“Waste Subject to the Host Fee” means Municipal Waste, as defined herein, and any other material that is received by the Transfer Facility to the exclusion of only Landscape Waste and source-separated Recyclables collected curbside. Landscape Waste and source-separated Recyclables collected curbside shall be included within Waste Subject to the Host Fee if they are transported to a landfill or other disposal facility.

3. TERM OF AGREEMENT

This Agreement commences on the date of execution, and shall remain in force and effect until the Transfer Facility ceases to operate. The Company agrees to exercise all commercially reasonable efforts to operate the Transfer Facility for a minimum of twenty (20) years. In addition, this Agreement will terminate if: (1) the Company elects (in writing) to cease its efforts to site a transfer station on the Subject Property, (2) if the Company ceases to use all reasonable and timely efforts to site a transfer station on the

Subject Property, or (3) the Company ceases to use all reasonable and timely efforts to commence operation of the transfer facility after (if ever) it receives final, nonappealable siting approval for the transfer facility.

4. AUTHORIZED WASTE

The Transfer Facility shall receive only waste that is acceptable pursuant to permit issued by the Illinois Environmental Protection Agency, which is anticipated to include Municipal Waste, Landscape Waste, and Recyclables (“Authorized Waste”). The Transfer Facility shall not knowingly receive any hazardous substance or hazardous waste, as those terms are defined in the Act. If any waste, other than Authorized Waste, is received at the Transfer Facility, it shall be promptly removed from the waste stream and transferred to an appropriate facility to be legally recycled or disposed of within an appropriate timeframe or placed back on the vehicle that transported said waste to the Transfer Facility. “Authorized Waste” as defined herein shall include Recyclables.

5. HOST BENEFIT FEE

a. Host Benefit Fee. The Company shall pay SWALCO a Host Benefit Fee, commencing on the Anniversary Date and continuing thereafter for the term of this Agreement on each ton of Waste Subject to the Host Fee as defined herein. The Host Benefit Fee shall be calculated in accordance herewith. Such Host Fee shall be paid in lieu of any other solid waste surcharge or assessment otherwise allowed by county, state or federal law (including, but not limited to Section 22.15(j) of the Act) to be assessed against the Company or the Transfer Facility, but shall not preclude SWALCO from assessing and collecting (or attempting to assess and collect) any such fees or surcharges from the operator of a landfill in Lake County to which such Waste is sent for disposal.

SWALCO agrees that it will neither levy nor collect, or attempt to levy or collect any additional fees or taxes, or increase the amount of fees or taxes impacting the Company, the Company's property or any of the operations conducted thereon, provided, however, that the foregoing restriction on the levy and collection of any additional fees or taxes by the SWALCO shall not apply to: (i) any fee or tax which is uniformly assessed upon all members of a class of taxpayers of which the Company is a member (other than a class of taxpayers based on ownership or operation of a waste transfer station or solid waste management facility), (ii) real estate taxes, (iii) ad valorem taxes similarly assessed on other property or operations, (iv) utility taxes (v) telecommunication taxes, (vi) any other fee or tax which the Company is obligated to pay pursuant to county, state, or federal law, or pursuant to the laws or regulations of any governmental entity with jurisdiction. If, despite the aforesaid, SWALCO levies, collects or attempts to levy or collect a fee or tax prohibited by this Agreement, the Company, may (subject to SWALCO's right to challenge the propriety of any such deduction/offset), elect to pay any such fee or tax, with written notice to SWALCO and deduct the amount thereof from any Host Benefit Fee payable to SWALCO pursuant to the terms and conditions of this Agreement.

b. Calculation. The Company shall pay SWALCO a Host Benefit Fee on each ton of Waste Subject to the Host Fee in accordance with the following schedule:

Table A. Host Benefit Fee Schedule	
Daily Volume of Waste Subject to the Host Fee	Per Ton Fee
0 – 600 tons per day	\$.45
601 tons and above	\$.55

The Host Benefit Fee shall be calculated on a daily basis, and paid on a quarterly basis, and applied to each ton of Waste Subject to the Host Fee during the previous quarter of each Operating Year. Each such quarter shall coincide with SWALCO's fiscal year, which runs from December 1st of each year to November 30th of the following year. Operating days shall be determined as follows: each operating day Monday through Friday shall count as one (1) operating day, and Saturday shall count as one half (1/2) operating day.

The Host Benefit Fee shall not apply to any Recyclables or Landscape Waste transferred through the Transfer Facility that do not fall within the meaning of Waste Subject to the Host Fee, or to any waste accepted from SWALCO at no charge to SWALCO pursuant hereto, where such material would otherwise fall within the definition of Waste Subject to the Host Fee.

c. Host Benefit Fee Adjustment. The Host Benefit Fee shall be adjusted on an annual basis after the first three (3) years from the Anniversary Date of the Agreement by the percentage change during the previous calendar year in the Revised Consumer Price Index for All Items (Chicago-Gary-Kenosha) published by the United States Department of Labor Statistics, which shall not exceed three percent (3%) in any given calendar year. The Annual Host Fee adjustment shall be capped at three percent (3%) through the tenth (10th) year from the Anniversary Date of this Agreement. Thereafter the Annual Host Benefit Fee adjustment shall be capped at five (5%) percent. However, if the percentage change and the CPI is negative, it shall be treated as being unchanged. Should, at any time, such calculation in Exhibit B become impossible, the parties shall negotiate in good faith to agree on an alternative method as close as reasonably possible

in terms of results to that provided in Exhibit B. SWALCO shall have the right to inspect, audit and contest any determination made by the Company that the Host Benefit Fee was not payable on any material transported from the Transfer Facility. SWALCO may dispute any payment statement submitted by the Company within two (2) years of receipt of such statement. In any such dispute, the Parties agree that if the Company has failed to maintain the records required under this Agreement, the Company shall carry the burden of proving that the Host Benefit Fee was not payable on said material. During the pendency of any dispute, the Company shall under any circumstances and in all events pay the undisputed portion of any such Host Benefit Fee.

d. Payment. The Host Benefit Fee shall be payable to SWALCO on a quarterly basis. Each quarter upon which the Host Benefit Fee is calculated shall coincide with SWALCO's fiscal year, which runs from December 1st of each year to November 30th of the following year. Such quarterly payments shall be paid to SWALCO by the 30th day following the end of each quarter. Each payment shall be accompanied by a report documenting the data and methodology used to determine the payment amount.

6. WEIGHING OF TRANSFER STATION RECEIPTS

For the purpose of calculating the Host Benefit Fee, the Company shall maintain and operate a certified scale, which shall be inspected and certified by the State of Illinois at the expense of the Company, at least once each calendar year.

7. RECORDS

a. The Company shall maintain daily records of the amounts and types of Authorized Waste received at the Transfer Facility. Such records shall be maintained for

a period of at least two (2) years. Such records shall include disposal tickets or logs, showing the amount in tons of Authorized Waste brought into the Transfer Facility, recycled material and/or other materials recovered from such Authorized Waste, and Waste Subject to the Host Fee for each truck transferring material from the Transfer Facility. In addition, records shall be kept and shall be provided to SWALCO upon written request regarding: (i) the hours of operation of the Transfer Facility, and (ii) the amount of the Host Benefit Fee payable on each ton of Waste Subject to the Host Fee in each calendar quarter, and the total Host Benefit Fee payable during each calendar quarter.

b. SWALCO shall have the right to audit the records of the Company upon five (5) business days notice. At SWALCO and the County's discretion, the audit may be performed by an accountant or other consultant selected by SWALCO and the County.

c. The Company covenants and agrees to fully cooperate with SWALCO and its designee during any audit and/or inspection, to respond timely and fully to any questions or request, and to make pertinent Company employees available for interviews.

d. Where such audit determines that the Company has underpaid the Host Benefit Fee, the Company shall pay the reasonable cost of the audit if the Company has underpaid by 5% or more.

Upon reasonable notice, SWALCO, its authorized agents and representatives shall be permitted to inspect such records maintained by the Company. SWALCO shall also be permitted to inspect any and all records maintained by the Company concerning the Waste Subject to the Host Fee, compliance with this Agreement, and/or compliance with any and all applicable federal, state and local laws, statutes, regulations, rules and/or

ordinances relating to the operation of the Transfer Facility. The Company shall provide digital or hard copies of any records at its cost if requested by SWALCO.

8. ENVIRONMENTAL BENEFITS

The Transfer Facility will reduce the amount of emissions otherwise generated by packer trucks by reducing the number of miles packer trucks need to travel within and around Lake County transporting waste for ultimate disposal. Reduced packer truck miles will also result in less wear and tear on Lake County roads, and also reduce the overall traffic impact and environmental impact of packer trucks within Lake County.

9. LAKE COUNTY SOLID WASTE MANAGEMENT PLAN

The 2009 *Solid Waste Management Plan Update for Lake County, Illinois* sets forth recommendations related to the development of transfer stations. For purposes of the Application for the Transfer Facility, the questions identified in Recommendation T.5 may be addressed by the Company in any section of the Application, provided that a table of reference is also included in the Plan Consistency portion of the Application.

SWALCO has reviewed the life cycle assessment model prepared on behalf of the company and attended and participated in the public meeting hosted by the Village of Round Lake Park on March 6, 2013. SWALCO finds that life cycle assessment model and this Agreement fulfill the requirements of Recommendation T.6 and Recommendation A.1 of the 2009 *Solid Waste Management Plan Update for Lake County, Illinois*, and the proposed Transfer Facility is therefore consistent with Recommendation T.6 and Recommendation A.1 of the Lake County Solid Waste Management Plan.

10. COMPLIANCE WITH LAWS

The Company shall strictly comply with all applicable laws, regulations and ordinances, as well as all final and non-appealable conditions of site location approval pursuant to Section 39.2 of the Act (should it be approved by the Village), as well as the terms, conditions, and requirements of any permit that is issued for the development and operation of the Transfer Facility and the terms and provisions of this Agreement.

11. TRANSFER FACILITY CONTROL MEASURES

a. Litter Control. The Company shall control litter by discharging and loading all waste within the enclosed portion of the Transfer Facility. The Company shall use its best efforts to assure that vehicles hauling waste to, or removing waste from the Transfer Facility shall be suitably covered so as to prevent waste from leaving the vehicles. A fence to aid in the interception of any blowing litter shall surround the Transfer Facility. The Company shall diligently patrol the Subject Property during hours of operation to collect any litter. In addition, the Company shall abide by the litter control plan approved by the Village of Round Lake Park as a result of the siting process. At a minimum the Company will diligently patrol and remove litter from the Subject Property, all property owned or controlled by the Company, and public street and corresponding right-of-way within 1,500 feet of the Subject Property on a daily basis. In addition, the Company shall, at a minimum, patrol and remove litter from property within five hundred (500) feet of the aforesaid public streets and corresponding rights-of-way with the permission of the owner of said property, which permission the Company will diligently attempt to obtain.

b. Dust Control. All access drives, parking areas, storage areas and vehicle-maneuvering areas on the Subject Property shall be paved. The Company agrees to

provide a street sweeper to remove mud and dust tracked on to hard surfaces inside and outside the Transfer Facility, on property owned or controlled by the Company as well as well as public roads and right-of-ways included within the roadway boundaries within, at a minimum, one thousand (1,000) feet of the Subject Property on an as needed basis, but not less frequently than daily. Further a misting system shall be provided to help control dust inside the transfer building.

c. Odor Control. The Company agrees to conduct all waste handling and transfer operations completely indoors and will not emit any noticeable odor beyond the Transfer Facility boundary. The Company further agrees to have the tipping floor free of waste by the end of each operating day and incorporate appropriate odor controls within the Waste Transfer Station Building. Further, an odor neutralization system shall be provided, which system shall be included within the facility's misting system.

d. Noise Control. All equipment utilized for operations shall be equipped with mufflers or other sound suppressing devices required for compliance with applicable State statutes and regulations. Transfer Station Building doors will remain closed each day from the hours of 4:00 am to 8:00 am, and shall only be opened during this time period to allow for the arrival and/or departure of vehicles to and from the Transfer Station Building.

e. Rodent/Vector Control. The Company shall retain a pest control service on an on-going basis to address the potential for infestation by rodents and other vectors, whereby such service shall inspect the Transfer Facility on an as needed, but no less than monthly, basis.

f. Fire Control and Prevention. The Transfer Facility shall be equipped with a sprinkler system that is designed in accordance with the requirements of the Greater Round Lake Fire Protection District.

g. Storage. No waste or other material shall be left on the floor inside the transfer building or outside the transfer building on the Subject Property overnight. Waste may be kept temporarily in transfer trailers for no more than 24 hours (except on weekends and holidays), provided that such trailers are stored indoors and suitably covered. Empty transfer trailers may be stored outdoors for no more than 24 hours (except on weekends and holidays). No outside storage of empty roll-offs, other waste containers, and/or packer trucks shall be allowed other than necessary to meet the ongoing operational needs and requirements of the Subject Property.

h. Traffic. The Company shall ensure that the Subject Property contains adequate queuing space for vehicles waiting to access the Transfer Station Building. In addition, the Company shall (at its own expense) install such de-acceleration turning lanes as are necessary to minimize the impact on existing traffic flows.

i. Landscaping/Aesthetic Screening. The Company shall (at its own expense), implement a landscaping/aesthetic screening plan substantially the same as included and depicted in Exhibit C which is attached hereto and incorporated herein by this reference.

j. Minimum Measures. The various control measures contained herein represent minimum control measures which in no way limit the ability of the siting authority to impose further conditions upon siting approval, and/or limit the application of or ability of the primary host community to take any action regarding a nuisance and/or enforce any applicable law, ordinance or regulation.

k. The Company shall conduct all operations in a manner that does not cause a nuisance and is protective of the public health, safety, welfare and the environment.

12. INDEMNIFICATION

To the fullest extent permitted by law, the Company hereby agrees to defend, indemnify and hold harmless the SWALCO, its officials, agents and employees, against all injury in any way related to the Transfer Facility or the operation thereof, including, but not limited to all harm, deaths, loss, damages (personal or property), claims, suits, proceedings (administrative, judicial or otherwise), liabilities, judgments, costs of defense, expenses and fees including, but not limited to, attorney and expert fees, (all hereinafter collectively referred to as "injuries") which may in anyway accrue against the SWALCO, its officials, agents and employees, regardless of whether those injuries result in whole or in part as a consequence of any action or approval by SWALCO or the acts or conduct of the Company, or its successors or assigns, its employees, agents, or subcontractors.

13. INSURANCE

The Company shall purchase and maintain or cause to be purchased and maintained in full force and effect at all times on and after the construction of the Transfer Facility and continuing at all times that waste is received at the Transfer Facility for the term of this Agreement the following insurance coverages:

- a. Commercial General Liability insurance in an amount not less than \$1,000,000 per occurrence and a combined limit of \$2,000,000.
- b. Excess liability insurance covering claims in excess of the underlying insurance described in Section 15 (a) above, with a \$3,000,000 minimum limit.

c. Workers Compensation Insurance as required by Illinois law and regulations.

d. Employer's Liability Insurance in the amount of \$1,000,000 per accident

e. Environmental Impairment and Liability Insurance (both onsite and offsite) in an amount not less than \$1,000,000 per occurrence and a combined limit of \$2,000,000 in the aggregate.

14. NOTICES

Any notices to be given hereunder by either party to the other shall be in writing and be sent by personal delivery, by overnight delivery service or by registered or certified mail, postage prepaid, return receipt requested. Such notice shall be deemed communicated when delivered or two (2) business days from the date of mailing whichever is earlier. Notices shall be addressed as set forth below, but each party may change its address by written notice to the other in accordance with this Section.

TO SWALCO AT:

Executive Director
SWALCO
1311 N. Estes Street
Gurnee, IL 60031

TO THE COMPANY AT:

Lee Brandsma
CEO
Groot Industries, Inc.
2500 Landmeier Road
Elk Grove Village, IL 60007-2627

15. ASSURANCE OF PERFORMANCE AND GUARANTEE

The Company shall take in timely fashion all steps that are necessary to insure the prompt and complete performance and satisfaction of all liabilities, obligations, payments and duties of any type, kind or sort which may arise by operation of federal, state and local statute, law, rule, directive, ordinance or mandate, as well as the terms and conditions of this Agreement.

16. COVENANTS RUN WITH THE LAND

The parties agree that the covenants, agreements and understandings contained in this Agreement, including without limitation the obligation to pay the Host Benefit Fee, touch and concern the Subject Property, and that such covenants, agreements, and understanding shall run with the Subject Property and any nonpayment hereunder shall constitute a lien on the Subject Property. The Company agrees that SWALCO may prepare, and the Company shall promptly execute duplicate originals of an instrument, in recordable form, which will constitute a memorandum of Host Community Agreement, attaching an executed copy of this Agreement as an exhibit, and record such Memorandum in the Office of the Lake County, Illinois Recorder of Deeds.

17. PRIORITY GIVEN TO LAKE COUNTY WASTE

Commencing with the first day of operation and receipt of waste at the Transfer Facility, and continuing thereafter until the Transfer Facility ceases to operate and accept waste, the Company shall give priority to waste received from Lake County.

18. COMMENCEMENT OF OPERATIONS

Unless otherwise agreed to in writing, the parties agree that operation of the Transfer Facility and initial receipt of waste at the Transfer Facility shall not commence/start earlier than June 1, 2016.

19. SEVERABILITY

If a court of competent jurisdiction holds or adjudges any provision of this Agreement invalid, said judgment shall not affect, impair or invalidate the remainder of this Agreement, but shall be confined in its operation to the provision, clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of this Agreement that this Agreement would have been approved had such invalid provision, clause, sentence, paragraph, section, or part thereof not been included.

No amendment, modification or changes to this Agreement shall be effective unless the same shall be in writing and duly executed by SWALCO and the Company.

20. GOVERNING LAW AND VENUE

The laws of the State of Illinois shall govern this Agreement. Venue for the purposes of any dispute which may arise between SWALCO and the Company, shall be deemed to be the Circuit Court in and for Lake County, Illinois.

21. FORCE MAJEURE

Neither SWALCO or the Company shall be liable for its failure to perform under this Agreement to the extent due to contingencies beyond its reasonable control, including, without limitation, strikes, riots, war, fire, acts of God, compliance with any law, regulation or order, whether valid or invalid, of the United States of America or any

other governmental body or any instrumentality thereof, whether now existing or hereafter created.

22. AUTHORITY TO ENTER INTO AGREEMENT

SWALCO and the Company hereby represent and warrant to each other that the individuals executing this Agreement in their official capacities have been duly authorized and empowered to sign this Agreement. SWALCO shall provide the Company with a certified copy of the ordinance of its Board authorizing the execution of this Agreement by the undersigned representatives of SWALCO. The Company shall provide the SWALCO with a copy of the corporate resolution authorizing the execution of this Agreement by the undersigned representatives of the Company.

IN WITNESS WHEREOF, SWALCO and the Company have caused this Agreement to be executed by their duly authorized representatives on the day and year written above.

SWALCO

By: _____

Its: _____

GROOT INDUSTRIES

By: _____

Its: _____

EXHIBIT A

SUBJECT PROPERTY DESCRIPTION

THAT PART OF LOT 5 IN LEO DEMEYER'S FIRST ADDITION TO ROUND LAKE PARK, BEING A SUBDIVISION OF PART OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 28 AND PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 45 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 20, 1957 AS DOCUMENT NO. 965885 IN BOOK 34 OF PLATS ON PAGE 34, BOUNDED BY A LINE DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 5; THENCE SOUTHWESTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 5 ALSO BEING THE NORTHERLY RIGHT OF WAY LINE OF STATE ROUTE NO. 120, A DISTANCE OF 481.52 FEET; THENCE NORTHWESTERLY AT AN ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AS MEASURED FROM EAST TO NORTH FROM THE SOUTHERLY LINE OF SAID LOT 5, ALONG THE EASTERLY RIGHT OF WAY LINE OF PORTER DRIVE, A DISTANCE OF 340.45 FEET, TO A POINT OF CURVATURE; THENCE NORTHERLY ALONG THE EASTERLY RIGHT OF WAY LINE OF SAID PORTER DRIVE, BEING A CURVED LINE, HAVING A RADIUS OF 437.72 FEET, AND BEING CONCAVE NORTHWESTERLY, A DISTANCE OF 15.50 FEET TO A CURVE; THENCE NORTHERLY ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1010.00 FEET, TANGENT TO A LINE FORMING AN ANGLE OF 161 DEGREES 24 MINUTES 10 SECONDS FROM A LINE TANGENT TO THE LAST DESCRIBED CURVE AT THE LAST DESCRIBED POINT (MEASURED CLOCKWISE THEREFROM) FOR A DISTANCE OF 48.13 FEET TO A LINE WHICH IS 772.55 SOUTHERLY OF AND PARALLEL WITH THE NORTH LINE OF SAID LOT 5; THENCE EASTERLY ALONG SAID PARALLEL LINE 563.47 FEET TO THE EAST LINE OF SAID LOT 5; THENCE SOUTHERLY ALONG SAID EAST LINE OF SAID LOT 5 BEING THE EAST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 250 FEET TO THE POINT OF BEGINNING, IN LAKH COUNTY, ILLINOIS.

EXHIBIT B

The Consumer Price Index can currently be accessed from the United States Department of Labor, Bureau of Labor Statistics, website at the following address:

<http://bls.gov/cpi/#data>

The index pertaining to the Chicago-Gary-Kenosha, IL-IN-WI Area can be found under this "CPI Databases" section of the webpage. Select the "one-screen data search" option for the first database named "All Urban Consumers (Current Series)."

Upon opening the database search box, select "Chicago-Gary-Kenosha, IL-IN-WI" as the Area (listed under the "Midwest urban" category). For the Item, select "All items less food and energy." Click the "Not Seasonally Adjusted" box, and then the grey "Get Data" button. This will pull up the monthly CPI data values for the Chicago-Gary-Kenosha MSA.

To calculate the percentage increase over the past calendar year, the following formula will be used:

$$\left(\frac{CPI_{cm}}{CPI_{pm}} - 1 \right) \times 100 = INF_{cy}$$

Where:

CPI_{cm} = Index value for the current month

CPI_{pm} = Index value for the same month, one calendar year prior

INF_{cy} = The percentage rate of inflation over the prior calendar year

For example, the percentage increase that occurred in the Core CPI for Chicago-Gary-Kenosha over the calendar year from January 2011 to January 2012 was approximately 1.209 percent. This is calculated as follows:

$$\left(\frac{221.403}{218.759} - 1 \right) \times 100 = 1.20625688$$

Where:

CPI_{cm} = Index value for the current month (Jan 2012) = 221.403

CPI_{pm} = Index value for the same month, one calendar year prior (Jan 2011) = 218.759

INF_{cy} = The percentage rate of inflation over the calendar year (Jan 2011 - Jan 2012) = 1.209

(b)(7) (E) (1) (i) (ii) (iii) (iv) (v) (vi) (vii) (viii) (ix) (x) (xi) (xii) (xiii) (xiv) (xv) (xvi) (xvii) (xviii) (xix) (xx) (xxi) (xxii) (xxiii) (xxiv) (xxv) (xxvi) (xxvii) (xxviii) (xxix) (xxx)

A – 2. Proposed Increase in the Operations & Maintenance Fee

ISSUE: Whether to approve a one-time increase in the annual Operations & Maintenance Fee from \$1.00 per household per year to \$1.24 per household per year effective this fiscal year and \$1.25 per ton for future fiscal years.

RECOMMENDATION: SWALCO staff and the Executive Committee recommend approval of increasing the O&M Fee with its recommendation to approve the FY 2013 budget which included an increase in the O&M Fee.

BACKGROUND: On March 22, 2007 the SWALCO Board of Directors approved the establishment of an Operations and Maintenance (O&M) Fee to help fund the operations of the Agency. This was based on the recommendation of the Finance Committee that studied the Agency's funding situation during 2006. Prior to the establishment of the O&M fee the Agency had been able to fund all its operations with the revenue from the landfill surcharge fee. But with the declining landfill surcharge fees, the Agency was forced to make personnel cuts (the PIO position went from full-time to part-time) and other cuts to its expenditures. It was also felt that the O&M fee would provide a more permanent funding source as the landfill surcharge revenues continued to decline until the landfills ultimately close and cease paying any surcharge fees.

In October of 2011 both the Executive Committee and Board of Directors stressed that the Agency needed to find a way to balance its budget. This September, SWALCO staff first shared the proposed budget for FY 2013 with the Executive Committee in an information item which did not include a balanced budget (it had a deficit of \$52,700), which was not acceptable to the Executive Committee. After discussing the issue at its September and October Board meetings, the Executive Committee voted in favor of the proposed FY 2013 budget, which included an increase in the O&M Fee to \$1.25 per household per year.

In accordance with Section 9.2 of the SWALCO intergovernmental agreement any annual costs for operation and maintenance must be established and approved by the Board of Directors by an affirmative vote of $\frac{3}{4}$ of the members of the Agency at that point in time. We currently have 42 members in good standing (this does not include Waukegan) and a $\frac{3}{4}$ vote requires an affirmative vote in favor of increasing the fee by 32 members.

At its meeting on November 29, 2012 the Board was unable to vote on this action item due to only 31 members attending the meeting. At the January 24, 2013 meeting the action item motion fell one vote short, 31 in favor and 1 opposed. That necessitated a change in the O&M fee recommendation contained in this action item to \$1.24 for this fiscal year and \$1.25 in future fiscal years.

Evaluation of Options. Several members contacted Walter Willis after he sent out an email to the members regarding the need to discuss the O&M Fee with their boards/councils prior to the meeting on November 29, 2012. There was some confusion and concern expressed. Below is a summary of the comments/concerns received (with a reply provided in parenthesis):

1. Not clear if the fee is set to increase only once by \$0.25 or if it will go up each year by \$0.25. (The fee will increase once by \$0.25, any future increases in the fee must be approved by ¾ vote of the Board.)
2. Invoicing by SWALCO needs to occur after May 1st to avoid problems with local budgets that are on the May fiscal year. (SWALCO plans to invoice the O&M Fee after May 1st of 2013)
3. SWALCO needed to prepare an option that outlines cuts to expenditures to achieve a balanced budget as opposed to just one option of increasing the O&M Fee. (An alternative for budget cuts is outlined in the item.)

The Executive Committee and the Executive Director of SWALCO have worked hard over the past several years to reduce the deficit and achieve a balanced budget. We have been able to cut expenditures by 12 % since FY 2008, but revenues have dropped by 16% over the same time period. Increased recycling/composting and the economic situation have contributed to a significant drop in landfill tonnage and associated fees. That said, there is still the option to make further cuts in order to balance the budget.

The budget approved by the Board last month included estimated revenues of \$1,038,750 and expenditures of \$1,041,050 (which included a one-time expenditure of \$20,000 for the RecycleFirstTrashLast campaign). If it assumed the O&M Fee is not increased the projected revenues are \$991,750 and expenditures are \$1,041,850 (increased by \$800 due to the County Board approving a 2.75% increase in salaries as opposed to a 2.5% increase that was assumed for the budget that was approved by the Board) for a projected deficit of \$50,100. Listed below are cuts that will balance the budget by reducing expenditures by \$50,100:

1. Reduce the RecycleFirstTrashLast expenditure by \$15,000.
2. Reduce staff travel to conferences by \$1,100.
3. Eliminate all advertising in newspapers for our collection events by \$3,000.
4. Reduce miscellaneous spending for recycling events by \$4,000 by eliminating the purchase of special event collection containers for our members.
5. Eliminate two mobile collection events and reduce costs by \$27,000.

The five year budget trend presented to the Board last month shows expenditures exceeding revenues by FY2016 even if we increase the O&M Fee to \$1.25. We can make cuts to expenditures as outlined above in FY 2013, but the following year we will be facing more cuts to core programs. Over the past several years the Agency has done a good job of reducing costs, without significantly impacting our core programs. Without new revenues, continued cuts will be necessary to the core programs and possibly staff.

ENCLOSED DOCUMENT: None

STAFF: Walter Willis, Executive Director

I – 1. Elections to the Executive Committee

BACKGROUND: The two year terms of four Executive Committee members elected by the Board of Directors are set to expire in April, or until new elections have been held. Following the procedures we used last year to elect members of the Executive Committee this information item is being presented at the April meeting and final elections will be held at the June 27, 2013 meeting of the Board.

The members of the Executive Committee whose two year terms are expiring are:

Mike Ellis - Grayslake
Joe Napolitano – North Chicago
John Wagener – Green Oaks
Tony Blumberg – Highland Park

All four have indicated a willingness to be elected again for a two year term. This does not preclude others who may be interested in serving on the Executive Committee from requesting an election to the Committee (we must however elect at least one member from either North Chicago or Highland Park, to join Mundelein, to be in compliance with our intergovernmental agreement which states we must have 2 members with 30,000 or more residents). If we do get other members who are interested in being elected we will randomly draw names to determine the four nominees for election at the meeting on June 27, 2013. Please send me an email by June 3, 2013 if you are interested in being elected to the Executive Committee (except those listed above, it is assumed you have been added to the pool of nominees).

ENCLOSED DOCUMENTS: None

STAFF: Walter Willis, Executive Director

I-2. 4th Quarter 2012 Recycling and Per Ton Payment Report

BACKGROUND: Attached are the reported tabulations of curbside recyclable material tonnage, by member community, for the fourth quarter of 2012. Tonnage totals are reported both by month and quarter for the calendar year. The information is provided by the waste hauling companies servicing customers in Lake County.

2010 and 2011 tonnage figures are also listed for comparison purposes. In 2012, 58,158 tons of recyclables were collected from Lake County communities. Compared to the previous year, Lake County communities have experienced a 6.5% decline (62,110 tons) and 1% decline as compared to 2010 (58,677 tons).

Staff believes that the decline experienced in 2012 was due to economic conditions, consumer behavior and light weighting of consumer products. These conclusions are supported by the fact that overall waste disposal rates for our communities have been tracking downward at a comparable rate as illustrated in the attached graph titled Waste and Recycling Comparison 2010 – 2012.

Market values, of most recyclable material grades remained flat during the fourth quarter. The soft commodity values caused declines in Agency Member Per Ton Payments, with October and November dropping to \$7.50 per ton and December slumping to \$5.00 per ton. Due to the December index hitting the \$5.00 per ton value, SWALCO did not receive the \$1.00 per ton Agency Rebate for that month, reflecting a loss in revenue of \$3,487.78.

Additionally, the Agency agreement with Waste Management Recycle America (WMRA) stipulates that if in a particular twelve month period, the volume of directed materials drops below five percent of that directed in the previous year, WMRA reserves the right to decrease the amount of the Agency Rebate by \$0.50 for the current year.

Since the total volume of directed recyclables declined from 44,922.08 in 2011 to 41,326.04 in 2012, representing an eight percent decline in directed volume, the Agency may see its rebate drop from \$1.00 per ton to \$0.50 per ton for 2013. In the event that the volume of material directed in 2013 returns to within 95.1% of the baseline level established in 2011, then the Agency rebate for 2014 will ramp up to \$1.50 per ton. Please see the attached section 3.01 i. from Amendment 1 of the Capacity Agreement for further explanation.

Within our Agreement with WMRA is a provision that provides a \$1.00 per ton increase to our members rebate for 2013. For example, in 2012 if the blended index value for a given month was in the range of \$70.00 to \$79.99 then the member rebate was \$7.50 per ton. In 2013 that same range yields an \$8.50 per ton rebate.

The early months of 2013 are looking more favorable for the recyclable commodities values. Staff has confirmed that the index rebate will be \$8.50 per ton for each of the three months in the first quarter of 2013.

In mid January, Advanced Disposal completed distribution of 64 gallon recycling carts in the City of North Chicago. In February, the Village of Round Lake Park awarded a new residential service contract to Groot Industries replacing Advance Disposal.

ENCLOSED DOCUMENTS: Municipal Summary Table - 2012 Recycling Volumes; Waste and Recycling Comparison Table; SWALCO Members Per Ton Payment Summary; 4th Qtr. 2012, Calculation for SWALCO Contract Rebate Q4 2012; Section 3.01 i from the Capacity Agreement Amendment 1.

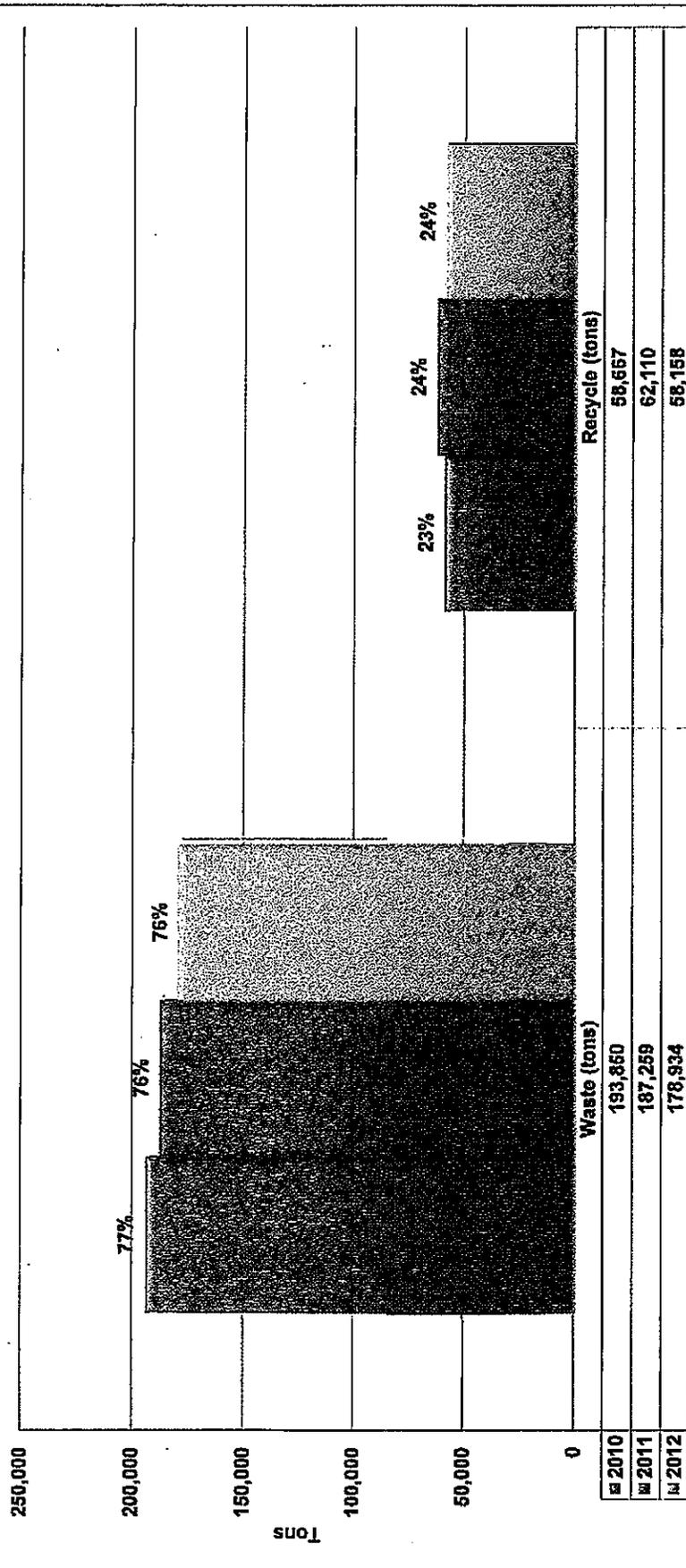
STAFF: Peter Adrian, Recycling Coordinator.

Solid Waste Agency of Lake County
Municipal Summary - 2012 Recycling Volume
(as reported by haulers)

MUNICIPALITY	SERVICE PROVIDER	Oct 2012	Nov 2012	Dec 2012	4th Qtr 2012 TOTAL	3rd Qtr 2012 TOTAL	2nd Qtr 2012 TOTAL	1st Qtr 2012 TOTAL	2012 TOTAL	2011 TOTAL	2010 TOTAL
ANTIOCH*	Waste Management, Antioch	83.20	96.80	95.90	275.90	310.50	336.00	313.00	1,235	1,364	1,368
BEACH PARK	Veolia, Waukegan	2.30	1.50	1.80	5.50	4.80	7.80	5.00	23	35	69
BEACH PARK	Waste Management, Antioch	2.20	3.30	3.00	8.50	7.50	8.20	6.60	31	33	26
BEACH PARK	Groot Industries	30.94	41.42	39.29	111.55	104.55	99.08	90.55	406	442	374
BEACH PARK	TOTAL	35.44	46.22	44.09	125.75	116.85	115.08	102.15	460	510	469
DEERFIELD*	Waste Management, Wheeling	257.75	236.92	188.74	683.41	647.76	681.28	795.12	2,809	2,675	
DEERFIELD*	Veolia, Northbrook									502	2,310
DEERFIELD*	TOTAL	257.75	236.92	188.74	683.41	647.76	681.28	795.12	2,809	3,177	2,310
DEER PARK*	Groot Industries	43.34	42.85	45.26	131.25	116.35	116.11	110.91	475	498	504
FOX LAKE*	Waste Management, Antioch	69.30	86.10	80.40	235.80	226.10	247.30	178.80	888	921	540
GRAYSLAKE*	Waste Management, Antioch	190.30	198.50	199.10	587.90	570.50	619.00	576.80	2,352	2,554	2,426
GRAYSLAKE Drop-Off	Waste Management, Antioch	5.57	7.06	7.19	19.82	20.83	16.46	14.49	72	106	91
GRAYSLAKE*	TOTAL	195.87	205.56	206.29	605.72	591.33	635.46	591.29	2,424	2,660	2,517
GREEN OAKS*	Groot Industries	57.93	51.73	59.90	169.56	157.76	170.66	222.57	721	675	661
GRUNEE*	Waste Management, Antioch	236.20	277.90	267.40	781.50	727.60	752.20	708.80	2,970	3,067	3,174
HAINESVILLE*	Veolia, Waukegan	23.60	24.50	22.90	71.00	66.70	69.50	61.30	269	260	230
HAWTHORN WOODS*	Waste Management, Wheeling	113.87	122.74	107.74	344.35	313.63	337.34	454.10	1,449	2,003	1,729
HIGHLAND PARK*	Veolia, Northbrook	432.61	405.44	360.78	1,198.73	1,194.57	1,152.62	1,067.85	4,814	4,458	4,274
HIGHWOOD*	Veolia, Northbrook	27.88	24.65	22.69	75.21	75.01	73.77	51.89	276	239	328
ISLAND LAKE*	Waste Management, Antioch	74.80	77.70	73.00	225.50	216.80	267.90	223.40	930	995	928
KILDEER*	Waste Management, Wheeling	60.09	52.54	52.65	165.28	153.31	167.71	189.47	676	800	644
LAKE BARRINGTON	Waste Management, Antioch	53.50	58.40	57.80	169.70	151.00	182.20	136.96	640	701	683
LAKE BLUFF*	Groot Industries	96.25	86.47	96.15	278.87	246.51	251.31	222.57	999	1,015	993
LAKE BLUFF Drop-Off	Groot Industries	4.55	4.47	4.87	13.89	16.36	14.33	12.50	57	72	62
LAKE BLUFF*	TOTAL	100.80	90.94	101.02	292.76	262.89	265.64	235.07	1,056	1,087	1,055
LAKE FOREST*	Municipal Collection	268.57	281.06	289.43	819.06	716.29	729.76	638.92	2,904	2,676	2,509
LAKE VILLA*	Waste Management, Antioch	45.60	52.30	60.40	148.30	127.00	143.40	125.10	544	573	561
LAKE ZURICH*	Waste Management, Wheeling	236.48	247.08	223.66	707.23	664.73	678.18	738.76	2,789	3,243	2,775
LIBERTYVILLE*	Groot Industries	223.42	241.53	228.72	693.67	614.41	639.39	597.04	2,545	2,653	2,608
LINCOLNSHIRE*	Waste Management, Wheeling	79.85	65.24	54.98	200.17	200.65	210.07	277.92	889	1,218	924
LINDENHURST*	Groot Industries	151.03	135.19	152.69	438.91	395.69	415.61	377.43	1,628	1,639	1,613
LONG GROVE	Waste Management, Wheeling	88.96	107.17	99.18	295.31	260.53	259.30	289.60	1,105	1,258	938
MUNDELEIN*	Groot Industries	266.22	286.09	264.31	816.62	778.80	797.36	701.06	3,094	3,025	3,060
NORTH BARRINGTON	Waste Management, Antioch	27.60	32.40	32.70	92.70	87.70	124.10	123.30	428	474	441
NORTH CHICAGO	Veolia, Waukegan	20.40	20.40	25.50	66.30	45.90	113.40	69.70	295	546	602
GLNTC Housing	Waste Management, Antioch	12.20	15.10	19.50	46.80	42.30	39.80	41.50	170	178	133
PARK CITY*	Groot Industries	10.54	8.13	11.40	30.07	26.92	25.27	23.07	105	91	138
PORT BARRINGTON*	Waste Management, Antioch	9.60	9.80	9.30	28.70	29.70	37.10	28.20	124	130	84
RIVERWOODS*	Lake Shore Disposal Service	32.51	26.45	28.79	87.75	98.07	118.81		305		
RIVERWOODS	Waste Management, Wheeling							154.91	155	830	457
RIVERWOODS*	TOTAL	32.51	26.45	28.79	87.75	98.07	118.81	154.91	460	630	457
ROUND LAKE*	Waste Management, Antioch	124.70	145.10	138.30	408.10	363.50	401.40	404.50	1,578	1,661	1,623
ROUND LAKE BEACH*	Waste Management, Antioch	175.30	211.50	202.40	589.20	589.90	627.40	598.70	2,405	2,512	2,556
ROUND LAKE HEIGHTS*	Groot Industries	12.45	24.65	22.09	59.19	56.97	60.92	52.90	230	217	231
ROUND LAKE PARK*	Veolia, Waukegan	54.70	47.60	47.80	150.10	130.60	143.70	114.80	539	537	503
THIRD LAKE*	Waste Management, Antioch	9.70	19.80	18.10	47.60	24.50	32.40	32.10	137	137	166
TOWER LAKES	Waste Management, Antioch	12.30	20.00	16.90	49.20	32.60	32.20	28.40	142	148	141
VERNON HILLS*	Veolia, Waukegan	206.10	182.90	193.90	578.90	546.70	521.50	502.90	2,148	2,338	2,142
WADSWORTH	Groot Industries	31.77	34.12	39.54	105.43	84.19	78.91	101.33	370	457	551
WAUCONDA*	Waste Management, Antioch	88.40	108.80	102.90	300.20	244.80	286.20	270.50	1,102	1,186	1,021
WAUKEGAN	Veolia, Waukegan	232.20	237.70	255.50	725.40	763.40	556.20	668.30	2,713	2,551	2,614
WINTHROP HARBOR*	Groot Industries	46.97	61.54	52.33	160.84	148.54	163.82	165.03	638	735	759
ZION	Veolia, Waukegan	67.20	57.40	65.70	190.30	182.20	166.50	111.00	660	646	568
LAKE COUNTY	Groot Industries	209.67	208.78	187.44	615.90	542.71	545.23	520.20	2,224	3,795	4,180
LAKE COUNTY	Waste Management, Antioch	283.30	324.40	305.10	912.80	792.40	860.00	910.20	3,595	1,098	974
LAKE COUNTY	Waste Management, Wheeling	50.24	61.64	49.95	161.73	148.80	167.93	231.75	708	2,353	2,286
LAKE COUNTY	TOTAL	543.21	594.73	552.49	1,690.43	1,481.91	1,693.16	1,662.15	6,528	7,246	7,452
TOTALS		4,938.16	5,172.68	4,965.06	15,075.90	14,076.58	14,656.61	14,348.74	58,158	62,110	58,677

*Municipalities Utilizing Recycling Carts

Lake County Residential Waste & Recycling Comparison 2010 - 2012



SWALCO PER TON PAYMENT SUMMARY
4th QUARTER 2012
 (as reported by haulers)

Participating Members & Townships	4th Qtr. 2012 TONS			Total Tons Collected	Total Per Ton Payment	Payment With County and SWALCO and SWALCO Portion
	Oct	Nov	Dec			
ANTIOCH*	83.20	96.80	95.90	275.90	\$ 1,829.50	\$ 1,829.50
DEERFIELD*	257.75	236.92	188.74	683.41	\$ 4,653.73	\$ 4,653.73
ELA TOWNSHIP*	50.24	61.54	49.95	161.73	\$ 1,088.10	\$ 1,088.10
FOX LAKE*	68.30	86.10	80.40	235.80	\$ 1,567.50	\$ 1,567.50
GRAYSLAKE*	195.87	203.56	206.29	605.72	\$ 4,027.18	\$ 4,027.18
GREEN OAKS*	57.93	51.73	59.90	169.56	\$ 1,121.95	\$ 1,121.95
GURNEE*	236.20	277.90	267.40	781.50	\$ 5,192.75	\$ 5,192.75
HAINESVILLE*	23.60	24.50	22.90	71.00	\$ 475.25	\$ 475.25
HAWTHORN WOODS*	113.87	122.74	107.74	344.35	\$ 2,313.28	\$ 2,313.28
ISLAND LAKE*	74.80	77.70	73.00	225.50	\$ 1,508.75	\$ 1,508.75
KILDEER*	60.09	52.54	52.65	165.28	\$ 1,107.98	\$ 1,107.98
LAKE BARRINGTON	53.50	58.40	57.80	169.70	\$ 1,128.25	\$ 1,128.25
LAKE BLUFF*	100.80	90.94	101.02	292.76	\$ 1,943.15	\$ 1,943.15
LAKE COUNTY					\$ 658.94	\$ 658.94
LAKE VILLA*	45.60	52.30	50.40	148.30	\$ 986.25	\$ 986.25
LAKE ZURICH*	236.48	247.09	223.66	707.23	\$ 4,745.08	\$ 4,745.08
LIBERTYVILLE*	223.42	241.53	228.72	693.67	\$ 4,630.73	\$ 4,630.73
LINCOLNSHIRE*	79.95	65.24	54.98	200.17	\$ 1,363.83	\$ 1,363.83
LINDENHURST*	151.03	135.19	152.69	438.91	\$ 2,910.10	\$ 2,910.10
LONG GROVE	88.96	107.17	99.18	295.31	\$ 1,966.88	\$ 1,966.88
MUNDELEIN*	266.22	286.09	264.31	816.62	\$ 5,463.88	\$ 5,463.88
NORTH BARRINGTON*	27.60	32.40	32.70	92.70	\$ 613.50	\$ 613.50
PARK CITY*	10.54	8.13	11.40	30.07	\$ 197.03	\$ 197.03
PORT BARRINGTON*	9.60	9.80	9.90	28.70	\$ 192.00	\$ 192.00
RIVERWOODS*	32.51	26.45	28.79	87.75	\$ 586.15	\$ 586.15
ROUND LAKE*	124.70	145.10	138.30	408.10	\$ 2,715.00	\$ 2,715.00
ROUND LAKE BEACH*	175.30	211.50	202.40	589.20	\$ 3,913.00	\$ 3,913.00
ROUND LAKE HEIGHTS*	12.45	24.65	22.09	59.19	\$ 388.70	\$ 388.70
ROUND LAKE PARK*	54.70	47.60	47.80	150.10	\$ 1,006.25	\$ 1,006.25
THIRD LAKE*	9.70	19.80	18.10	47.60	\$ 311.75	\$ 311.75
TOWER LAKES	12.30	20.00	16.90	49.20	\$ 326.75	\$ 326.75
VERNON HILLS*	200.10	182.90	193.90	576.90	\$ 3,842.00	\$ 3,842.00
WARSWORTH	31.77	34.12	39.54	105.43	\$ 691.88	\$ 691.88
WARREN TOWNSHIP*	125.30	137.00	133.70	396.00	\$ 2,635.75	\$ 1,976.81
WAUCONDA*	88.40	108.90	102.80	300.20	\$ 1,994.25	\$ 1,994.25
WINTHROP HARBOR*	46.97	61.54	52.33	160.84	\$ 1,075.48	\$ 1,075.48
SWALCO credit @ \$1.00 per ton on 7076.62 tons						\$ 7,076.62
TOTAL	3,430.75	3,645.87	3,487.78	10,564.40	\$ 70,513.55	\$ 77,590.17

Reimbursement to County for O&M on 1,304 homes paid in full.

Paid from Warren Township (\$658.94) for O&M to County

\$2,635.75 - 25% (\$658.94) = \$1,976.81 (\$130.63 balance due to County for O&M on 5,496 homes)

Blended Index Value	Per Ton Payment
October 2012	\$73.32
November 2012	\$71.21
December 2012	\$69.51

CONTRACT AMENDMENT #1
INTERMEDIATE PROCESSING FACILITY
CAPACITY AGREEMENT
between
SOLID WASTE AGENCY OF LAKE COUNTY
and
WM RECYCLE AMERICA, L.L.C.
December 15, 2011

Section 3.01 f) is amended by adding new section i) as follows.

"i) The parties agree that the tonnage of Agency Recyclable Materials delivered in any calendar year shall be considered such year's Baseline Tonnage. The Contractor shall have the right, but not more than once in any twelve (12) month period to decrease the Agency Rebate payable to the Agency as set forth as the Agency Rebate in Schedule 2, by up to \$0.50 (as determined by the Contractor) if the Baseline Tonnage amount of Agency Recyclable Material declines by five per cent (5%) or more for a calendar year as compared to the previous calendar year. Changes in the Agency Rebate shall be effective January 1, each year provided that the Contractor notifies the Agency not later than thirty (30) days after receipt of the documentation set forth in Section 8.03 from the Agency. The reduction in the Agency Rebate shall remain in place unless the Baseline Tonnage in any succeeding calendar year returns to 95.1% or more of the Baseline Tonnage for such year for which the reduction was calculated upon. This right shall first accrue to Contractor in the calendar year 2013 for the 2012 tonnage, when compared to the 2011 tonnage. The Agency Member's payments shall remain as set forth on Schedule 2.

"By way of examples, and not of limitation:

"If the Baseline Tonnage 2011 is 35,000 tons and the Baseline Tonnage 2012 is 33,000 tons, a decrease of 5.7%, then the Agency Rebate is reduced to \$0.50 (\$1.00 - \$0.50) for calendar year 2013.

"Thereafter,

- If the Baseline Tonnage for 2013 is 30,000 tons, there is an additional decrease of 9.1% and the Agency Rebate is reduced to \$0.50 (\$1.50 - \$0.50 - \$0.50) for calendar year 2014.
- If the Baseline Tonnage for 2013 is 33,000 tons, then the Agency Rebate reduction which was assessed for 2013 is rescinded and the Agency Rebate for 2014 is \$1.00 (\$1.50 - \$0.50.)

If the Baseline Tonnage for 2013 is 33,251, then the Agency Rebate reductions for both 2012 and 2013 are rescinded and the Agency Rebate for 2014 is \$1.50."

I - 3 . Compost Bin and Rain Barrel Sale

BACKGROUND:

With the renewed interest in promoting backyard composting as a strategy to achieving a 60% recycling rate and looking to ways to sustain and manage resources, the Agency will again host a one day truck load compost bin and rain barrel sale. Although SWALCO has promoted composting and sponsored compost bin sales, for a number of years, this will be the third year that the Agency will also offer rain barrels for residents to purchase. Staff will again partner with co-sponsor sStormwater Management Commission and the Lake County Forest Preserves. EnviroWorld will again provide the products. They will also be on staff the day of the event as well as provide some of the promotional materials for the countywide sale event in advance, at no cost to the Agency. SWALCO will responsible for promoting the event and providing volunteers to help staff the sales event and for doing so, Enviro World will donate a \$5.00 per compost bin and rain barrel sold that day to the Agency.

The Agency intends to hold the sale event on Saturday, May 11, 2013 from 9 a.m. to 3 p.m. at Independence Grove Forest Preserve in Libertyville. The event will be held in conjunction with the Forest Preserve's Native Plant Sale, in hopes of drawing a like-minded audience that will support each organization's efforts, while offering local residents an excellent opportunity to procure wonderful resources/products at affordable prices in "one-stop". The compost bins will be sold for \$50.00 each and the rain barrels will be sold for \$60.00 each. This is a one day sale only and quantities are limited.

Lake County Public Works Department will be mailing out over 20,000 flyers within water bills and will put a special sale "announcement tag" on each envelope. We will also be distributing thousands of flyers out into the community via community events, libraries and other avenues. We will send promotional text and flyers to members soon and ask that you support the effort by placing information on your websites, in your newsletters, posting flyers, sending information to your e-Lists, etc.

If any member communities would like to purchase multiple units to have available at Village/City Halls or Public Works for their residents, please contact Merleanne.

We're looking forward to another successful event.

ENCLOSED DOCUMENTS: EnviroWorld Truckload Sale Flyer (2 sided)

STAFF: Merleanne Rampale, Public Information Officer

I-4. Member Services: Resources for SWALCO Members

BACKGROUND:

In addition to assisting with negotiations for hauling contracts and other related projects, there are a variety of services and resources that SWALCO can offer to assist our member communities with their endeavors. We are attaching a short check list survey that will enable us to establish your greatest needs and wants and help us to determine how we can best aid you in your efforts. This information will also help us plan out our budget for this year's Recycle First campaign efforts. In order to better serve you, we ask members to fill out the short check list and provide us with a list of upcoming 2013 community events with information on the event and the number of people who are expected to, or typically attend. If you would like to establish a new event, please let us know that as well, and, especially if it is health, safety or environmentally related, we may be able to be of assistance in helping you plan and develop it. We will do our best to accommodate requests as budget and availability allow.

Please fill out the attached form/checklist (2 pages) and let us know if you would be interested in receiving any of the specific assistance or resources from SWALCO listed.

Please contact Merleanne if you have any questions. We look forward to helping all of our communities in any way we can and helping you reach out and provide information, education, resources and services to your residents, community groups, businesses and organizations.

STAFF: Merleanne Rampale, Public Information Officer/Education Director
Attachments: SWALCO Community Events Survey form w/List of 2013 Community Events



SWALCO Community Events Survey

Please Return to:
Merleanne Rampale
mrampale@swalco.org, or
SWALCO, 1311 N. Estes Street, Gurnee, IL 60031
(847) 336-9340 x 4

Community:

Contact/s:

Work Phone:

Cell Phone:

We would be interested in having SWALCO (Please check all that apply):

- Provide assistance with creation and development of new community events (for Earth Day, American Recycles Day, Recycle-O-Rama type event, health and safety fair or community event, environmental film fest or discussion, or any other event where recycling or an environmental component could be incorporated, etc.)
- Provide assistance in developing, planning or coordinating any 2013 (or future) community events members are involved. Please note specific events, dates, etc.
- Provide us with a Recycling Toolkit featuring Recycle First, Trash Last materials and give-aways
- Provide a large Banner that promotes Recycling and can be placed at sites like: Village Halls, Libraries, Civic Centers, Art or Cultural Centers, Community Centers, Senior Centers, Parks and Recreation or other places where people come through and gather
- Provide a Street Team for an Event
- Provide an Information Booth or Other Information and Resources on SWALCO Programs and Services
- Provide materials like bookmarks, flyers, etc., for residents on SWALCO programs and services for our Community Information Centers, corners or boards at Village/City Halls and Administrative Buildings
- Provide assistance with Development of Community Green/Environmental Team or projects
- Provide assistance with Development of Environmental Corner or Pages of Member Websites
- Write Articles for inclusion on Newsletters, websites, etc.
- Have SWALCO help us to develop new programs or projects for the Village/City
- Produce flyers for SWALCO and Member events like Electronics, Shoe or HCW Collections, etc. in our community
- Have SWALCO provide other Resources or Assistance (Please specify)

I – 5. Health Department Report

LAKE COUNTY HEALTH DEPARTMENT &
COMMUNITY HEALTH CENTER
Population Health Services
Solid Waste Unit

Countryside Landfill Inc.

The facility is operating one flare when the Genco power plant is operating three turbines. The power plant was off line for approximately one week in March due to a broken piston in the compressor. Between the turbines and flare, approximately 4,400 scfm of gas is being consumed. There are no construction projects currently on-going at the site. The next installation of horizontal collectors is scheduled for mid to late April. The methane gas concentration in the out of refuse probe CL08D, along the west side of the site, has dropped to 2.9%. There was no evidence of gypsum fines in the construction & demolition debris wood waste stockpiled on-site for road base. A non-compliance advisory letter, dated February 13th, was issued for overflowing run-off ditches observed on January 30th. A response with corrective actions was received on March 13th. There were two odor complaints reported in March, one on the 14th at 6:40 a.m. and one on the 22nd at 10:15 p.m. There have been no exceedences recorded by the hydrogen sulfide monitors.

Advance Disposal Services Zion Landfill

A new litter fence has been installed along the east side of the site that should help to control off site litter. Litter may be problematic this spring with the active face at a higher elevation and the trees along the east property line having been removed. There are no construction projects on-going at this time. The USDA continues to run the bird control program. No unauthorized wastes were observed during routine inspections and the site is operating in compliance.

One odor complaint was reported in March which occurred on the 14th at 10:15 a.m.

Compost Facilities and Landscape Waste Transfer Stations

Inspections at the compost facilities and transfer stations have resumed as sites are gearing up for the new season. A modified compliance commitment agreement (CCA) was submitted by the Nu-Earth Organics Facility on March 20th in response to their violation notice. The Solid Waste Unit's response to the CCA is being drafted.

Food Scraps

The Nu-Earth Organic Compost Facility voluntarily stopped taking food scraps as of March 18th. The residents believe they were the cause for some, if not most, of the off-site odors. Nu-Earth hopes to resume taking the food scraps in the future. In the meantime, Midwest Organic Compost Facility is filling the void for vendors looking for an alternative to landfill disposal.

Advanced Disposal Services Zion Landfill Inc.

- The U.S.D. bird control program is on-going.
- A capital improvement program will be initiated within the next couple of months to replace 12 interior gas extraction wells in Site 2. The well casings have been extended several times with solid pipe. The replacement wells will be cased with slotted pipe to collect landfill gas throughout the waste mass.
- Within the past week, the company received comments from the Illinois EPA regarding the Groundwater Impact Assessment that is part of their permit application for the horizontal expansion. The response to the comments should be completed in approximately 60 days according to the site engineer.
- Since the last report there have been six odor complaints reported, four in November, two in December and none, to date, in January.

Compost Facilities

- The Nu-Earth Organics Compost Facility requested a 30 day extension to submit a proposed compliance commitment agreement (CCA) for the violation notice the company received on November 16th. After conferring with the Illinois EPA and State's Attorney's Office, the request was granted. The proposed CCA is due on or before February 3, 2013.
- Food scraps composting is continuing this winter at the Nu-Earth Compost Organics Compost Facility and Midwest Organics Compost Facility. Cold temperatures do not appear to be hindering the operations.

Construction and Demolition Debris Facilities

- A developmental permit was issued to the Groot Industries Eco-Campus to construct a construction and demolition debris facility. The Solid Waste Unit will conduct a pre-operational inspection to determine if the construction was completed according to plans and permit conditions prior to the Illinois EPA issuing an operating permit.

Groundwater Monitoring

Groundwater monitoring results are being sent to residents of approximately 80 private wells that were sampled in 2012. The samples were collected from wells located in the vicinity of the Antioch HOD Landfill, Waukegan Muni #1 Landfill, Waukegan #2 Landfill, Waukegan Engelhard Landfill, the Wauconda S & G Landfill, Riverwoods Landfill Engineering, Advanced Disposal Services Zion Landfill Inc. and Countryside Landfill Inc. The samples were analyzed for inorganic parameters and volatile organic compounds. The results for the inorganic analysis were typical for groundwater in Lake County. No volatile organic compounds were detected in any of the samples.

I – 6. Project and Program Updates

BACKGROUND: The following are updates on several projects and programs we are currently working on:

1. Walter (along with Pat Carey and Larry Mount) attended the public meeting held on March 6th by Round Lake Park regarding the life cycle assessment performed by Groot on its proposed transfer station. Walter gave a quick overview of the 2009 Plan Update requirement for a LCA and why that requirement was made part of the plan. Approximately 60 people attended the public meeting and asked numerous questions about the LCA and also provided general comments regarding the proposed transfer station after the LCA presentation.
2. SWALCO is now part of an informal group called the Illinois Food Scrap Coalition which is focused on assisting in the growth of commercial and residential food scrap collection programs. Other members include SWANCC, Cook County, Kane County, DuPage County, Seven Generations, USEPA Region 5 and SCARCE. The group has created a GIS map of existing composting sites and businesses that currently have food scrap collection. Approximately 500 businesses in the Chicagoland area are composting food scraps and about 6 composting sites are accepting the material. This group is also working on a policy document on how best to grow food scrap programs in IL.
3. SWALCO is part of a Carpet Recycling Working Group (comprised of 13 people from the carpet industry, recyclers, and local government) that is working on policy and information to increase carpet recycling in IL.
4. Walter spoke at the Resource Recycling Conference in Chicago on March 20 about the past, present and future of recycling and waste disposal in IL and the country. Pete will be speaking at the upcoming E-scrap Conference in Joliet on April 30th.
5. The paint legislation is currently on hold (SB 1705 and HB2274) and the intent is to hold a subject matter hearing in the next couple of weeks to determine what the key issues to compromise still are, primarily related to concerns by IRMA.
6. Bannockburn and Libertyville held the required public meetings on April 8th and 9th, respectively, prior to issuing an RFP for a commercial franchise. Deerfield is likely to hold its required public meeting in June. Grayslake intends to issue its RFP later this month. On April 4th both Bannockburn and Libertyville received a letter from NSWMA's (association representing numerous private waste management companies) general counsel indicating that NSWMA believes there are legal issues with the proposed commercial franchise projects (see attached letter). SWALCO's attorney, Larry Clark, is reviewing the letter.
7. The Nu-Earth composting site in Waukegan has voluntarily agreed not to take food scraps at its site due to odor concerns. This has impacted Highland Park's proposed expansion of its residential food scrap collection program and is also causing the haulers to use alternate sites for commercially collected food scraps, primarily Midwest Organics composting site near Wauconda.
8. Long Grove recently approved a residential franchise contract extension with WMI that will provide 65 gallon recycling carts (with an upgrade option to a 95 gallon cart beginning in 2015) and PAYT options with graduated cart service from 95 gallon to 35 gallon. Lake Barrington is also in discussions with WMI for an extension that would also include 65 gallon recycling carts. Bannockburn's residential franchise with Lakeshore began April 1st and it also includes a limited PAYT option and a recycling cart upgrade

option beginning in 2014. All three towns will have 65 gallon recycling carts included in their contracts for the first time. North Chicago's recycling volume has doubled since it introduced recycling carts last November.

ENCLOSED DOCUMENTS: Letter from NSWMA, dated April 4, 2013

STAFF: Walter Willis, Executive Director



April 4, 2013

VIA FAX

Mayor Terry Wepler
Village of Libertyville
Libertyville Village Hall
118 West Cook Avenue
Libertyville, Illinois 60048

Dear Mayor Wepler:

I am writing on behalf of the Illinois members of the National Solid Wastes Management Association (NSWMA). NSWMA is a national trade association representing the solid waste and recycling industry. NSWMA has a large and active chapter in Illinois and members who collect waste and recyclables in Libertyville.

I am writing in response to the recent public notice concerning the April 9 hearing "for the purpose of seeking comment on the advisability of issuing a request for proposal and awarding a franchise to a private entity for the collection of waste from nonresidential locations" in Libertyville. NSWMA's members see little reason for the Village to create a municipal franchise system. Franchises create local waste collection monopolies, inhibit innovation, and often hurt small local waste haulers.

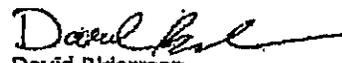
Further, NSWMA is concerned the notice relates to a potential franchise that would be broader than what Libertyville is authorized to do under applicable state law. 65 I.L.C.S. 5/11-19-1(a) provides that local governments may enter into contracts "relating to the collection and final disposition" of "garbage, refuse and ashes." The Illinois Code contains very specific definitions for each of these terms at 65 I.L.C.S. 5/11-19/2, and clearly states that "material that is intended or collected to be recycled is not garbage, refuse or ashes." 65 I.L.C.S. 5/11-19-5. Therefore, to the extent Libertyville issues a request for proposal (RFP) or takes other action towards establishing a collection franchise, it must exclude material "intended or collected to be recycled."

In addition, some of the recyclables collected in Libertyville are processed in Wisconsin. Because these recyclables cross a state line, they are articles of commerce subject to the U.S. Constitution's dormant Commerce Clause. See *Philadelphia v. New Jersey*, 437 U.S. 617 (1978) (establishing waste as protected commerce under the Commerce Clause). Local governments are not permitted to discriminate against interstate commerce by restricting the disposal of waste or recyclables to in-state locations. See *C&A Carbone v. Town of Clarkstown*, 511 U.S. 383 (1994). NSWMA and its members do not hesitate to file lawsuits challenging flow control laws that limit collection, disposal or processing options. See *NSWMA v. City of Dallas*, No. 11-3200 (N.D. Texas 2012) (striking down Dallas' flow control law on state and federal grounds). Therefore, even if Illinois law was amended to authorize franchises applicable to recyclables, Libertyville's franchise, if executed, would likely violate the dormant Commerce Clause.

I would appreciate a reply acknowledging that Libertyville does not intend to issue an RFP applicable to recyclables. NSWMA's Illinois chapter is willing to meet with you to discuss this issue in further detail. In the event that Libertyville executes a contract for the collection of recyclables, NSWMA reserves the right to take legal action against Libertyville.

Please feel free to contact me at 202-364-3743 if you have any questions.

Sincerely,



David Biderman
General Counsel

cc: Sally Kowal, Village Clerk