Item #8:
Village Trustee Schmitt
B. SWALCO Intergovernmental Agreement

SWALCO

SOLID WASTE AGENCY OF LAKE COUNTY, IL

Antioch	*Highland Park*	*Lindenhurst*	*Round Lake Park*
Beach Park	*Island Lake*	*Long Grove*	*Third Lake*
Deer Park	*Kildeer*	*Mundelein*	*Tower Lakes*
Deerfield	*Lake Barrington*	*North Barrington*	*Vernon Hills*
Fox Lake	*Lake Bluff*	*North Chicago*	*Wadsworth*
Grayslake	*Lake County*	*Park City*	*Wauconda*
Great Lakes NTC	*Lake Forest*	*Port Barrington*	*Waukegan*
Green Oaks	*Lake Villa*	*Riverwoods*	*Winthrop Habor*
Gurnee	*Lake Zurich*	*Round Lake*	*Zion*
Hainesville	*Libertyville*	*Round Lake Beach*	
Hawthorn Woods	*Lincolnshire*	*Round Lake Heights*	

December 7, 2010

Dear Member:

When your community joined with SWALCO to host residential electronics collections, your municipal governing board approved and entered into an Intergovernmental Agreement with SWALCO that established some simple operating guidelines. Recently the Agency extended its contract for electronic product recycling services with our current electronics recycling vendor. One of the key benefits of this new two-year contract is the Agency will now receive a monetary benefit from the electronics collected by SWALCO members and affiliates. The SWALCO Board of Directors has decided that part of the monetary benefit received from this program should be shared with the members and affiliates that serve as host to these electronics collections.

Under the terms of the new contract SWALCO will receive a minimum credit from our vendor of $0.0675 for every pound of Covered Electronic Devices and Eligible Electronic Devices collected as defined by the State of Illinois Electronic Products Recycling and Reuse Act (Public Act 095-0959). The Agency will then pass on to our members and affiliates one third of the per pound credit ($0.0225). The balance of these credits will be dispersed on a quarterly basis.

Due to this very positive change in the vendor contract, our Intergovernmental Agreements need to be amended to reflect the change. It was determined that approving new Intergovernmental Agreements with each member and affiliate that hosts residential electronics collections would be best. You will find, enclosed with this letter, a draft copy of a new Intergovernmental Agreement that will again establish your municipality as a residential electronics host collection site. Upon execution of this Intergovernmental Agreement, your municipality will be eligible to receive a portion of the per pound credit as previously described.

Regards,

Peter Adrian
Recycling Coordinator

Enc: Members Intergovernmental Agreement
Contract between SWALCO and MPC

1311 North Estes Street • Gurnee, IL 60031 • (847)336-9340 • swalco.org

INTERGOVERNMENTAL AGREEMENT
VILLAGE/CITY OF _____ AND
THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS

THIS AGREEMENT entered into this ___ day of _____, 2010, by and between the Village/City of _____, Illinois (VILLAGE/CITY) and the Solid Waste Agency of Lake County, Illinois (AGENCY).

WITNESSETH:

WHEREAS, the VILLAGE/CITY is a unit of local government organized and existing under the laws of the State of Illinois; and

WHEREAS, the AGENCY is a municipal corporation and public body politic and corporate of the State of Illinois which was created by Intergovernmental Agreement pursuant to Section 3.2 of the Intergovernmental Cooperation Act, 4 ILCS 220/3.2 and Article VII, Section 10 of the 1970 Constitution of the State of Illinois; and

WHEREAS, one of the purposes of the AGENCY is to implement the Lake County Solid Waste Management Plan (PLAN) as adopted by the Lake County Board on September 12, 1989 and amended from time to time thereafter; and

WHEREAS, the AGENCY is authorized by the Intergovernmental Cooperation Act to plan, construct, reconstruct, acquire, own, lease, equip, extend, improve, manage, operate, maintain, repair, close and finance waste projects; and

WHEREAS, the Electronic Products Recycling and Reuse Act became the law of the State of Illinois in September 2008 (Public Act 095-0959); and

WHEREAS, Public Act 09-0959 establishes a statewide system for recycling and/or reusing computers, monitors, televisions, and printers discarded from residences by requiring electronic manufacturers and retailers to participate in the management of discarded and unwanted electronic products; and

WHEREAS, the AGENCY maintains a residential electronics recycling and processing contract with s qualified electronics recycling and processing contractor ("the Contractor"); and

WHEREAS the AGENCY and the VILLAGE/CITY want to provide residential electronics collection programs; and

WHEREAS, the VILLAGE/CITY agrees to host and maintain a site to collect residential electronics.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and obligations expressed herein and other good and valuable consideration, the sufficiency, adequacy and receipt of which are hereby acknowledged, IT IS HEREBY AGREED by and between the parties as follows:

SECTION 1. Incorporation of Recitals. The parties agree that the recitals have been incorporated by reference into the test of the Agreement as if fully set forth herein.

SECTION 2. Definitions.

"Contract" means the Contract entered into between the Agency and the Contractor attached hereto and marked as Exhibit 1.

"Covered Electronic Device or "CED" means any computer, computer monitor, television, or printer that is taken out of service from a residence in the State of Illinois regardless of purchase location.

"Eligible Electronic Device" or "EED" means any of the following electronic product taken out of service from a residence in the State of Illinois regardless of purchase location: mobile telephone, computer cable, mouse or keyboard; stand-alone facsimile machine; MP3 player, portable digital assistant (PDA); video game console, video cassette recorder/player, digital video disc player, or similar video device; zip drive; or scanner.

"Hazardous Waste" means any material or substance that, as of the Contract Date, and for the duration of this Agreement, and pursuant to any future changes in the statutory definitions of the following statutes or regulations or any newly promulgated statutes or regulations, by reason of its composition or characteristics, is (i) hazardous waste, substance or material as defined in the Solid Waste Disposal Act, 42 USC SS6901 et seq. and 415 ILCS 5/3.220, as amended, replaced or superseded, and the regulations implementing same; (ii) material the disposal of which is regulated by the Toxic Substances Control Act, 15 USC SS2601, et seq., as amended, replaced or superseded, and the regulations implementing same; (iii) special nuclear or by-products material within the meaning of the Atomic Energy Act of 1954; (iv) a "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. SS9601 et seq., as amended, replaced or superseded, and the regulations implementing same; or (v) treated as hazardous waste or substance or material under applicable federal, State or local law. If any governmental Agency or unit having appropriate jurisdiction shall determine that substances are hazardous or harmful to health when Processed at the IPF, then thereafter any such substances or materials shall be Hazardous Waste for purposes of this Agreement. However, if the material or substance is later found or determined by the appropriate governmental Agency or unit having appropriate jurisdiction to be non-hazardous or to be removed from the respective definition of hazardous waste it shall thereafter be non-hazardous.

"Infectious Waste" means: (i) cultures and stocks of infectious agents and associated biologicals, including laboratory waste, biological production wastes, discarded live and attenuated vaccines, culture dishes, and related devices; (ii) liquid human and animal waste, including blood and blood products and body fluids, but not including urine or materials stained with blood or body fluids; (iii) pathological waste; (iv) sharps, (v) contaminated wastes from animals that have been exposed to agents infectious to humans, these being primarily research animals, and (vi) waste treated as Infectious Waste pursuant to federal, State or local laws. If any governmental Agency or unit having appropriate jurisdiction shall determine that substances are infectious then thereafter any such substance shall be Infectious Waste for purposes of this Agreement. However, if the material or substance is later found or determined by the appropriate governmental Agency or unit having appropriate jurisdiction to be non-infectious or to be removed for the respective definition of infectious waste, it shall thereafter be non-infectious.

"Member Portion of the Per Pound Credit" means an appropriation of one third (33.3 percent) of the total amount of the Per Pound Credit provided in accordance with the terms of the Contract.

"Mixed Electronic Device" or "MED" means any Residential Electronic Device that is collected through an Agency Collection Site, which is taken out of service from a residence in the State of Illinois regardless of purchase location but is neither solely a CED nor solely an EED.

"Non-Acceptable Electronics" means small home appliances (including, dehumidifiers, window and small room air conditioners, small refrigerators, fluorescent bulbs, lamp fixtures, etc.), and large home appliances (including stoves, refrigerators, freezers, clothes washers and dryers, dishwashers, etc.)

"Per Pound Credit" means the number calculated by multiplying the weight of material collected by the value of the material per pound accordance with the terms of the Contract.

"Residential Electronics" means any CED, EED or MED type of material.

SECTION 3. AGENCY Responsibilities:

A. Maintain an Agreement with a Contractor to process, refurbish and recycle residential electronics within the United States.

B. Provide technical advice/assistance and support to the VILLAGE/CITY on the collecting, storing and recycling of residential electronics.

C. Provide for the pick up of residential electronics from the VILLAGE/CITY via the Contractor.

D. Report to the VILLAGE/CITY the volume of residential electronics collected through the VILLAGE/CITY host site as reported by the Contractor.

E. Provide a Member Portion of the Per Pound Credit to the VILLAGE/CITY as defined and calculated in the terms of the Contract for the EEDs and CEDs as collected through the VILLGE/CITY host collection site.

F. Within thirty (30) days of receiving the Per Pound Credit payment from the Contractor, prepare a check made payable to the VILLAGE / CITY for the Member Portion of the Per Pound Credit.

G. Advertise or otherwise publicize the availability of the VILLAGE/CITY as a host site that accepts residential electronics.

H. Indemnify, and hold harmless the VILLAGE/CITY, and their respective officers, employees, and agents from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, or actions and reasonable attorneys' fees and defend the indemnified parties in any suit, including appeals, for personal injury to, or death of, any person or persons, or for loss or damage to property, including the execution and performance of this Agreement. Said indemnification shall be only for acts, occasioned by the AGENCY's employees, agents, independent contractors, including the Contractor officers, members or any person or entity performing services on behalf of the AGENCY. The AGENCY is not, however, required to protect, indemnify or hold harmless any indemnified party for loss or claim resulting from performance (or nonperformance) of the indemnified party's obligations or the negligence or willful misconduct of any indemnified party. The AGENCY's aforesaid indemnity is for the exclusive benefit of the indemnified parties and in no event shall such indemnity inure to the benefit of any third person.

SECTION 4. VILLAGE/CITY Responsibilities:

A. Establish operate and maintain a host site to collect and store residential electronics.

B. Provide thirty (30) days notice to AGENCY as to the host site location, operating hours and storage requirements for residential electronics.

C. Advertise or otherwise publicize the availability of the VILLAGE/CITY as host site accepting residential electronics.

D. Maintain records that verify that the number of cars or persons delivering residential electronics to the VILLAGE/CITY host collection site.

E. Provide the Agency and the Contractor no less than two business days notice as to the need to have the Contractor provide a pickup of the residential electronics.

F. Hold responsibility for any costs associated with the treatment and or disposal of any materials that are collected and shipped to the Contractor that are identified as Hazardous Waste, Infectious Waste and Non Acceptable Electronics as in accordance with the terms of the Contract and compensate the Agency for any such costs.

G. Indemnify, and hold harmless the AGENCY, and its Members their respective officers, employees, and agents from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs expenses, suits, or actions and reasonable attorney's fees and defend the indemnified parties in any suit including appeals, for personal injury to, or death of, any person or persons, or for loss or damage to property, including the execution and performance of this Agreement. Said indemnification shall be only for acts, occasioned by the VILLAGE/CITY employees, agents, independent contractors, officers, members or any person or entity performing services on behalf of the VILLAGE/CITY. The VILLAGE/CITY is not, however, required to protect, indemnify or hold harmless any indemnified party for loss or claim resulting from performance (or nonperformance) of the indemnified party's obligations or the negligence or willful misconduct of any indemnified party. The VILLAGE/CITY aforesaid indemnity is for the exclusive benefit of the indemnified parties and in no event shall such indemnity inure to the benefit of any third person. The VILLAGE/CITY in no way takes or claims ownership or accepts liability for the residential electronics accepted, transported and delivered to at the host site or transported and delivered to the Contractor, processed, refurbished, recycled or disposed by the Contractor.

SECTION 5. Term. The term of this Agreement shall begin upon the execution of this Agreement and shall remain in full force and effect. This agreement may be terminated by thirty (30) days written notice by either party.

SECTION 6. Entire Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and all prior or contemporaneous agreements, understanding, representations and statements, oral or written, are merged herein. This Agreement may be modified only by written instrument executed by the parties.

SECTION 7. Waiver. No consent or waiver, express or implied, as to any provisions of this Agreement shall constitute a consent or waiver of any other provisions, whether similar or dissimilar, of this Agreement.

SECTION 8. Captions. The captions of this Agreement are inserted for convenience of reference only, and do not define, describe, or limit the scope or intent of this Agreement.

SECTION 9. Notices. Notices to the parties shall be in writing and delivered by personal service or by U.S. certified or registered mail, postage prepaid, to the parties at the following addresses:

If to the Agency:

Executive Director
Solid Waste Agency of Lake County
1311 North Estes Street
Gurnee, IL 60031
Fax Number (847) 336-9374

Chairman
Solid Waste Agency of Lake County
(Same Address)

If to the VILLAGE/CITY:

_____
_____
_____
_____

Either party may change the address for notices to such party by written notice to the other. Notice given by personal service shall be effective upon the date delivered, if delivered, or the date of attempted delivery, if refused. Notice given by mail shall be effective on the third business day after posting.

IN WITNESS WHEREOF, the parties have executed this Agreement pursuant to the ordinances or resolutions adopted by the relevant authorities of the respective parties.

SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS

By _____
Chairman of the Board of Directors

Attest:

By _____
Secretary

VILLAGE/CITY OF _____ LAKE COUNTY, ILLINOIS

By _____
Title:

By _____
Title

EXHIBIT 1.

CONTRACT BEWTEEN SWALCO AND MPC

ELECTRONIC PRODUCTS RECYCLING AGREEMENT BETWEEN
THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS AND
MATERIAL PROCESSING CORPORATION (MPC)

THIS AGREEMENT entered into this 28th day of December, 2009 by and between the Solid Waste Agency of Lake County, Illinois (AGENCY) and Material Processing Corporation (MPC) (CONTRACTOR).

WITNESSETH:

WHEREAS, the AGENCY is a municipal corporation and public body politic and corporate of the State of Illinois; and

WHEREAS, the AGENCY is authorized by the Intergovernmental Cooperation Act to plan, construct, reconstruct, acquire, own, lease, equip, extend, improve, manage, operate, maintain, repair, close and finance waste projects; and

WHEREAS, one of the purposes of the AGENCY is to implement the Lake County Solid Waste Management Plan as adopted by the Lake County Board September 12, 1989 and amended from time to time thereafter; and

WHEREAS, the Electronic Products Recycling and Reuse Act became the law of the State of Illinois in September 2008 (Public Act 095-0959); and

WHEREAS, Public Act 09-0959 establishes a statewide system for recycling and/or reusing computers, monitors, televisions, and printers discarded from residences by requiring electronic manufacturers and retailers to participate in the management of discarded and unwanted electronic products; and

WHEREAS, the AGENCY has managed a Residential Electronics Collection Program for residents of Lake County since 2000; and

WHEREAS, the AGENCY wishes to continue providing opportunities to the residents of Lake County to recycle electronics waste generated from residential uses; and

WHEREAS, the AGENCY has developed a Scope of Work document (See Exhibit A) setting forth the required services of providing electronics recycling in Lake County; and

WHEREAS, the AGENCY wishes to enter into an agreement with a contractor to fulfill the work of transporting, processing and recycling electronic waste generated for residential uses; and

WHEREAS, the CONTRACTOR has submitted a Letter of Understanding on December 2, 2009 (See Exhibit B) offering to provide the services as requested in the Scope of Work at no cost to the Agency.

NOW, THEREFORE, in consideration of the forgoing and of the mutual promises and obligations expressed herein and other good and valuable consideration, the sufficiency, adequacy and receipt of which are hereby acknowledged, IT IS HEREBY AGREED by and between the AGENCY and the CONTRACTOR as follows:

ARTICLE I
RECITALS

Section 1.01 Incorporation of Recitals. The parties agree that the recitals have been incorporated into the text of this Agreement. This Agreement constitutes the entire Agreement between the Contractor and the Agency with respect to providing the necessary work of transporting, processing and recycling electronic waste generated from residents that reside within cities that are included as part of the oversight of the Agency.

ARTICLE II
DEFINITIONS

Section 2.01 Definitions. For purposes of this Agreement, the following words and phrases shall be given the following respective meanings.

"Agency" means the Solid Waste Agency of Lake County, Illinois.

"Agency Collected Electronics" means all Residential Electronics collected by Members of the Agency.

"Agency Collector" or "Collector" means one or more municipalities or other entities within Lake County who host a Collection Site and serve to collect Residential Electronics.

"Agreement" means this Agreement, between the Agency and the Contractor.

"Covered Electronic Device or "CED" means any computer, computer monitor, television, or printer that is taken out of service from a residence in the State of Illinois regardless of purchase location.

"Eligible Electronic Device" or "EED" means any of the following electronic product taken out of service from a residence in the State of Illinois regardless of purchase location: mobile telephone, computer cable, mouse or keyboard; stand-alone facsimile machine; MP3 player, portable digital assistant (PDA); video game console, video cassette recorder/player, digital video disc player, or similar video device; zip drive; or scanner.

"Facility" means the processing facility, together with appurtenant structures and equipment located at 2300 Pilot Knob Rd. Mendota Heights, MN 55110and at 990 Apollo Rd. Egan, MN 55121 and operated by the Contractor.

"Hazardous Waste" means any material or substance that, as of the Contract Date, and for the duration of this Agreement, and pursuant to any future changes in the statutory definitions of the following statutes or regulations or any newly promulgated statutes or regulations, by reason of its composition or characteristics, is (i) hazardous waste, substance or material as defined in the Solid Waste Disposal Act, 42 USC SS6901 et seq. and 415 ILCS 5/3.220, as amended, replaced or superseded, and the regulations implementing same; (ii) material the disposal of which is regulated by the Toxic Substances Control Act, 15 USC SS2601, et seq., as amended, replaced or superseded, and the regulations implementing same; (iii) special nuclear or by-products material within the meaning of the Atomic Energy Act of 1954; (iv) a "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. SS9601 et seq., as amended, replaced or superseded, and the regulations implementing same; or (v) treated as hazardous waste or substance or material under applicable federal, State or local law. If any governmental Agency or unit having appropriate jurisdiction shall determine that substances are hazardous or harmful to health when Processed at the IPF, then thereafter any such substances or materials shall be Hazardous Waste for purposes of this Agreement. However, if the material or substance is later found or determined by the appropriate governmental Agency or unit having appropriate jurisdiction to be non-hazardous or to be removed from the respective definition of hazardous waste it shall thereafter be non-hazardous.

"Infectious Waste" means: (i) cultures and stocks of infectious agents and associated biologicals, including laboratory waste, biological production wastes, discarded live and attenuated vaccines, culture dishes, and related devices; (ii) liquid human and animal waste, including blood and blood products and body fluids, but not including urine or materials stained with blood or body fluids; (iii) pathological waste; (iv) sharps, (v) contaminated wastes from animals that have been exposed to agents infectious to humans, these being primarily research animals, and (vi) waste treated as Infectious Waste pursuant to federal, State or local laws. If any governmental Agency or unit having appropriate jurisdiction shall determine that substances are infectious then thereafter any such substance shall be Infectious Waste for purposes of this Agreement. However, if the material or substance is later found or determined by the appropriate governmental Agency or unit having appropriate jurisdiction to be non-infectious or to be removed for the respective definition of infectious waste, it shall thereafter be non-infectious.

"Member Collection Site" means a specific location within Lake County, Illinois where an Agency Collector holds a Residential Electronics Collection Event.

"Mixed Electronic Device" or "MED" means any Residential Electronic Device that is collected through an Agency Collection Site, which is taken out of service from a residence in the State of Illinois regardless of purchase location but is neither solely a CED nor solely an EED.

"Non-Acceptable Electronics" means small home appliances (including, dehumidifiers, window and small room air conditioners, small refrigerators, Fluorescent bulbs, lamp fixtures, etc.), and large home appliances (including stoves, refrigerators, freezers, clothes washers and dryers, dishwashers, etc.)

"Payment" means the number calculated by multiplying the weight of material collected by the value of the material per pound according to Exhibit B. This amount will be maintained in an escrow account held by the Contractor in the event that the Contractor incurs cost for the disposal on Non-Acceptable Materials, Hazardous Waste and or Infectious Waste. The escrow balance will be debited on a quarterly basis and any remaining balance at the end of the Term will be credited to the Agency.

"Registered Manufacturer" the owner of a brand of CED is required by the State Law to register with the Illinois Environmental Protection Agency and be assigned a goal to collect and recycle or refurbish the specified volume of CED's and EED's.

"Residential Electronic Device" means any CED, EED or MED type of material.

"State Law" means the State of Illinois Electronic Products Recycling Act.

ARTICLE III
OBLIGATIONS OF THE PARTIES

Section 3.01 Contractor Responsibilities.

The Contractor agrees to and will be responsible for providing the following services;

a) Electronics Collection Program Scope of Work (Exhibit A); and

b) Letter of Understanding, dated December 2, 2009 (Exhibit B); and

c) Demonstrate to the Agency that a Registered Manufacturer has entered into a contract with the Contractor to collect from the Agency no less than 2,000,000 pounds of electronics during the Term of this Agreement; and

d) If additional related responsibilities that are not listed in this section are available through the Contractor, the Contractor shall provide the additional related services in accordance with all term, conditions and specifications contained in the Agreement. Additional related services may not be provided to the Agency without the Agency's prior approval.

The Agency agrees to and will be responsible for providing the following;

a) Electronics Collection Program Scope of Work (Exhibit A)

ARTICLE IV
INSURANCE REQUIREMENTS

Section 4.01 Insurance. Contractor shall obtain and maintain insurance coverage of the types, in the amounts and containing such provisions as follows:

Type of Insurance	Required Limits of Liability
1. Worker's Compensation	Statutory
2. Employers' Liability	$500,000 per accident $500,000 disease (policy limit) $500,000 disease (each employee)
3. Commercial General Liability including "occurrence" coverage for:	
a. Premises and operations, independent contractors protective combined contractual liability, broad form contractual liability, broad form property damage and XCU hazards.	$1,000,000 per occurrence for bodily injury and property damage $1,000,000 annual aggregate per location for bodily injury and property damage combined.
b. Products and completed operations (including broad form property combined damage) injury and property damage combined.	$1,000,000 per occurrence for bodily injury and property damage $1,000,000 annual aggregate for
c. Personal injury liability (with employment exclusion deleted)	$1,000,000 per occurrence $1,000,000 annual aggregate
4. Business Auto liability (including injury owned, non-owned and hired vehicles)	$1,000,000 per accident for bodily and property damage combined.
5. Umbrella/Excess liability (to apply as excess over 2 and 3 above)	$5,000,000 per occurrence $5,000,000 annual aggregate

All liability coverages shall be written on an occurrence basis. All insurance coverage required to be purchased and maintained shall contain a provision or endorsement providing that the coverage afforded will not be canceled, materially reduced or altered or renewal refused until at least thirty (30) days' prior written notice has been given to the Agency by certified mail.

Contractor shall be responsible for promptly reporting all claims to the appropriate insurer on behalf of itself and the Agency.

ARTICLE V
INDEMNIFICATION AND WAIVER

Section 5.01 Indemnification.

a) Contractor shall, to the extent permitted by law, at its sole cost and expense indemnify, defend, keep and save harmless the Agency, the Members who participate in the Agreement, participating Lake County Townships, and officials, employees, agents and consultants of the Agency, the participating Members, and any participating Lake County Township (individually, an "Indemnified Party" and collectively, the "Indemnified Parties") against (i) all injuries, death, loss, damages, claims, patent claims, suits, liabilities, judgments, costs and expenses, which may in any way accrue against any such Indemnified Party (collectively referred to as the "Loss") in consequence of this Contract or the performance thereof, to the extent alleged or determined to be caused through the misconduct, negligence or omission of Contractor or any agent or employee, or any subcontractor or their respective employees or agents, or (ii) any Loss arising out of or in connection with the operation of the Facility. Contractor shall, at its sole cost and expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith, regardless of the merit of such claim. If any judgment shall be rendered against such Indemnified Party in any such action, Contractor shall, at its sole cost and expense, satisfy and discharge the same. Contractor expressly understands and agrees that insurance required by this Contract or otherwise provided by Contractor or such Indemnified Party shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Indemnified Parties as herein provided.

b) The Indemnification obligations set forth in this section shall include indemnification for Losses resulting from claims made by third parties against any Indemnified Party. The provisions of this section shall not apply to a Loss which arises solely out of intentional misconduct on the part of the Indemnified Party seeking indemnification, or to a Loss or portion thereof, which arises, in whole or in part, out of negligence on the part of such Indemnified Party, but only to the extent that such Indemnified Party's negligence contributed to the Loss, or that the Loss is attributable to such Indemnified Party's negligence.

c) Nothing in this section shall apply to suits or actions which are barred by the applicable statute of limitations.

d) The Agency agrees, to the extent permitted by law, that it shall protect, indemnify, and hold harmless the Contractor and its affiliates (including subsidiaries), and their respective officers, members, employees and agents (the "Contractor Indemnified Parties") from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, or actions and reasonable attorneys' fees, and shall defend the Contractor Indemnified

Parties in any suit, including appeals, for personal injury to, or death of, any person or persons, or for loss or damage to property arising out of the acts or omissions of the Agency including its officers, employees and agents in the performance (or nonperformance) of the Agency's obligations under this Agreement. The Agency is not, however, required to protect, indemnify or hold harmless any Contractor Indemnified Party for loss or claim resulting from performance (or nonperformance) of the Contractor's obligations under this Agreement or the negligence or willful misconduct of any Contractor Indemnified Party. The Agency's aforesaid indemnity is for the exclusive benefit of the Contractor Indemnified Parties, and in no event shall such indemnity inure to the benefit of any third Person.

Section 5.02 Survival. This Article V shall survive termination of this Agreement.

ARTICLE VI
DELIVERY AND PROCESSING OF ELECTRONICS

Section 6.01 Title to Waste. To the full extent recognized and permitted by law, all rights, title and interests to any material, of whatever nature, delivered to the Facility pursuant to this Agreement and accepted by the Contractor shall vest in the Contractor immediately upon such acceptance.

Section 6.02 Disposal and Processing Fees. For the term of this Agreement, it shall be mutually agreed upon that any transportation, disposal and processing fees shall be waived, if applicable, for any Agency Collected Electronics that are received at the Facility. In the event that the Non -Acceptable Electronics exceed 5% by weight the Agency and Contractor will cooperate to identify the cause and to find an acceptable solution.

Section 6.03 Non Acceptable Electronics, Hazardous and Infectious Waste.

a) Prevention of Delivery. The Agency shall use reasonable efforts to prevent and avoid the delivery to the Facility of Non-Acceptable Electronics, Hazardous Waste or Infectious Waste. If such materials are received their cost of disposal shall be charged against the Payment escrow balance according to the terms set forth in Exhibit B.

b) Removal, Transport and Disposal. If Hazardous Waste or Infectious Waste is delivered to the Facility, such Hazardous Waste or Infectious Waste shall be contained, set aside, isolated and maintained separately by the Contractor from all other Electronics in the Facility. The Contractor shall remove or cause to be removed such Hazardous Waste or Infectious Waste from the Facility and shall transport and dispose of, or shall provide for the transport and disposal of, such material in accordance with applicable local, State and Federal law, at a duly licensed and permitted Hazardous Waste or Infectious Waste disposal facility. If such materials are received their cost of disposal shall be charged against the Payment escrow balance according to the terms set forth in Exhibit B.

Section 6.04 CED's, EED's and MED's

a) Accounting and Processing of CED' and EED's. The Contractor shall account for and process all Agency Collected CED's and EED's according to the terms outlined within the parameters of the State Law.

b) Accounting and processing of MED's. The Contractor shall also account for and process all Agency Collected MED's.

ARTICLE VII
TERM

Section 7.01 Term. The Term of this Agreement shall be in effect from January 1, 2010 through December 31, 2010. At the end of any agreement term, the Agency reserves the right to extend the agreement for a period of up to sixty (60) days. The Agency reserves the right to (with mutual written agreement from the Contractor) renew the agreement for three (3) additional one (1) year periods (January 1 through December 31).

ARTICLE VIII
PAYMENTS AND REPORTING

Section 8.01 Payments for Electronics. For the Term of this Agreement, it shall be mutually agreed upon that the Contractor will pay a Per Pound Payment to the Agency for any Agency Collected Electronics received by the Contractor. The Per Pound Payment will be calculated and paid quarterly in accordance to the calculations as specified in Exhibit B.

Section 8.02 Reporting. The weights and composition of Agency Collected Electronics delivered to the Facility from each Collection Site shall be reported to the Agency and the Registered Manufacturer utilizing the reporting procedure as outlined in the Scope of Work (Exhibit A).

ARTICLE IX
REPRESENTATIONS

Section 9.01 Representations and Covenants of Agency. The Agency represents and covenants to the Contractor that:

a) The Agency is duly organized and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

b) This Agreement has been duly entered into and delivered by the Agency and, binding obligation of the Agency, fully enforceable in accordance with its terms.

Section 9.02 Representations and Covenants of Contractor. The Contractor hereby represents to the Agency that:

a) The Contractor is qualified to do business in the State and is duly qualified to do business wherever necessary to carry on the business and operations contemplated by this Agreement.

b) The Contractor has in place contract(s) with Registered Manufacturer(s) to collect and Process for them their manufacture goal as set by the State Law.

c) The Contractor holds, or is expressly authorized under, the necessary patent rights, licenses, certifications and franchises to recycle Mixed Electronic Devices pursuant to the terms of this Agreement.

d) This Agreement has been duly entered into and delivered and constitutes a legal, valid and binding obligation of the Contractor, fully enforceable in accordance with its terms.

ARTICLE X
MISCELLANEOUS

Section 10.01 Compliance with Laws. Contractor shall comply with all local, state and federal laws and regulations and further be in compliance with all terms outlined in the State of Illinois Electronic Product Recycling and Reuse Act. In connection with the performance of work under this Agreement, the Contractor agrees not to discriminate against any employee or applicant for employment because of sex, race, religion, color, national origin or handicap.

Section 10.02 Assignment. This Agreement may not be assigned by either Party without the prior consent of the other Party, except that the Contractor may, without such consent, assign its interest hereunder to any Affiliate in which event the Affiliate shall assume all the obligation and undertakings of Contractor under this Agreement; provided, however, that such assignment shall not relieve the Contractor from its obligations and undertakings under this Agreement and the Contractor shall execute such documents as are necessary to assure that the terms of this Agreement shall continue to remain in full force and effect. The Contractor may however, without such consent, make such assignments and create such mortgage and security interests as may be required in connection with any financing or refinancing in respect of all or part of the Facility or any modification thereof or addition thereto; provided that such assignment or interest shall not relieve the Contractor from its interest hereunder to a governmental successor of the Agency or an authority or Agency of the County, which shall not relieve the Agency of its obligations hereunder.

Section 10.03 Notices. All notices, demands, requests and other communications hereunder shall be deemed sufficient and properly given if in writing and delivered in person to the following addresses or sent by certified or registered mail, postage prepaid with return receipt requested, at such addresses and shall be effective on receipt thereof:

(a) If to Agency:

Executive Director
Solid Waste Agency of Lake County. IL
1311 North Estes Street
Gurnee, Illinois 60031
Fax Number: (847) 336-9374

Chairman
Solid Waste Agency of Lake County, IL
(Same Address)

(b) If to Contractor:

Todd Schachtman
President - Business Development
Material Processing Corporation
2300 Pilot Knob Road
Mendota Heights, MN 55110
Fax Number (651) 681-8106

Either Party may, by like notice, designate any further or different addresses to which subsequent notices shall be sent. Any notice hereunder signed on behalf of the notifying Party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such Party by a duly authorized officer or employee.

Section 10.04 Relationship of the Parties. Neither Party to this Agreement shall have any responsibility to perform services for or to assume contractual obligations which are the obligation of the other Party, and except as provided herein nothing shall constitute either Party as a partner, agent or representative of the other Party, or to create any fiduciary relationship between the Parties. Contractor shall have no right or claim against the Members, or any of them, for any default, nonperformance, or breach of the terms and provisions of this Agreement by the Agency.

Section 10.05 Waiver. Unless otherwise specifically provided by the terms of this Agreement, no delay or failure to exercise a right resulting from any other breach of this Agreement shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any waiver shall be in writing and signed by the Party granting such waiver. If any representation, warranty or covenant contained in this Agreement is breached by either Party and thereafter waived by the other Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other beach under this Agreement.

Section 10.06 Authorized Representatives. For purposes of this Agreement, the Parties' authorized representatives are as follows:

For Contractor:	Todd Schachtman President - Business Development Material Processing Corporation 2300 Pilot Knob Road Mendota Heights, MN 55110 Fax Number (651) 681-8106
For Agency:	Executive Director Solid Waste Agency of Lake County, IL 1311 North Estes Street Gurnee, Illinois 60031 Fax Number: (847) 336-9374

Either Party may change its authorized representative at any time by written notice to the other Party.

Section 10.07 Article and Section Captions: References. The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof. Except as otherwise indicated, all references herein to sections and articles are to sections and articles of this Agreement.

Section 10.08 Amendment. No amendment, modification or change to this Agreement shall be effective unless same shall be in writing and duly executed by the Parties.

Section 10.09 Agreement Governed by Illinois Law. This Agreement shall be governed by the laws of the State of Illinois.

Section 10.10 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors, permitted assigns, administrators and trustees of the Agency and the Contractor.

Section 10.11 Execution of Documents. This Agreement may be executed in any number of duplicate originals, any of which shall be regarded for all purposes as an original and all of which shall constitute but one and the same instrument.

Section 10.12 Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall negotiate in good faith and agree to such amendments, modifications or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination implement and give effect to the intentions of the Parties as reflected herein, and the other terms of this Agreement, as so amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect; provided, however that

the foregoing to the contrary notwithstanding, if any such determination holds invalid, illegal or unenforceable the provisions of this Agreement pertaining to the Agency's and/or the Members' obligation to collect Electronics, then this Agreement may be terminated at the option of the Contractor by written notice thereof, effective as of the date of such written notification.

Section 10.13 Further Assurances. Each Party agrees to, and shall use all reasonable efforts to, provide such information, execute and deliver any instruments and documents and take such action as may be necessary or reasonably requested or required by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumption or obligations other than those provided for in this Agreement in order to give full effect to this Agreement and to carry out the intent of this Agreement.

Section 10.14 Notices of Breach. Unless specifically provided elsewhere in this Agreement, at least fifteen (15) days' prior written notice shall be required to be given by one Party to the other Party of any breach of this Agreement by the other Party hereto or failure to fulfill any requirement of this Agreement by a Party, in order to allow the Party receiving such notice to cure any such breach, or to commence and diligently pursue the cure of any such breach which cannot reasonably be cured during such fifteen-day period, or to allow such Party time to prepare for, question or contest the fact that any such requirement of this Agreement has not been fulfilled.

Section 10.15 Notice to Cancel. The Agreement may be canceled without cause by either Party upon sixty (60) days' written notice.

IN WITNESS WHEREOF, the Agency and the Contractor have caused this Agreement to be executed in their respective names, have caused their respective corporate seals to be hereto affixed, and have caused this Agreement to be attested, all by their duly authorized officers, or representatives and the Contractor and the Agency have caused this Agreement to be dated as of the date and year first written above.

MATERIALS PROCESSING CORPORATION	SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS
By: _____ President or authorized Agent	By: Larry T. Mount Chairman, Board of Directors
Attest:	
By: _____ Secretary	By: Barbara J. Amodio Secretary

Exhibit A.

Solid Waste Agency of Lake County, Illinois

ELECTRONICS COLLECTION PROGRAM
SCOPE OF WORK

GENERAL TERMS AND CONDITIONS

ELECTRONICS COLLECTION PROGRAM
FOR THE SOLID WASTE AGENCY OF LAKE COUNTY (SWALCO)

December 2009

1. **Intent**
It is the intent of the Agency to enter into No Cost Agreement with a qualified provider to furnish electronic waste recycling services, transportation services as specified herein, and to provide and deliver specified supplies for various locations throughout Lake County, during the term of the Contract. **This Agreement shall begin January 1, 2010.**

2. **Work Included**
The No Cost Agreement shall include, but not be limited to, labor, equipment, materials and transportation,from the point that the Contractor takes possession of the materials, necessary to manage, package, transport and recycle electronic devices collected by the Agency from Lake County residents.

3. **Collection Location/Frequency**
At this time, (22) twenty-two host collection locations are established through Inter-Governmental Agreements with the Agency. Collection frequencies vary from single day events to recurring, on-going collection events. The Agency and the host collection location select the dates, hours of collection and frequencies of collections and reserve the right to select the dates that are deemed to be in their best interest. It is also the understanding of both Parties that every effort shall be made to coordinate the scheduling of small volume collection sites so as to be able to consolidate materials in the spirit of maximizing transportation efficiency.

4. **Contract Term**
The term of this Agreement shall be in effect from January 1, 2010 through December 31, 2010. At the end of any agreement term, the Agency reserves the right to extend the agreement for a period of up to sixty (60) days for the purpose of executing a new agreement. The Agency reserves the right to (with mutual written agreement from the Contractor) renew the agreement for three (3) additional one (1) year periods (January 1 through December 31).

5. **Right to Amend Agreement**
The Agency and Contractor shall have the right to renegotiate the No Cost Agreement if the United States, the State of Illinois, or any agency or instrumentality thereof, enacts law in which case the Agency and Contractor agree to review the impact of the said law during the first six (6) months following implementation of such event and make a good faith effort to adjust the agreement, as of the effective date of the change, in order to assure that Agency will incur no cost and the Contractor will continue to perform as a result of the change.

6. **Estimated Collection Locations and Quantities**
The number of collection events indicated herein is an estimate, based on current and previous years' history. The quantities indicated, are estimates of the total quantities of electronic devices to be collected during a (12) twelve-month period. The Agency does not guarantee any specific amount and shall not be held responsible for any deviation. This contract shall cover the Agency requirements whether more or less than the estimated collection locations and quantities occur.

7. **Hold Harmless Clause**
The Provider agree to indemnify, save harmless and defend the Agency, its agents, host sites, cities and villages servants, and employees, and each of them against and hold it and them harmless from any and all lawsuits, claims, demands, liabilities, losses and expenses, including court costs and attorney's fees, for or on account of any injury to any person, or any death at any time resulting from such injury, or any damage to property, which may arise or which may be alleged to have arisen out of or in connection with the work covered by this contract. The foregoing indemnity shall apply except if such injury, death or damage is caused directly by the willful and wanton conduct of Lake County, its agents, servants, or employees or any other person indemnified hereunder.

8. **Certificates of Insurance**

Certificates of Insurance with required endorsements acceptable to the Agency shall be filed with the Agency prior to commencement of the Work, containing the following:

Be provided with a 30 day prior notice, in writing, of Notice of Cancellation, Non-Renewal, or material change specified within an endorsement by the insurance company.

Be provided with certificates of insurance evidencing the endorsement as specified above and required insurance, prior to commencement of this contract and thereafter with certificates evidencing renewals, replacements and endorsements of said policies of insurance at least 30 days prior to expiration of cancellation or non-renewal of such policies. Said Notices and Certificates of Insurance shall be provided to:

The Solid Waste Agency of Lake County, Illinois
1311 N. Estes Street
Gurnee, IL 60031

9. **Audit of Processing Operation**

The Agency may conduct an audit of the Contractor. The audit shall review the processing and recycling of all electronics collected from the Agency and may include a site visit to the facility. The audit shall not include a review of financial records. Audits must be announced and arranged during normal business hours.

10. **Failure to Comply**

In the event the Contractor fails to obtain or maintain any insurance coverage's required under this agreement, The Agency may purchase such insurance coverage's and charge the expense thereof to the Contractor. The Contractor shall maintain for the duration of the Contract and any extensions thereof insurance that includes "Occurrence" basis wording issued by a company or companies qualified to do business in the State of Illinois, in the types and amounts listed above, exclusive of defense costs.

11. **Termination**

The Agency and the Contractor mutually reserve the right to terminate this contract, or any part of this contract, upon sixty (60) days' written notice.

12. **Assignment of Contract**

The Contractor shall not assign this contract or any part thereof without the written consent of the Agency.

13. **Purchase Extension**:

This contract shall be offered for purchases to be made by other counties and governmental units within the State of Illinois as authorized by the Government Joint Purchasing Act. All purchases and payments made under this authority shall be made directly by the governmental unit to the Contractor. Any extension of this contract to other agencies within IL will be subject to the terms conditions including pricing and weight caps mentioned in this contract. It is also noted that pricing may differ from counties in other areas and that the same services may be offered but not with the same terms. The Agency shall not be responsible in any way for such purchase orders or payments. All terms and conditions of this contract shall apply to all orders placed by another governmental unit, however, the contractor may receive a mileage allowance, for locations greater than 100 miles from Chicago.

14. **Independent Contractor**:

The Contractor is an independent contractor and no employee or agent of the Contractor shall be deemed for any reason to be an employee or agent of the County.

SPECIFICATIONS

ELECTRONICS COLLECTION PROGRAM
FOR THE SOLID WASTE AGENCY OF LAKE COUNTY (AGENCY)

December 2009

1.0 **Program Description**

The Agency is seeking a qualified contractor to transport, and recycle electronic devices that the Agency collects from residents of Lake County at various locations throughout Lake County on an ongoing basis. No electronic items will be accepted from non-residential sources. **Schedule A.**, herein, contains a list of proposed collection dates and locations for 2010. The Agency reserves the right to select any dates as deemed to be in their best interest with consultation and not with hardship to the Contractor. The Contractor's responsibilities shall include:

A. Provide and deliver to a collection location, a specified amount of Gaylord boxes and wood pallets.
B. Transport all collected material from the collection location, to their designated facility for recycling.
C. Recycle all said materials in accordance with Section 8 below.
D. Other responsibilities as designated by the Agency as accepted by the contractor.

2.0 **Service Area of Program**

Program services will be available for all residents of Lake County, with an estimated population of 700,000 people and 250,000 households. In 2009, the Agency sponsored similar events and collected approximately 1,500,000 pounds of scrap electronics. (See **Schedule B.** for breakdown of actual amounts collected.) In the past, small appliances and consumer electronics (i.e., blenders, fans, toaster ovens, small stereos, etc.) have been collected at this event. The Agency does not wish to turn away any resident bringing such items to these events however in the event these types of materials exceed 5% by weight collected per quarter the Parties will cooperate to identify the cause and to find an acceptable remedy. No white goods or components thereof, liquids or any hazardous materials will be accepted.

3.0 **Proposed Collection Specifications**

There are (4) four styles of collection operations (A-D), described as follows:

A. <u>Delivery and monthly switch out of 53' trailer, with replenishment of Gaylord boxes and wood pallets.</u>
Dispatch and drop off an empty 53' trailer, 40 Gaylord boxes, and wood pallets. First trailer delivery must be at least 24 hours prior to the start of the collection. The specified amount of Gaylord boxes and pallets may be delivered separate from trailer drop but still must be delivered no less than 24 hours prior to the start of the collection. Subsequent trailer switch outs must occur within 24 hours of a switch out order as placed by SWALCO, excluding weekends and holidays. Subsequent deliveries of the specified amount of Gaylord boxes and pallets may be delivered separate from trailer drop but still must be delivered within the prescribed time line. Trailer delivery and switch outs must occur during regular business hours of the collection location.

B. <u>Prior to electronic collection, deliver 53' trailer, Gaylord boxes, and wood pallets. After collection, pick up loaded trailer.</u>
Dispatch and drop off an empty 53' trailer, 40 Gaylord boxes and wood pallets, with a pallet jack on board, to the collection location at least 24 hours prior to the start of the collection. The specified amount of Gaylord boxes and pallets may be delivered separate from trailer drop, but still must be delivered at least 24 hours prior to the start of the collection. Following the collection dispatch tractor to pick up loaded trailer. The tractor must arrive at the collection location no later the 9:00 a.m. on the day immediately following the collection event. In the event of a collection taking place on a Saturday, the trailer must arrive no later than 9:00 a.m. the following Monday unless there are events which cause this to be unattainable where the Contractor will use best efforts to remove trailers as soon as possible. This collection method normally utilizes a trailer for (4) four days.

C. <u>Prior to electronic collection, deliver Gaylord boxes & wood pallets. After collection, pick up collected electronics.</u>
Provide and deliver to a collection location, 40 Gaylord boxes and wood pallets at least 24 hours prior to the start of the collection. Provide and dispatch an empty 53' trailer, w/pallet jack on board, to the collection location for pick up of full boxes and pallets. (The trailer must arrive at the collection location no later the 9:00 a.m. on the day immediately following the collection event. Collection location staff will

load the trailer upon its arrival. In the event of a collection taking place on a Saturday, the trailer must arrive no later than 9:00 a.m. the following Monday unless there are events which cause this to be unattainable where the Contractor will use best efforts to remove trailers as soon as possible).

D. Supplemental use of trucking.
In the event that a collection location accumulates a larger quantity of electronics than can be loaded onto the initial 53' trailer, the Agency may request that the Contractor dispatch a additional truck, with a specified amount of Gaylord boxes and wood pallets that will be adequate to transport the remainder of the collected electronics.

4.0 **Anticipated Volume Per Full Trailer**
Per trailer volumes are estimated to be 20,000 pounds (10 Tons), of which it is estimated that half of the volume (10,000 pounds) will be mixed electronic scrap, with the balance being CRT glass (monitors and TV's). It is estimated that each trailer load will contain 113 monitors of 19" or less and 9 monitors 20" and greater. It is also estimated that each trailer load will contain 17 small televisions (less than 19"), 27 medium televisions (20" to 27"), and 10 large televisions (greater than 27").

5.0 **Definition of Material**
Residential Electronic Device is defined as:

- "Covered Electronic Device or "CED" means any computer, computer monitor, television, or printer that is taken out of service from a residence in the State of Illinois regardless of purchase location.

- "Eligible Electronic Device" or "EED" means any of the following electronic product taken out of service from a residence in the State of Illinois regardless of purchase location: mobile telephone, computer cable, mouse or keyboard; stand-alone facsimile machine; MP3 player, portable digital assistant (PDA); video game console, video cassette recorder/player, digital video disc player, or similar video device; zip drive; or scanner.

- "Mixed Electronic Device" or "MED" means any Residential Electronic Device that is collected through an Agency Collection Site, which is taken out of service from a residence in the State regardless of purchase location but is neither solely a CED nor solely an EED.

6.0 **Event Management**
The Agency and its members shall be responsible for organizing and supervising the overall coordination of the collection locations, and shall provide a fork lift truck or similar equipment to load all Gaylord boxes and wood pallets onto the provided trailer. The Contractor shall be responsible for furnishing sufficient qualities of Gaylord boxes, wood pallets, 53' trailers and processing capabilities for all electronic devices collected.

7.0 **Record (Data) Tracking and Retention**
The Contractor shall be responsible to maintain and provide to the Agency within sixty (60) days of a collection event, an "Affidavit of Recycling" detailing the types and volumes of material collected, the method in which the material was processed and the destinations or down stream markets that the material will be sent to. Also included must be the type and volume of material that was disposed of as municipal solid waste, special waste or hazardous waste as defined by Subtitle C RCRA. The Contractor shall also provide the Agency with a document releasing the Agency and the event location host from any liability associated with the transportation, processing, or disposal of the electronic items. This document shall also certify that the electronic items will be recycled in an environmentally responsible way. All records shall be maintained by the Contractor and shall be available for inspection by the Agency a two (2) year period.

8.0 **Electronic Recycling**
The Contractor shall make every effort to dismantle, reuse, and recycle the items collected utilizing it own facility, equipment and staff. All materials managed under this bid shall be processed, used, reused, reclaimed or disposed of only in Canada, Mexico, Europe or the United States, unless otherwise specifically permitted by the Agency. All fixed hard drives must be removed and destroyed prior to reusing the parent device that the hard drive was operating in. This Contract explicitly prohibits any whole unit export of collected electronics by the Contractor or any of its down stream vendors.

SCHEDULE A.

SWALCO COLLECTION LOCATIONS AND TRANSPORTATION ESTIMATES

Solid Waste Agency of Lake County
Collection Locations and Transprtation Estimates

Estimated Collection Transportation Types				
Location	**Spec. 3A**	**Spec. 3B**	**Spec. 3C**	**Spec. 3D**
(Cuba Township) Barrington, IL			x	
(Grant Township) Ingleside, IL	x			
(Vernon Township) Buffalo Grove, IL		x		x
(Warren Township) Gurnee, IL		x		x
(Wauconda Township) Wauconda, IL			x	
City of Lake Forest, IL			x	
City of Highland Park, IL	x			
City of North Chicago, IL			x	
Village of Deerfield, IL			x	
Village of Fox Lake, IL			x	
Village of Grayslake, IL		x		x
Village of Gurnee, IL		x		x
Village of Lake Bluff, IL	x			
Village of Lincolnshire, IL			x	
Village of Lindenhurst, IL			x	x
Village of Long Grove, IL		x		
Village of Mundelein, IL	x			
Village of Round Lake Beach, IL			x	
Village of Round Lake, IL			x	
Village of Vernon Hills, IL		x		x
Village of Wauconda, IL			x	
Village of Wintrop Harbor, IL			x	

SCHEDULE B.

SWALCO ELECTRONICS COLLECTION HISTORY 2000 – 2009

Solid Waste Agency of Lake County
Residential Electronics Collection Program
Summary 2000 - 2009

EVENT-YEAR	# OF CARS	MIXED ELECTRONICS	TELEVISIONS	MONITORS	TOTAL (tons)
2000 (One Collection Event)	744	42,485 lbs. = 21.2 tons	288 @ 59 lbs. = 8.5 tons	725 @ 31 lbs. = 11.2 tons	40.9
2001 (one Collection Event)	567	25,350 lbs. = 12.7 tons	155 @ 85 lbs. = 6.6 tons	400 @ 45 lbs. = 9 tons	28.3
2002 (Two Collection Events	1,185	76,124 lbs. = 38 tons	526 @ 50 lbs = 13.2 tons	1,307 @ 35 lbs. = 22.9 tons	74.1
2003 (Two Collection Events)	1,797	106,791 lbs. = 53.4 tons	842 @60 lbs. = 25.1 tons	1,806 @ 25.5 lbs. = 23 tons	101.5
2004 (Two Collection Events)	2,403	113,223 lbs. = 56.6 tons	793 @ 61.5 lbs. = 24.3 tons	2,069 @ 32.5 lbs. = 33.2 tons	114.1
2005 (Three Collection Events)	4,025	267,646 lbs. = 133.9 tons	1,319 @ 59.6 lbs. = 35.6 tons	2,962 @ 31.6 lbs. =47.4 tons	216.9
2006 (8 Member Locations)	2,565	156,802 lbs. = 78.4 tons	1,082 @ 77.1 lbs. = 41.7 tons	2,476 @ 38.2 lbs. = 47.3 tons	167.4
2007 (14 Member Locations)	7,762	388,453 lbs. = 194.2 tons	2.428 @ 74.3 lbs. = 90.2 tons	5,711 @ 38.6 lbs. = 110.2 tons	394.6
2008 (18 Collection Locations)	11,841	546,665 lbs. =273.3 tons	4,690 @ 57.2 lbs. = 134.1 tons	8,706 @ 35,9 lbs. = 156.1 tons	563.5
2009 (25 Collection Locations)					750.0
TOTAL Of All Collections	**32,889**	**1,723,539 lbs. = 861.8 tons**	**12,123 @ 63.6 lbs. = 379.3 tons**	**26,162 @ 35.2 lbs. = 460.3 tons**	**2,451.30**

Exhibit B.

Material Processing Corporation

Letter of Understanding

MPC | @cycling the future™

MATERIALS PROCESSING CORPORATION

December 2, 2009

Letter of Understanding between MPC and the Solid Waste Agency of Lake County, Illinois

1- MPC will agree to accept, and the Solid Waste Agency of Lake County, Illinois (Agency) will agree to provide, up to 2,000,000 pounds of compliant weight based on the Illinois defined compliant weight for the manufacture recycling program. MPC will further accept, at no cost to the Agency, electronic scrap material as long as it does not exceed 5% of the total compliant weight collected per quarter. However, in the event these types of materials exceed 5% by weight collected per quarter, the parties will cooperate to identify the cause and to find an acceptable remedy. MPC shall maintain, during the term of the Agreement, the right of first refusal on any pounds in excess of 2,000,000. If MPC declines to accept any or all of the excess pounds, the Agency may reserve the right to sell the excess weight to another vendor of the Agency's choosing.

2- MPC agrees to provide the following services to the Agency.

a. MPC will provide, at no cost to the Agency, Gaylords and pallets for collection of electronics and will deliver these packaging materials to pre-determined sites prior to collection events and also provide them on a regular basis to ongoing collection sites.

b. MPC will provide, at no cost to the Agency, all necessary transportation to deliver packaging materials and ship collected electronics to MPC's processing facility.

c. MPC will, at no cost to the Agency, process and recycle the electronics collected from the Agency.

d. Materials for recycling will be sorted into categories as defined by MPC.

i. CPU's
ii. CRT's , Monitors, TV
iii. DVD players and VCR's
iv. Printers
v. Audio
vi. Telephones
vii. Cell Phones
viii. Mixed Electronic Scrap

e. Minimum weight requirement per truck load to be picked up by MPC will be 20,000 lbs.

f. MPC agrees to provide the Agency a payment for CPU devices at the rate of $0.0225 per pound. These amounts will be maintained in an escrow account held by MPC in the event that MPC incurs cost for the disposal of non-compliant materials, hazardous waste and or infections waste occurring from the materials collected by the Agency. The escrow balance will be debited on a quarterly basis and any remaining balance at the end of the term will be credited to the Agency.

2300 Pilot Knob Road, Mendota Heights, MN 55120 | phone 651.681.8099 | fax 651.681.8106 | www.mpc-e.com

FIRST AMENDMENT OF THE ELECTRONIC PRODUCTS RECYCLING AGREEMENT BETWEEN THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS AND MATERIALS PROCESSING CORPORATION

THIS FIRST AMENDMENT OF THE ELECTRONIC PRODUCTS RECYCLING AGREEMENT BETWEEN THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS AND MATERIALS PROCESSING CORPORATION (hereinafter referred to as "Amendment") is made this 26th day of August, 2010 between the Solid Waste Agency of Lake County, Illinois (hereinafter referred to as the "Agency") and Materials Processing Corporation (hereinafter referred to as "MPC").

WHEREAS, on December 28, 2009, the Agency and MPC entered into an Electronics Products Recycling Agreement (hereinafter referred to as the "Agreement"), regarding the recycling of certain electronic products collected by or on behalf of the Agency; and

WHEREAS, said Agreement provided for the payment of fees to the Agency for the recycling of certain CPU devices at the rate of $0.0225 per pound per the Letter of Understanding dated December 2, 2009, marked as Exhibit B to the Agreement; and

WHEREAS, the State of Illinois has further defined what an "Eligible Electronic Device" (hereinafter referred to as an "EED") and what a "Covered Electronic Device" (hereinafter referred to as a "CED") is at 415 ILCS 150/10.

WHEREAS, SWALCO and MPC wish to change the amount of payment for the recycling of certain electronic devices, including CPUs, EEDs and CEDs, as defined by Illinois State Statute, effective June 1, 2010.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration recited in the Agreement, the receipt and sufficiency of which are hereby acknowledged, the Agency and MPC:

1. That the above recitals are incorporated as a part of this Amendment as though set forth herein.

2. That Paragraph 2(f) of the December 2, 2009 Letter of Understanding, Exhibit B, of the Agreement is hereby replaced with the following paragraph:

2(f). MPC agrees to provide the Agency a payment for EED, CED, and CPU devices recycled through MPC at the rate of $0.03 per pound from and after June 1, 2010. Said payment shall be paid monthly, within 45 days of the end of each month, along with supporting documentation for such payment.

3. Except as provided herein, all terms and conditions of the Agreement shall remain in full force and effect. If any provisions of the Agreement and this Amendment are inconsistent, the terms and conditions of this Amendment shall apply and supersede the terms of the Agreement.

IN WITNESS WHEREOF, the Agency and MPC have caused this Amendment to be executed in their respective names, have caused their respective corporate seals to be hereto affixed, and have caused this Amendment to be attested, all by their duly authorized officers and representatives, and the Agency and MPC have caused this Amendment to be dated as of the date and year first written above.

SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS

By: Larry T. Mount

Attest: Barbara J. Amadei

Secretary

MATERIALS PROCESSING CORPORATION

By: _____

Attest:

_____

SECOND AMENDMENT OF THE ELECTRONIC PRODUCTS RECYCLING AGREEMENT BETWEEN THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS AND MATERIALS PROCESSING CORPORATION

THIS SECOND AMENDMENT OF THE ELECTRONIC PRODUCTS RECYCLING AGREEMENT BETWEEN THE SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS AND MATERIALS PROCESSING CORPORATION (hereinafter referred to as "Second Amendment") is made this 28 day of October, 2010 between the Solid Waste Agency of Lake County, Illinois (hereinafter referred to as "Agency") and Materials Processing Corporation (hereinafter referred to as "MPC").

WHEREAS, on December 28, 2009, the Agency and MPC entered into an Electronics Products Recycling Agreement (hereinafter referred to as "Agreement") regarding the recycling of certain electronic products collected on behalf of the Agency; and

WHEREAS, the Agreement was subsequently amended on August 26, 2010 to provide for the payment of fees to the Agency for Covered Electronic Devices (hereinafter referred to as "CEDs") and Eligible Electronic Devices (hereinafter referred to as "EEDs") as defined in the Illinois State Statute (415 ILCS 150/10) at the rate if $0.03 per pound; and

WHEREAS, the Illinois State Statute (415 ILCS 150/30) allows for a registered "Manufacturer" to claim triple credit for each pound of CEDs if they are donated for reuse to a primary or secondary public education institution or a not-for-profit entity that is established under Section 501 (c) (3) of the Internal Revenue Code of 1986 and whose principal mission is to assist low-income children of families or to assist the developmentally disabled in Illinois; and

WHEREAS, SWALCO and MPC mutually agree to change the amount of the Per Pound Credit for the recycling of CEDs and EEDs and also apply the benefit of triple credit to those CEDs that may be donated for reuse to certain qualified organizations; and

WHEREAS, SWALCO and MPC do so mutually agree to extend the term of the Agreement for a period of two (2) years beginning on January 1, 2011 through December 31, 2012 while also reserving the option to further renew the Agreement for two (2) additional one (1) year terms.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration recited in the Agreement, the receipt and sufficiency of which are hereby acknowledged, the Agency and MPC:

1. That the above recitals are incorporated as a part of this Second Amendment as though set forth herein.

2. That in Article II, the definition of "Payment" shall be struck in its entirety and replaced with the following definition: ""Per Pound Credit" means the number calculated by multiplying the number of pounds of CEDs and EEDs collected by the value of the material as outlined in Schedule C.".

3. That in Article II, the following definition shall be added: ""Triple Credit Eligible Pounds" means any CEDs that are donated for reuse by the Registered Manufacture to a qualified organization as defined by the Illinois State Statute (415 ILCS 150/30).".

4. That Article III, section 3.01 paragraph (b), shall be struck in its entirety.

5. That Article II, section 3.01 paragraph (c), shall be amended to read "Demonstrate to the Agency by written instrument that a Registered Manufacturer has entered into a contract with the Contractor to collect from the Agency no less than 2,100,000 pounds of CED's and EED's per year; and".

6. That Article VI, 6.02, shall be struck in its entirety.

7. That Article VI, 6.03 paragraph (b), shall be amended by striking the following language "If such materials are received their cost of disposal shall be charged against the Payment escrow balance according to the terms set forth in Exhibit B.".

8. That Article VII, 7.01, shall be amended by (i), the striking of "January 1, 2010 through December 31, 2010" and replace sad language with "January 1, 2011 through December 31, 2012"; and (ii), "three (3)" shall be struck and replaced with "two (2)".

9. That Article VIII, 8.01, shall be amended by (i), striking the word "quarterly" and replacing it with the word "monthly"; (ii), "Per Pound Payment" shall be replaced with "Per Pound Credit"; and (iii), "Exhibit B." shall be struck and replaced with "Schedule C.".

10. That in Article X, 10.15, "sixty (60)" shall be struck and replaced with "one hundred twenty (120)".

11. That in General Terms and Conditions (Exhibit A.) section 1, "2010" shall be struck and replaced with "2012".

12. That in General Terms and Conditions (Exhibit A.) section 4, "January 1, 2010 through December 31, 2010" shall be struck and replaced with "January 1, 2011 through December 31, 2012".

13. That in General Terms and Conditions (Exhibit A.) section 11, "sixty (60)" shall be struck and replaced with "one hundred twenty (120)".

14. That in General Terms and Conditions (Exhibit A.) section 13, shall be struck in its entirety and replaced with: "13. **Right of First Refusal** The Contractor will agree to accept and the Agency will agree to provide, up to 2,100,000 pounds per year of Illinois State Statute (415 ILCS 150) defined compliant weight. The Contractor shall maintain during the term of the Agreement, the right of first refusal on any pounds in excess of 2,100,000 pound per year. If the Contractor declines to accept any of the excess pounds, the Agency may reserve the right to sell the excess pounds to another vendor of the Agency's choosing.".

15. That in General Terms and Conditions (Exhibit A.), add the following paragraph: "15 **Donation For Reuse** The Contractor in accordance with their contract with a Registered Manufacture may return for reuse certain CEDs to a primary or secondary public education institution or a not-for-profit entity that is established under Section 501 (c) (3) of the Internal Revenue Code of 1986 and whose principal mission is to assist low-income children of families or to assist the developmentally disabled in Illinois in accordance with the Illinois State Statute (415 ILCS 150/30). The type and quantity of CEDs returned for reuse to such organizations will be mutually determined and agreed upon by the Contractor, its Registered Manufacture and the Agency. In the case of the Contractor returning for reuse certain CEDs to qualified organizations, both the Registered Manufacture and the Agency will be eligible to assess a triple credit to the associated weight of those CEDs. The Contractor will then also apply triple the Per Pound Credit to such CEDs in accordance with the Per Pound Credit Amount outlined in Schedule C.".

16. That in General Terms and Conditions (Exhibit A.), add "Schedule C. Per Pound Credit Schedule" and within it the following table and general heading:

The Contractor will provide to the Agency, in accordance with the payment terms defined In Article VIII, Section 8.01; a Per Pound Credit as illustrated by this table.

Per Pound Credit Eligible Weight Thresholds (lbs.)	Per Pound Credit Amount
0 to 1,500,000	$0.0675
1,500,001 to 1,650.000	$0.0700
1,650,001 to 1,800,000	$0.0725
1,800,001 to 1,950,000	$0.0750
1,950,001 to 2,100,000	$0.0775
2,100,001 +	$0.0775 Subject to Right of First Refusal by Contractor

17. Except as provided herein, all terms and conditions of the Agreement shall remain in full force and effect. If any provisions of the Agreement and this Amendment are inconsistent, the terms and conditions of this Amendment shall apply and supersede the terms of the Agreement.

IN WITNESS WHEREOF, the Agency and MPC have caused this Second Amendment to be executed in their respective names, have caused their respective corporate seals to be hereto affixed, and have caused this Second Amendment to be attested, all by their duly authorized officers and representatives, and the Agency and MPC have caused this Second Amendment to be dated as of the date and year first written above.

SOLID WASTE AGENCY OF LAKE COUNTY, ILLINOIS

By: Larry T. Mount

Attested:

Barbara L. Amadei

Secretary

MATERIALS PROCESSING CORPORATION

By: _____

Attested:

Marion A. Gerdes