



REQUEST FOR DISCUSSION

To: Peoria City/County Landfill Committee Members
From: Patrick Sloan, Foth

AGENDA DATE REQUESTED: November 18, 2009

ACTION REQUESTED: Committee Recommendation to City Council and County Board to Accept Negotiated Landfill Expansion Agreements

BACKGROUND: At the August 19, 2009 meeting, the Committee selected Peoria City/County Landfill, Inc. (PDC) to enter into negotiations for the Expansion of the Solid Waste Facility. City-County staff has negotiated agreements with PDC during the past five weeks and now presents the proposed Landfill Agreement and Escrow Agreement for the Committee's review and approval.

FINANCIAL IMPACT: Sections 15 through 19 of the Landfill provides details of the fees which will be generated and payable to the City, County and Committee over the life of the agreement.

LANDFILL AGREEMENT

THIS LANDFILL AGREEMENT ("Agreement") is made and effective _____, by and among the COUNTY OF PEORIA, ILLINOIS, a body politic and corporate (the "County"), the CITY OF PEORIA, ILLINOIS, a municipal corporation (the "City") (the County and the City shall be collectively referred to as the "Owners"), the JOINT CITY OF PEORIA-COUNTY OF PEORIA SOLID WASTE DISPOSAL FACILITY BOARD (the "Committee") and PEORIA CITY/COUNTY LANDFILL, INC., an Illinois corporation (the "Contractor").

RECITALS

WHEREAS, pursuant to RFQ 40-08 (as hereinafter defined), the Owners requested proposals to: (i) site, design, construct and operate a solid waste disposal facility ("Expansion Solid Waste Facility"), and (ii) operate a Landscape/Waste Composting Facility (as defined in Section 1.1(m) of the Specifications) (as hereinafter defined) and a Recycling Drop-Off Facility (as described in Section 5.4 of the Specifications) (collectively the "Work") at the Facility (as defined in Section 1.1(g) of the Specifications);

WHEREAS, on August 19, 2009, the Committee accepted the proposal submitted by the Contractor and directed staff to negotiate a contract with the Contractor;

WHEREAS, on _____, the Committee approved this Agreement and recommended that the Owners approve this Agreement;

WHEREAS, on _____, the County approved this Agreement;

WHEREAS, on _____, the City approved this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing recitals, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Owners, the Committee and the Contractor, intending to be legally bound, hereby agree as follows:

1. CONTRACT DOCUMENTS

The Contract consists of this Agreement and the Contract Documents. The Contractor shall perform the Work described in the Contract Documents. The Contract Documents consist of:

- (a) This Agreement signed by the Owners, the Committee and the Contractor;

- (b) Invitation for Qualifications, Joint City of Peoria/County of Peoria Solid Waste Disposal Facility Expansion, RFQ #40-08 issued by Division of Purchasing, City of Peoria, Illinois ("RFQ #40-08"), attached hereto as Exhibit A;
- (c) Addendum #1 to RFQ #40-08, ("Addendum #1"), attached hereto as Exhibit B;
- (d) Addendum #2, Questions and Responses to RFQ #40-08, ("Addendum # 2"), attached hereto as Exhibit C;
- (e) Response to Request for Qualifications, Joint City of Peoria – County of Peoria Solid Waste Disposal Facility Expansion, RFQ #40-08, dated March 25, 2009, submitted by Peoria City/County Landfill, Inc. ("Contractor's Response"), attached hereto as Exhibit D;
- (f) Perpetual Care Fund Trust Agreement ("Trust Agreement"), attached hereto as Exhibit E.

This Agreement, including the Exhibits attached hereto, sets out the full and complete understanding of the parties relating to the subject matter hereof as of the effective date of this Agreement, and supersedes any and all negotiations, agreements and representations made or dated prior hereto with respect to the subject matter of this Agreement. In the event of any conflict or inconsistency between or among the main body of this Agreement and any document or documents that may be incorporated herein by reference, such documents shall prevail between and among themselves in the following order (from most authoritative to least): main body of this Agreement, RFQ #40-08, Contractor's Response, Trust Agreement, Addendum # 1 and Addendum #2.

2. ADOPTION OF SPECIFICATIONS

The Suggested Specifications set forth in Exhibit B to RFQ #40-08 are hereby adopted as the Specifications for the Contract (the "Specifications").

3. TERM

The term of the Contract will be the Life of the Footprint. The Footprint is shown on Exhibit A, Exhibit Map (attached to RFQ #40-08) and labeled "Expansion Area Boundary," a copy of which is attached hereto as Schedule 1. The Life will be defined as the Release from Post-Closure Care, as approved by IEPA. (Section 3 of the Specifications). The term of the Contract shall commence on the date of this Agreement. If the Contractor is required to construct and operate the Peoria Recycling and Transfer Facility pursuant to Section 21 of this Agreement, the term of the Contract shall commence on the date of this Agreement and shall terminate twenty-five (25) years after the Contractor first receives Municipal Waste at the Peoria Recycling and Transfer Facility for disposal.

4. ACCESS TO FACILITY

Commencing upon the date of this Agreement, the Owners and the Committee hereby grant to the Contractor a license to access the Facility in order to perform the Work, subject to and in accordance with the terms of the Contract Documents. (See Section 2.1 of the Specifications). The Contractor is free to negotiate any arrangements with Waste Management, Inc. both parties deem appropriate.

5. DESIGN OF EXPANSION SOLID WASTE FACILITY

5.1 INVESTIGATION

The Contractor shall conduct a complete and thorough site investigation of the Expansion Area. The Contractor agrees that the site investigation shall be performed in a manner consistent with the degree of care and skill ordinarily exercised by professional engineers practicing contemporaneously under similar conditions in the locality of the Expansion Area and in accordance with generally accepted industry standards prevailing at the time the investigation is performed. The Expansion Area is shown on Exhibit A, Exhibit Map (attached to RFQ #40-08). All site investigation activities shall be subject to prior approval by the Committee of a Sampling and/or Activity Plan and proposed schedule. The Committee will provide any request for modifications or clarifications to the Sampling and/or Activity Plan and/or approval within forty-five (45) days of the submittal. The Contractor shall provide the Committee with copies of all reports prepared as a result of the site investigation.

5.2 DESIGN

Upon completion of the site investigation, the Contractor shall prepare a conceptual design(s) for the Expansion Solid Waste Facility. The Contractor shall prepare a conceptual design for the Primary Proposal: Stand-Alone Expansion Unit and a conceptual design for the Alternate Option #1: Piggyback Expansion. Subject to the results of the site investigation, the conceptual design(s) shall have a minimum 10,000,000 tons of waste disposal capacity. The Contractor shall submit the conceptual design(s) to the Committee for its review and approval. The Committee shall have sixty (60) days to review, comment on and approve the conceptual design(s).

6. SITE LOCATION APPROVAL

6.1 RESPONSIBILITY

The Contractor will be responsible for obtaining local siting approval for the Expansion Solid Waste Facility from the County pursuant to Section 39-2 of the Environmental Protection Act (415 ILCS 5/39.2) (the "Act").

6.2 APPLICATION FOR SITING APPROVAL

After the Committee approves the conceptual design(s) for the Expansion Solid Waste Facility, the Contractor shall prepare an application for local siting approval. The Contractor shall submit the siting application to the Committee for its review and approval. The Committee shall have sixty (60) days to review, comment on and approve the siting application.

6.3 SITING APPROVAL

After receiving final and non-appealable local siting approval from the County, the parties shall amend this Agreement to add the siting approval as a Contract Document.

7. PERMITS

After the Contractor receives a final and non-appealable local siting approval from the County pursuant to Section 39.2 of the Act for the Expansion Solid Waste Facility, the Contractor shall prepare permit applications for submittal to the Illinois Environmental Protection Agency ("IEPA"). The Contractor shall submit the permit applications to the Committee for its review and approval prior to submittal to the IEPA. The Committee shall have thirty (30) days to review, comment on and approve the permit applications. The Committee shall have sixty (60) days to review, comment on and approve the initial development construction permit application. If an IEPA permit requires an Owner's representative to execute it, the permit will be held jointly by the Committee as the Owner's representative and the Contractor as operator. (See Section 4.2 of the Specifications).

8. OPERATION PLAN

After the Contractor receives the permits from the IEPA to develop the Expansion Solid Waste Facility, the Contractor shall prepare an Operation Plan for the Expansion Solid Waste Facility in accordance with Section 6.1 of the Specifications. The Contractor shall submit the Operation Plan to the Committee for its review and approval. The Committee shall have sixty (60) days to review, comment on and approve the Operation Plan. After approval by the Committee, the parties shall amend this Agreement to add the Operation Plan as a Contract Document.

9. CONSTRUCTION OF EXPANSION SOLID WASTE FACILITY

After the Contractor receives the permits from the IEPA to develop the Expansion Solid Waste Facility, the Contractor shall commence construction of the Expansion Solid Waste Facility in a timely manner so that the Expansion Solid Waste Facility will have received the Operating Authorization from the IEPA for the first cell and is available to accept Municipal Waste when Landfill No. 2 ceases to accept Municipal Waste. If the Expansion Solid Waste Facility has not received operation authorization at the time when Landfill No. 2 ceases to accept waste, the Contractor shall manage the City and

County Collection waste (Section 11) and the Peoria County Free Dumping Waste (Section 20.7) per the terms of this Agreement at no additional cost to those users, until such time as the Expansion Solid Waste Facility is operational.

10. LANDFILL NO. 1 IMPROVEMENT AND POST-CLOSURE CARE

10.1 INITIAL WORK

On or before July 1, 2010, the Contractor, at its sole expense, upon the request and approval of the Committee and acquisition of any necessary IEPA permits, shall commence performance of the following cap restoration activities as described in the Committee 2009 Work Plan (Goal 1, Objective 2) at Landfill No. 1:

- (a) Install sediment and erosion controls compliant with NPDES requirements,
- (b) Protect existing, gas extraction wells and gas collection piping within the area(s) to be repaired,
- (c) Strip the repair area of vegetation and haul the stripped vegetation to the Expansion Area,
- (d) Strip the repair area of topsoil and stockpile onsite for reuse,
- (e) Place and compact earth cover over the repair area to restore stormwater drainage. Soils will be borrowed from the future construction area for the expansion,
- (f) Spread the previously stockpiled topsoil over the disturbed area,
- (g) Restore any gas extraction wells and/or gas collection piping that were abandoned as described above, and
- (h) Seed, fertilize, and mulch the disturbed area.

The Contractor shall use its best efforts to complete the performance of the foregoing cap restoration activities on or before December 31, 2010.

10.2 CAP RESTORATION

If the Committee assigns to the Contractor the rights to all landfill gas generated by Landfill No. 1, and all revenues, tax credits, carbon offsets, etc. associated with landfill gas collection, control and beneficial use, and the Contractor receives a final and non-appealable local siting approval from the County pursuant to Section 39.2 of the Act for the Expansion Solid Waste Facility (pending permitting approval and legal authorization to repair, operate and utilize the Landfill No. 1

gas collection system), then the Contractor shall improve the existing Landfill No. 1 final cover, gas collection and condensate removal system as described below. The Contractor shall assume responsibility for properly collecting and controlling landfill gas from Landfill No. 1 until IEPA releases Landfill No. 1 from post-closure care. The Contractor shall:

- (a) Significantly improve the final cover system drainage, erosion control and evapotranspiration potential by adding an average of about six (6) additional feet (up to 1,000,000 cubic yards) of final cover soil on the final cover;
- (b) Restore the gas collection system by properly abandoning and replacing existing non-functional gas extraction wells and installing new gas collection header pipes;
- (c) In coordination with restoring the gas collection system, the Contractor will significantly improve the condensate collection and removal system. This is expected to include installing condensate traps and collection sumps at critical locations to allow the efficient removal of condensate;
- (d) Install a new (or refurbished) flare station, including blower, condensate knockout, open flare, and controls;
- (e) Perform landfill gas extraction wellhead monitoring, balancing, and gas extraction system maintenance activities as required to maintain compliance with the Facility's air permit;
- (f) Properly store and dispose condensate that is captured from the Landfill No. 1 gas collection system;
- (g) Operate and maintain the Landfill No. 1 gas control system (e.g. flare and/or gas-to-energy facility), including all required gas sampling and testing; and
- (h) Perform all Landfill No. 1 monitoring, recordkeeping, and reporting required by the Facility's air permit.

10.3 LANDFILL NO. 1 POST CLOSURE CARE

Commencing upon the acceptance of Municipal Waste at the Expansion Solid Waste Facility, the Contractor shall assume and perform, at its sole expense, the following post closure care activities with respect to Landfill No. 1 until Landfill No. 1 is released from post-closure care by IEPA, which are currently the responsibility of the Committee:

- (a) Cover stabilization and seeding,

- (b) Perimeter and ambient air monitoring and reporting,
- (c) Leachate management and disposal,
- (d) Groundwater assessments,
- (e) Environmental compliance reports, and
- (f) Groundwater monitoring well and landfill gas extraction well abandonment at end of post closure care period.

The Contractor does not assume the Committee's responsibility for "Remedial Actions" with respect to Landfill No. 1. The Contractor shall not assume any responsibility for post closure care items which are the responsibility of Waste Management of Illinois, Inc. under the Landfill Agreement dated December 26, 1996. Notwithstanding the foregoing, if the IEPA has not released Landfill No. 1 from post-closure care by the time Landfill No. 2 is released from post-closure care, then the Contractor shall assume responsibility for the post-closure care activities to be performed by Waste Management of Illinois, Inc. with respect to Landfill No. 1 until Landfill No. 1 is released from post-closure care by IEPA.

11. MUNICIPAL WASTE GUARANTEE

11.1 CITY MUNICIPAL WASTE GUARANTEE

The City will guarantee its residential waste stream under this Contact beginning at such time as the public gate for the Expansion Solid Waste Facility opens. The refuse volume is typically 35,000 – 40,000 tons per year. The City makes no guarantee on the actual volumes. (Section 5.8 of RFQ #40-08).

11.2 COUNTY MUNICIPAL WASTE GUARANTEE

In the event the County implements a County Waste Collection Program within the County of Peoria, then the County will guarantee that the Municipal Waste collected under the County Waste Collection Program be disposed of at the Expansion Solid Waste Facility. (See Section 5.8 of RFQ #40-08).

12. LAND ACQUISITION REIMBURSEMENT

12.1 FIRST INSTALLMENT PAYMENT

Within ten (10) days after the Contractor receives a final and non-appealable local siting approval from the County pursuant to Section 39.2 of the Act for the Expansion Solid Waste Facility, the Contractor shall pay the sum of Four Hundred Fifty Thousand Dollars (\$450,000) to the County and the sum of Four Hundred Fifty Thousand Dollars (\$450,000) to the City, as partial reimbursement for the cost of acquiring the Expansion Area.

12.2 SECOND INSTALLMENT PAYMENT

Within ten (10) days after the initial acceptance of Municipal Waste at the Expansion Solid Waste Facility, the Contractor shall pay the sum of Four Hundred Fifty Thousand Dollars (\$450,000) to the County and the sum of Four Hundred Fifty Thousand Dollars (\$450,000) to the City, as partial reimbursement for the cost of acquiring the Expansion Area.

13. DONATION OF REAL ESTATE

Within ten (10) days after receiving the permits to operate the Expansion Solid Waste Facility, the Contractor shall cause the following described real estate to be conveyed by Coulter Properties, Inc. to the County and the City by good and sufficient warranty deed:

A part of the Northeast 1/4 of Section 27 of Rosefield Township, Township 9 North, Range 6 East of the Fourth Principal meridian, Peoria County, Illinois, being more particularly described as follows: Commencing at a found iron pipe marking the East Quarter corner of said Section 27; thence North 00 Degrees 06 Minutes 46 Seconds East (bearings assumed) along the East line of the Northeast 1/4 of said Section 27, 132.00 feet to the Northeast corner of a 1.00 acre tract (recorded in Book 345, Page 509) as the point of beginning of the tract to be described; thence continuing North 00 Degrees 06 Minutes 46 Seconds East along said East line, 1,075.93 feet; thence North 37 Degrees 50 Minutes 45 Seconds West, 183.66 feet; thence North 86 Degrees 48 Minutes 40 Seconds West, 234.79 feet; thence North 02 Degrees 26 Minutes 13 Seconds East, 365.40 feet; thence North 74 Degrees 06 Minutes 16 Seconds West, 346.09 feet; thence North 60 Degrees 22 Minutes 18 Seconds West, 275.91 feet; thence South 89 Degrees 21 Minutes 19 Seconds West, 441.88 feet; thence South 05 Degrees, 51 Minutes 24 Seconds West, 1,959.15 feet to a point on the South line of the Northeast 1/4 of said Section 27, said point also being on the approximate centerline of Cottonwood Road (County Highway #35); thence South 89 Degrees 41 Minutes 21 Seconds East along said South line and approximate centerline of said road, 1,213.67 feet to the Southwest corner of said 1.00 acre tract; thence North 00 Degrees 06 Minutes 46 Seconds East, 132.00 feet to the Northwest corner of said tract; thence South 89 Degrees 41 Minutes 21 Seconds East, 330.00 feet to the point of beginning, containing 57.3 acres, more or less.

Parcel No. 12-27-200-004

The Contractor shall have the right, at no expense, to use the above-described real estate to stock-pile excess soil from the Expansion Solid Waste Facility.

14. DISPOSAL FEES

14.1 MUNICIPAL WASTE

The Expansion Solid Waste Facility is expected to begin accepting Municipal Waste for disposal sometime during calendar years 2014 – 2018. Depending upon the calendar year the Expansion Solid Waste Facility begins accepting Municipal Waste, the beginning gate rate for Municipal Waste is set forth below under the caption "Standard Gate Rate" and the beginning gate rate for Municipal Waste collected under the City collection contract, and the County Waste Collection Program, if any, is set forth below under the caption "City/County Discount Rate."

<u>Year</u>	<u>Standard Gate Rate (\$/ton)</u>	<u>City/County Discount Rate (\$/ton)</u>
2014	\$48.00	\$43.20
2015	\$49.00	\$44.10
2016	\$50.00	\$45.00
2017	\$51.00	\$45.90
2018	\$52.00	\$46.80

Once the Standard Gate Rate has been established, the Standard Gate Rate shall be adjusted annually on January 1 of each succeeding year. The adjustment shall be calculated based on the increase in the United States Department of Labor, Bureau of Labor Statistics, U.S. City Average, Consumer Price Index ("CPI") for all urban consumers. The Standard Gate Rate shall not be decreased regardless of whether the CPI is negative for a given adjustment period and in that event the Standard Gate Rate shall not be adjusted. Each adjustment will be based on the increase (if any) in the CPI during the period November 1 of the prior year through October 31 of the adjustment year, and the amount of the adjustment shall not exceed six percent (6%). Once the City/County Discount Rate has been established, the City/County Discount Rate shall be adjusted annually on January 1 of each succeeding year. The City/County Discount Rate shall be ninety percent (90%) of the Standard Gate Rate.

14.2 LANDSCAPE WASTE

The Contractor is expected to begin operating the Landscape/Waste Composting Facility sometime during calendar years 2014 – 2018. Depending upon the calendar year the Contractor begins operating the Landscape/Waste Composting Facility, the beginning gate rate for Landscape/Waste is set forth below under the caption "Standard Gate Rate" and the beginning gate rate for Landscape/Waste collected under the City collection contract, and the County Waste Collection Program, if any, is set forth below under the caption "City/County Discount Rate."

<u>Year</u>	<u>Standard Gate Rate (\$/ton)</u>	<u>City/County Discount Rate (\$/ton)</u>
2014	\$15.50	\$12.00
2015	\$16.00	\$12.50
2016	\$16.50	\$13.00
2017	\$17.00	\$13.50
2018	\$17.50	\$14.00

Once the Standard Gate Rate has been established, the Standard Gate Rate shall be adjusted annually on January 1 of each succeeding year. The adjustment shall be calculated based on the increase in the United States Department of Labor, Bureau of Labor Statistics, U.S. City Average, Consumer Price Index ("CPI") for all urban consumers. The Standard Gate Rate shall not be decreased regardless of whether the CPI is negative for a given adjustment period and in that event the Standard Gate Rate shall not be adjusted. Each adjustment will be based on the increase (if any) in the CPI during the period November 1 of the prior year through October 31 of the adjustment year, and the amount of the adjustment shall not exceed six percent (6%). Once the City/County Discount Rate has been established, the City/County Discount Rate shall be adjusted annually on January 1 of each succeeding year. The City/County Discount rate shall be ninety percent (90%) of the Standard Gate Rate.

14.3 SPECIAL WASTE

The Contractor shall set fees for Special Waste. (Section 9.2 of the Specifications).

15. HOST BENEFIT FEES/REBATES

15.1 COMMITTEE HOST BENEFIT FEE

The Contractor shall pay to the Committee a Host Benefit Fee of \$1.50 for each ton of Municipal Waste and Special Waste landfilled at the Expansion Solid Waste Facility. The Host Benefit Fee shall be adjusted annually on January 1 of each year at the same percentage rate that the Standard Gate Rate for Municipal Waste is adjusted. The Host Benefit Fee shall be remitted to the Committee on a quarterly basis, due on or before the 20th day of the month following the end of each calendar quarter.

15.2 COUNTY HOST BENEFIT FEE

The Contractor shall pay to the County a Host Benefit Fee of 75¢ for each ton of Municipal Waste and Special Waste landfilled at the Expansion Solid Waste Facility. The Host Benefit Fee shall be adjusted annually on January 1 of each year at the same percentage rate that the Standard Gate Rate for Municipal Waste is adjusted. The Host Benefit Fee shall be remitted to the County on a quarterly basis, due on or before the 20th day of the month following the end of each calendar quarter.

15.3 CITY HOST BENEFIT FEE

The Contractor shall pay to the City a Host Benefit Fee of 75¢ for each ton of Municipal Waste and Special Waste landfilled at the Expansion Solid Waste Facility. The Host Benefit Fee shall be adjusted annually on January 1 of each year at the same percentage rate that the Standard Gate Rate for Municipal Waste is adjusted. The Host Benefit Fee shall be remitted to the City on a quarterly basis, due on or before the 20th day of the month following the end of each calendar quarter.

15.4 CITY MUNICIPAL WASTE REBATE

The Contractor shall pay to the City a rebate of \$10.00 for each ton of Municipal Waste landfilled at the Expansion Solid Waste Facility which was collected under the City collection contract. The rebate shall be remitted to the City on a quarterly basis, due on or before the 20th day of the month following the end of each calendar quarter.

15.5 FEES FOR SOLID WASTE MANAGEMENT/RECYCLING

State-allowable tipping fees for solid waste management/recycling shall be collected by the Contractor and remitted to the County on a monthly basis, due on or before the 15th day of the month following the month for which the fees were collected. During any calendar year, if the County solid waste management fee is less than \$300,000, the Contractor shall pay the deficit by January 15th of

the following year. The payment shall be pro-rated for any partial year. The \$300,000 minimum will be adjusted annually on January 1 of each year at the same percentage rate that the Standard Gate Rate for Municipal Waste is adjusted. (Section 9.4 of the Specifications).

15.6 COUNTY MUNICIPAL WASTE REBATE

The Contractor shall pay to the County a rebate of \$10.00 for each ton of Municipal Waste landfilled at the Expansion Solid Waste Facility which was collected under the County Waste Collection Program, if any. The rebate shall be remitted to the County on a quarterly basis, due on or before the 20th day of the month following the end of each calendar quarter.

16. RECYCLING DROP-OFF SITES

Commencing upon the acceptance of Municipal Waste at the Expansion Solid Waste Facility, the Contractor shall provide the County, at no cost, with four (4) recycling drop-off sites for the placement of containers to increase the convenience of recycling for residents and businesses in Peoria County. In addition, the Contractor shall arrange for the servicing of these sites at no cost to the County. The four (4) recycling drop-off sites will be located at the following places:

- (a) Wigand Disposal Company located at: 19908 N. Route 29, Chillicothe, IL 61523
- (b) PDC Laboratories, Inc. located at 2231 W. Altorfer Drive, Peoria, IL 61615.
- (c) PDC Services, Inc. located at 1113 N. Swords Avenue, Peoria, IL 61604.
- (d) Peoria Disposal Company located at 4349 Southport Road, Peoria, IL 61615.

In addition, upon the acceptance of Municipal Waste at the Expansion Solid Waste Facility, the Contractor shall service, upon mutually agreed upon collection rates, four (4) recycling drop-off sites at locations arranged for by the County.

The Contractor shall retain all proceeds from the sale of recyclable material collected at the above recycling drop-off sites.

17. SALE OF SURPLUS SOILS

The Contractor shall pay to the Committee the Net Revenue the Contractor receives from any sale of surplus soils from the Facility. The term "Net Revenue" shall equal gross revenue minus costs. The Net Revenue shall be paid to the Committee within thirty (30) days of its receipt by the Contractor.

18. LANDFILL GAS

18.1 EXPANSION SOLID WASTE FACILITY

The Contractor shall diligently develop beneficial use of landfill gas generated by the Expansion Solid Waste Facility. It is recognized that the beneficial use of landfill gas is contingent upon sufficient volumes of extractable gas and markets for energy or other beneficial uses of the landfill gas.

18.2 LANDFILL GAS ENERGY SALES

The Contractor shall pay the greater of (i) six percent (6%) of the Gross Proceeds or (ii) fifty percent (50%) of the Net Proceeds, to the County and the City to be shared equally between them. Net Proceeds shall equal Gross Proceeds less Operating Costs. Gross Proceeds shall mean any monetary payments, however categorized, received by the Contractor from the operation of the landfill gas energy system, including but not limited to proceeds from the sale of landfill gas and monetized investment tax credits, production tax credits, renewable energy credits, carbon credits or any other federal or state incentive program which is valued based on the use of landfill gas. Operating Costs shall mean all actual costs incurred by the Contractor in the operation of the landfill gas energy system and monetization of investment tax credits, etc., including but not limited to wages of direct employees at the landfill gas energy system, salaries of supervisory and administrative personnel related to the landfill gas energy system, costs for insurance and employee benefits, repairs, equipment rental charges, fuel and utility costs, taxes, costs of permits and depreciation of the landfill gas energy system. The County and the City's share of Net Proceeds shall be paid to them within thirty (30) days of its receipt by the Contractor.

19. PERPETUAL CARE/ENVIRONMENTAL CONTINGENCY FUND

19.1 PURPOSE

The purpose of the Perpetual Care and Environmental Contingency Fund (the "Fund") will be to provide a source of funds to:

- (a) Address corrective actions at Landfill No. 1;
- (b) Address corrective actions at the Expansion Solid Waste Facility commencing thirty (30) years after the closure of the Expansion Solid Waste Facility;
- (c) Provide perpetual care at Landfill No. 1 and the Expansion Solid Waste Facility commencing thirty (30) years after the closure of the Expansion Solid Waste Facility.

19.2 ESTABLISHMENT

The Committee shall establish the Fund at a financial institution. The Fund shall be governed by the terms of the Perpetual Care and Environmental Contingency Fund Trust Agreement in the form attached hereto as Exhibit G.

19.3 FUNDING

Within ninety (90) days of receipt of all permits from the IEPA to operate the Expansion Solid Waste Facility, the Contractor shall pay the sum of Two Hundred Fifty Thousand Dollars (\$250,000) to the Committee for deposit into the Fund. Thereafter, the Contractor shall pay to the Committee a Perpetual Care Fund Fee of 25¢ for each ton of Municipal Waste and Special Waste landfilled at the Expansion Solid Waste Facility. The Perpetual Care Fund Fee shall be remitted to the Committee on a quarterly basis, due on or before the 20th day following the end of each calendar quarter.

19.4 POST-CLOSURE CARE

The Contractor shall be responsible for conducting post-closure maintenance on the Expansion Solid Waste Facility until a release from post-closure care is obtained from IEPA. The Contractor shall be responsible for IEPA required post-closure care items at Landfill No. 1 after Landfill No. 2 is released from post-closure by IEPA, if the landfill is still in the post-closure care period. After Landfill No. 1 is released from post-closure care by IEPA, the Contractor shall be responsible for normal care (Section 10.2 of the Specifications).

20. CITIZEN'S CONVENIENCE CENTER

20.1 DESIGN

Upon completion of the site investigation, the Contractor shall prepare a preliminary design for the Citizen's Convenience Center. The Citizen's Convenience Center will provide clearly delineated and staged drop-off areas for typical recyclable materials (cardboard, newspaper/office paper, commingled containers); yard waste; white goods; tires; pallets and clean wood; refuse; household hazardous wastes; electronics; and used oil. A conceptual design of the Citizen's Convenience Center is depicted on Drawing D13 in Attachment 8 to the Contractor's Response and a rendering of it is depicted in Figure 26 to the Contractor's Response. The Contractor shall submit the preliminary design to the Committee for its review and approval. The Committee shall have sixty (60) days to review, comment on and approve the preliminary design.

20.2 SITING

If required by Section 39.2 of the Act, the Citizen's Convenience Center will be included in the siting application for the Expansion Solid Waste Facility.

20.3 PERMITS

After the Contractor receives a final and non-appealable local siting approval from the County pursuant to Section 39.2 of the Act for the Expansion Solid Waste Facility and the Citizen's Convenience Center, if necessary, the Contractor shall prepare permit applications, if necessary, for submittal to the IEPA for the Citizen's Convenience Center. The Contractor shall submit the permit application to the Committee for its review and approval prior to submittal to the IEPA. The Committee shall have sixty (60) days to review, comment on and approve the permit application.

20.4 OPERATION PLAN

The Citizen's Convenience Center shall be included in the Operation Plan for the Expansion Solid Waste Facility developed by the Contractor pursuant to Section 8 of this Agreement.

20.5 HOUSEHOLD HAZARDOUS WASTE

The Contractor shall receive and properly manage up to 150,000 pounds per calendar year of household hazardous waste that is dropped off at the Citizens Convenience Center by permanent residents of Peoria County free of charge. In any calendar year, the Contractor shall not be required to receive more than 150,000 pounds of household hazardous waste from permanent residents of Peoria County free of charge. The Contractor shall receive household hazardous waste during normal landfill operating hours on the first Saturday of every month. The Committee and the Contractor shall mutually agree upon the types of household hazardous waste to be collected at the Citizens Convenience Center. The Contractor shall cooperate with the City and the County to develop a regional household hazardous waste collection program.

20.6 COMMENCEMENT OF SERVICES

Commencing upon the acceptance of Municipal Waste at the Expansion Solid Waste Facility, the Contractor shall commence operation of the Citizen's Convenience Center.

20.7 PEORIA COUNTY FREE DUMPING PROGRAM

The amount of Municipal Waste accepted free of charge under the Peoria County Free Dumping Program shall not exceed 3,000 tons per year. If the County and the City decide to discontinue this program during the term of this Agreement, the

Contractor shall provide up to 3,000 tons per year of disposal free of charge for illegally dumped waste collected by the Peoria County Highway Department, townships within Peoria County, and the City of Peoria Public Works Department.

21. PEORIA RECYCLING AND TRANSFER FACILITY

21.1 CONTINGENCY PLAN

If the Contractor fails to receive final and non-appealable site location approval pursuant to Section 39.2 of the Act for the Expansion Solid Waste Facility, then the Contractor shall construct and operate the Peoria Recycling and Transfer Facility to meet the waste disposal needs of the County and the City. During the operation of the Peoria Recycling and Transfer Facility, the City shall guarantee that its waste stream under the City collection contract will be deposited at the Peoria Recycling and Transfer Facility. The Peoria Recycling and Transfer Facility shall have waste and recycling transfer capacity of 1,500 tons per day (429,000 tons per year).

21.2 CONSTRUCTION

The Peoria Recycling and Transfer Facility will be constructed and operational by the time Landfill No. 2 ceases accepting Municipal Waste for disposal.

21.3 OPERATION PLAN

The Contractor shall prepare an Operation Plan for the Peoria Recycling and Transfer Facility in accordance with Section 6.1 of the Specifications. The Contractor shall submit the Operation Plan to the Committee for its review and approval. The Committee shall have sixty (60) days to review, comment on and approve the Operation Plan. After approval by the Committee, the parties shall amend this Agreement to add the Operation Plan as a Contract Document.

21.4 TRANSFER FACILITY FEES

The Peoria Recycling and Transfer Facility is expected to begin accepting Municipal Waste for transfer sometime during calendar years 2014 – 2018. Depending upon the calendar year the Peoria Recycling and Transfer Facility begins accepting Municipal Waste, the beginning gate rate for Municipal Waste is set forth below under the caption "Standard Gate Rate" and the beginning gate rate for Municipal Waste collected under the City collection contract and the County Waste Collection Program, if any, is set forth below under the caption "City/County Discount Rate."

<u>Year</u>	<u>Standard Gate Rate (\$/ton)</u>	<u>City/County Discount Rate (\$/ton)</u>
2014	\$53.00	\$47.70
2015	\$55.00	\$49.50
2016	\$57.00	\$51.30
2017	\$59.00	\$53.10
2018	\$61.00	\$54.90

Once the Standard Gate Rate has been established, the Standard Gate Rate shall be increased annually on January 1 of each succeeding year by \$2.00 per ton. Once the City/County Discount Rate has been established, the City/County Discount Rate shall be adjusted annually on January 1 of each succeeding year. The City/County Discount Rate shall be ninety percent (90%) of the Standard Gate Rate.

21.5 SPECIAL WASTE

The Contractor shall set fees for Special Waste.

21.6 PERIOD OF OPERATION

The Contractor shall operate the Peoria Recycling and Transfer Facility for a period of twenty-five years.

21.7 COMMITTEE HOST BENEFIT FEE

The Contractor shall pay to the Committee a Host Benefit Fee of \$3.00 for each ton of Municipal Waste received for disposal at the Peoria Recycling and Transfer Facility. The Host Benefit Fee shall be adjusted annually on January 1 of each year. The adjustment shall be calculated based on the increase in the United States Department of Labor, Bureau of Labor Statistics, U.S. City Average, Consumer Price Index ("CPI") for all urban consumers. The Host Benefit Fee shall not be decreased regardless of whether the CPI is negative for a given adjustment period. Each adjustment will be based on the increase (if any) in the CPI during the period November 1 of the prior year through October 31 of the adjustment year, and the amount of the adjustment shall not exceed six percent (6%). The Host Benefit Fee shall be remitted to the Committee on a quarterly basis, due on or before the 20th day following the end of each calendar quarter.

21.8 COMMITTEE ANNUAL PAYMENT

The Contractor shall pay the Committee the sum of Two Million Dollars (\$2,000,000) in ten equal installments of Two Hundred Thousand Dollars (\$200,000). The first payment shall be made on the date the Peoria Recycling and Transfer Facility first accepts Municipal Waste for transfer, and subsequent payments shall be made on the same date of subsequent years until paid in full.

21.9 CITIZEN'S CONVENIENCE CENTER

The Contractor shall develop, permit, construct, and operate a Citizen's Convenience Center at the Peoria Recycling and Transfer Facility as outlined in Section 20. However, the configuration of the Citizen's Convenience Center may change due to its new location.

21.10 RECYCLING DROP-OFF SITES

Commencing upon the acceptance of Municipal Waste at the Peoria Recycling and Transfer Facility, the Contractor shall provide the County with the four (4) recycling drop-off sites set forth in Section 16.

21.11 ACCESS ROAD

Within two (2) years after the Contractor commences operation of the Peoria Recycling and Transfer Facility, the Contractor, at its expense, shall construct an access road to the Peoria Recycling and Transfer Facility off the West Forrest Hill Avenue extension if constructed by the City.

21.12 TRANSFER OF OWNERSHIP

After operating the Peoria Recycling and Transfer Facility for a period of twenty-five (25) years, the parties shall negotiate in good faith upon commercially reasonable terms an extension to this Agreement. Upon execution of the extension to this Agreement, the Contractor shall transfer ownership of the Peoria Recycling and Transfer Facility to the County and the City.

22. LANDFILL WEBSITE

Commencing upon the acceptance of Municipal Waste at the Expansion Solid Waste Facility, the Contractor shall operate, at its sole expense, a website linked to the City and/or County's websites which provides information about landfill operations and the services provided at the Expansion Solid Waste Facility. A portion of the website shall be made available to the Committee to post information. In addition, a live feed from the Expansion Solid Waste Facility shall be provided to allow website visitors to view current operations at the facility in real time.

23. GRANT OF EASEMENT TO EXTEND WEST FORREST HILL

At the request of the County and/or the City, the Contractor shall grant, at no cost, an easement or right-of-way to them to extend West Forrest Hill Avenue to Illinois State Route 8 over real estate owned by the Contractor or one of its affiliated companies at the approximate location shown in the Contractor's Response.

24. COTTONWOOD ROAD INDUSTRIAL PARK

The Contractor shall cooperate with the County and the City to develop an industrial eco-park on the real estate owned by them located south of Cottonwood Road. The Contractor shall work with the Committee to evaluate this opportunity, identify potential businesses to be developed in the area and supply renewable energy to the industrial eco-park.

25. SOIL STOCKPILE AGREEMENT

The County, the City and the Committee shall enforce their rights under the Agreement dated January 28, 2003, with Waste Management, Inc. (the "Stockpile Agreement") so that Waste Management, Inc.'s use of the Option Property (as defined in the Stockpile Agreement) does not interfere with the investigation, siting, development, construction and operation of the Expansion Solid Waste Facility.

26. AMENDMENT TO AGREEMENT.

This Agreement may not be amended except by an agreement signed in writing by all parties hereto.

27. NOTICES.

Any notice, request, instruction, correspondence or other document required to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered in person or by courier service requiring acknowledgment of delivery or mailed by certified mail, postage prepaid and return receipt requested, or by telecopier, as follows:

If to the Contractor, addressed to:

Peoria City/County Landfill, Inc.
P.O. Box 9071
Peoria, IL 61612-9071
Attention: Royal J. Coulter
Telecopier No.: (309) 688-9611

receipt if received before the recipient's normal business hours. All Notices by telecopier shall be confirmed promptly after transmission in writing by regular mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving Notice as provided above of such change of address.

28. SEVERABILITY AND APPLICABLE LAW.

If any provision or subsection hereof or the application thereof to any person or circumstances is held invalid, the other provisions of this Agreement and/or their applicability to other persons or circumstances shall not be affected thereby. It is declared to be the intent of this Agreement that the same would have been adopted had such invalid provision, if any, not been included herein. This Agreement shall be governed by the laws of the State of Illinois. The parties stipulate and agree that any and all litigation relating to or arising out of this Agreement shall be filed in a court of competent jurisdiction in Peoria County, Illinois, and that Peoria County shall be the only proper venue.

29. LOCAL TIP FEE SURCHARGE.

Except for a local tip fee surcharge, adopted pursuant to 415 ILCS 5/22.15(j), and any and all fees and/or charges contemplated by this Agreement, the County and the City covenant and agree not to levy or impose any other form of tax, fee, surcharge, host fee or other charge upon the disposal of Municipal Waste and Special Waste at the Expansion Solid Waste Facility or the transfer of Municipal Waste and Special Waste at the Peoria Recycling and Transfer Facility during the term of this Agreement.

30. ENFORCEMENT.

The parties shall have the right to enforce this Agreement by an action in Peoria County Circuit Court. However, prior to commencing such action, the party seeking to enforce this Agreement ("Complaining Party") agrees to give the other party written notice of any non-compliance alleged to constitute a violation of this Agreement at least fifteen (15) days (which period includes holidays and weekends) prior to filing an action in Peoria County Circuit Court. The parties shall have the right to seek any and all appropriate relief without limitation and, if successful, shall be entitled to reasonable attorney's fees and costs, and reasonable expenses of litigation.

31. TIME OF ESSENCE.

Time is of the essence of this Agreement.

32. BINDING EFFECT.

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, administrators, legal representatives, and assigns, as the case may be, of the parties hereto.

With a copy to:

Elias, Meginnes, Riffle & Seghetti, P.C.
416 Main Street, Suite 1400
Peoria, Illinois 61602
Attention: Brian J. Meginnes, Esq.
Telecopier No.: (309) 637-8514

If to the County, addressed to:

Peoria County Administration
Room 501
324 Main Street
Peoria, IL 61602-1319
Attention: County Administrator
Telecopier: (309) 672-6054

If to the City, addressed to:

City of Peoria
419 Fulton Street
Peoria, IL 61602
Attention: City Manager
Telecopier No.: (309) 494-8559

With a copy to:

City of Peoria
419 Fulton Street
Peoria, IL 61602
Attention: Director of Public Works
Telecopier No.: (309) 494-8658

If to the Committee, addressed to:

Peoria City/County Landfill Committee
c/o City of Peoria
419 Fulton Street
Peoria, IL 61602
Attention: Chairman

Notice given by personal delivery or courier service shall be effective upon actual receipt. Notice given by mail shall be effective two days after deposit with the United States postal service. Notice given by telecopier shall be confirmed by appropriate answer back and shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers or representatives on the date first above written.

COUNTY OF PEORIA

CITY OF PEORIA

By: _____

By: _____

Its: _____

Its: _____

Attest:

Attest:

By: _____

By: _____

Its: _____

Its: _____

JOINT CITY OF PEORIA-COUNTY OF
PEORIA SOLID WASTE DISPOSAL
FACILITY BOARD

PEORIA CITY/COUNTY LANDFILL,
INC.

By: _____

By: _____

Its: _____

Its: _____

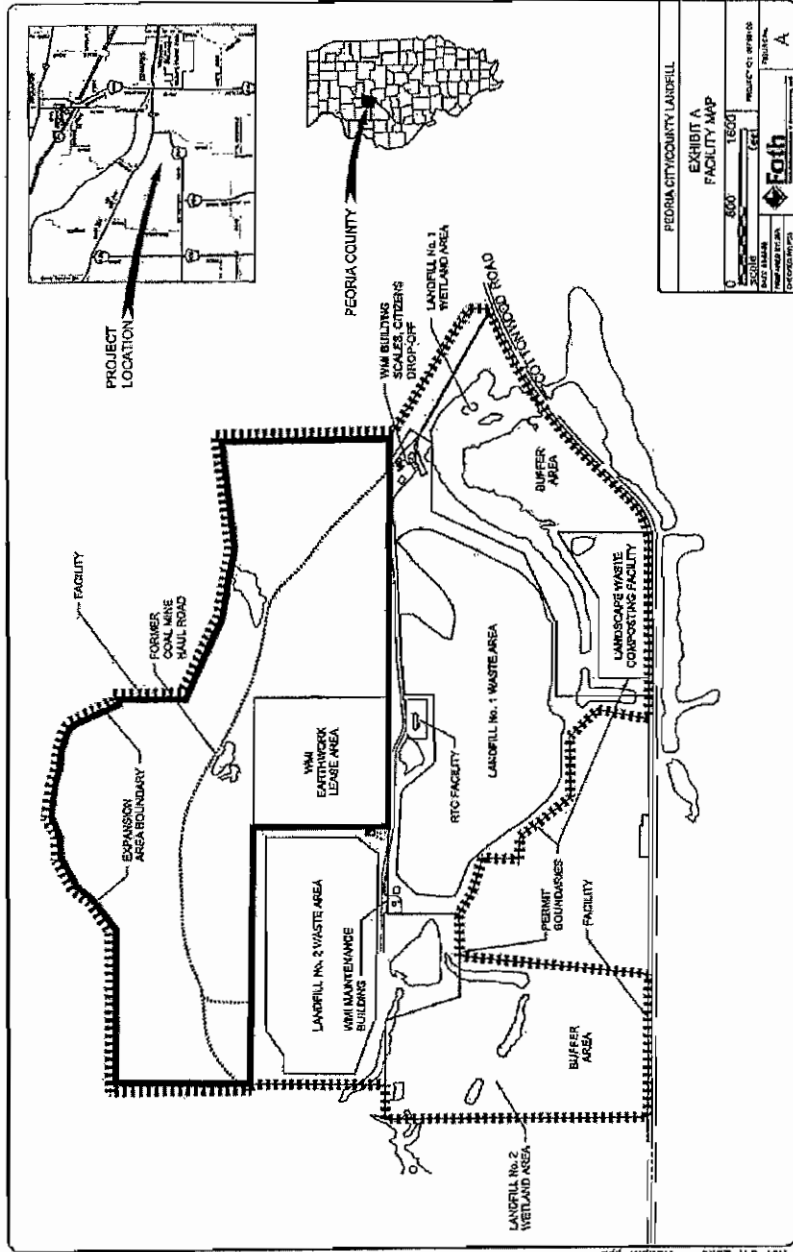
Attest:

By: _____

Its: _____

109-1679

SCHEDULE 1 PEORIA CITY/COUNTY LANDFILL FACILITY MAP



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PEORIA CITY/COUNTY LANDFILL	
EXHIBIT A FACILITY MAP	
Scale: 1" = 200'	Scale: 1" = 1000'
Scale: 1" = 4000'	Scale: 1" = 8000'
Foth	
PROJECT NUMBER: 08-001	DATE: 11/04/09
PROJECT NAME: PEORIA CITY/COUNTY LANDFILL	SCALE: AS SHOWN
PROJECT LOCATION: PEORIA CITY/COUNTY LANDFILL	SCALE: AS SHOWN
PROJECT NUMBER: 08-001	DATE: 11/04/09
PROJECT NAME: PEORIA CITY/COUNTY LANDFILL	SCALE: AS SHOWN
PROJECT LOCATION: PEORIA CITY/COUNTY LANDFILL	SCALE: AS SHOWN

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EXHIBIT G

ESCROW AGREEMENT

This Escrow Agreement is made and effective _____, 20____, by and among COUNTY OF PEORIA, ILLINOIS, a body politic and corporate (the "County"), CITY OF PEORIA, ILLINOIS (the "City"), a municipal corporation (the "City"), and the JOINT CITY OF PEORIA – COUNTY OF PEORIA SOLID WASTE DISPOSAL FACILITY BOARD (the "Committee"), and _____ ("Escrow Agent"). In consideration of the mutual obligations and undertakings contained herein, the parties agree as follows:

1. RECITALS

1.1 The County, the City, the Committee and Peoria City/County Landfill, Inc. ("PCCL") entered into a certain Landfill Agreement effective _____ (the "Landfill Agreement").

1.2 Pursuant to the Landfill Agreement, PCCL is required to site, design, construct and operate a solid waste disposal facility ("Expansion Solid Waste Facility") located at the Joint City of Peoria/County of Peoria Solid Waste Disposal Facility at Edwards, Illinois (the "Facility"). The Facility is described in Schedule 1.

1.3 Landfill No. 1, a closed landfill owned by the County and the City, is located at the Facility. Pursuant to the Landfill Agreement, PCCL is required to perform certain post-closure care activities with respect to Landfill No. 1.

1.4 Pursuant to the Landfill Agreement, the County and the City are required to enter into this Escrow Agreement in order to provide a source of funds to pay for certain activities at Landfill No. 1 and the Expansion Solid Waste Facility.

1.5 The funds shall be held and disbursed pursuant to the terms of this Escrow Agreement.

2. ESCROW.

2.1 Escrow Deposit. (a) There is hereby deposited by the Committee with the Escrow Agent the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00). That sum, and any and all additional sums as may be added from time to time shall be held by the Escrow Agent in the escrow fund ("Escrow Fund"). The Escrow Agent is authorized and directed to hold all deposits in the Escrow Fund in accordance with the terms and conditions of this Escrow Agreement.

(b) Purpose of Escrow Fund. The purpose of the Escrow Fund will be to provide a source of funds for the following activities ("Corrective Action and Perpetual Care"):

- (i) Address corrective actions at Landfill No. 1;
- (ii) Address corrective actions at the Expansion Solid Waste Facility commencing thirty (30) years after the closure of the Expansion Solid Waste Facility;
- (iii) Provide Perpetual Care (as hereinafter defined) at Landfill No. 1; and
- (iv) Provide Perpetual Care commencing thirty (30) years after the closure of the Expansion Solid Waste Facility.

As used herein, Perpetual Care means all activities necessary to maintain Landfill No. 1 and the Expansion Solid Waste Facility in an environmentally safe and secure condition in perpetuity. Perpetual Care may include, but shall not be limited to the activities described in Schedule 2 attached hereto.

(c) Withdrawals from Escrow Fund. Sums or assets constituting the Escrow Fund may be withdrawn only in accordance with Section 3 hereof.

2.2 Investments. All cash deposits in the Escrow Fund shall be invested in any one or more of the types of investments described in Schedule 3 attached hereto ("Permitted Investments"). The Permitted Investments shall be made by the Escrow Agent pursuant to written instructions signed by the County and the City designating specific securities, financial institutions or government obligations in which such funds should be invested. If and to the extent that the Escrow Agent is required to file an informational return with the Internal Revenue Service with respect to the investment earnings on the amounts on deposit in the Escrow Fund, all investment earnings shall be allocated equally to the County and the City.

3. DISBURSEMENTS FROM ESCROW FUND.

3.1 Corrective Action/Perpetual Care. PCCL shall have primary responsibility for providing Corrective Action and Perpetual Care. The Committee and PCCL shall mutually agree upon a proposed work plan prior to the performance of Corrective Action or Perpetual Care

3.2 Disbursements by Escrow Agent. The Escrow Agent shall only disburse funds from the Escrow Fund upon receiving a written direction signed by both the Committee and PCCL.

3.3 Restriction on Use. The Escrow Fund shall only be used to pay for the costs of Corrective Action and Perpetual Care and for no other purpose.

4. ESCROW OPERATIONS.

The parties hereto (which term "parties" or "party" as used in this Section 4 shall not include the Escrow Agent) for themselves, their successors, heirs and personal representatives do hereby agree with the Escrow Agent that:

4.1 Assignment. No assignment or attempted assignment of this Escrow Agreement or any interest hereunder by any party hereto shall be of any force or effect unless and until the Escrow Agent, in its sole discretion, shall give its written consent thereto.

4.2 Successors. No person, firm or corporation will be recognized by the Escrow Agent as a successor, heir or personal representative of any party hereto until there shall be presented to the Escrow Agent evidence satisfactory to it of such succession.

4.3 Liabilities and Duties. The Escrow Agent shall have no duties or responsibilities except as expressly set forth in this Escrow Agreement and shall neither be obligated to recognize nor have any liability or responsibility arising under any other agreement to which Escrow Agent is not a party, even though reference thereto may be made herein.

4.4 Indemnities. The Escrow Agent shall not be responsible for the identity, authority or rights of any person, firm or corporation executing or delivering or purporting to execute or deliver this Escrow Agreement or any document or security deposited hereunder or any endorsement thereon or assignment thereof.

4.5 Reliance Upon Instruments. The Escrow Agent may rely upon any instrument of writing believed by it to be genuine and sufficient and properly presented, and shall not be liable or responsible for any action taken or omitted in accordance with the provisions thereof.

4.6 Reasonable Care. The Escrow Agent shall not be liable or responsible for any act it may do or omit to do in the exercise of reasonable care.

4.7 Compliance with Judicial Proceedings. In case any property held by the Escrow Agent hereunder shall be attached, garnished or levied upon under any order of the court, or the delivery thereof shall be stayed or enjoined by any order of the court, or any other order, judgment or decree shall be made or entered by any court affecting such property, or any part thereof, or any act of the Escrow Agent, it is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders, judgments or decrees so entered or issued, whether with or without jurisdiction, and in case the Escrow Agent obeys and complies with any such writ, order, judgment or decree, it shall not be liable to any of the parties hereto, their successors, heirs or personal representatives or to any other person, firm or corporation, by reason of such compliance notwithstanding that such writ, order, judgment or decree is subsequently reversed, modified, annulled, set aside or vacated.

4.8 Compensation of Escrow Agent. The Escrow Agent shall be entitled to compensation for its services, and may employ agents and attorneys for the reasonable protection for the property held hereunder and of itself and shall have a lien on any such property for its compensation and for any and all costs, expenses and attorney's fees reasonably incurred by it. The compensation of the Escrow Agent shall be as follows:

(a) A fee not to exceed the amount of _____ Dollars (\$ _____) to cover the setup costs. The fee is payable in full upon execution of this Agreement.

(b) An annual fee not to exceed the amount of _____ Dollars (\$ _____).

(c) In addition, the Escrow Agent shall receive reasonable compensation for any additional or extraordinary services rendered or costs incurred hereunder, including without limitation, reasonable attorneys' fees incurred by the Escrow Agent if it deems it necessary to consult with its attorneys in connection with its obligations in connection with this Escrow Agreement; provided, however, that the Escrow Agent will provide the Committee and PCCL with ten (10) days prior written notice before performing any additional or extraordinary services.

5. MISCELLANEOUS.

5.1 Successors and Assigns. This Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The parties stipulate and agree that this Escrow Agreement is an integral part of the Landfill Agreement to which this Escrow Agreement is attached. PCCL is a third-party beneficiary of this Escrow Agreement. To the extent the Landfill Agreement is assigned pursuant to the terms and conditions of that agreement, the parties contemplate that simultaneous assignment of the rights under this Escrow Agreement to the same assignee of the Landfill Agreement.

5.2 Counterparts. For the convenience of the parties, this Escrow Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

5.3 Notices. Any notice, statement or other communication which is required or may be given hereunder shall be in writing and shall be sufficient in all respects if delivered personally or by certified mail, postage prepaid, as follows or to such other address as may hereafter be designated by written notice given by any of the parties hereto to the other parties in the manner provided herein.

If to the County:

Peoria County Administrator
Room 501
324 Main Street
Peoria, IL 61602-1318
Attention: County Administrator
Telecopier No.: (309) 672-6054

If to the City:

City of Peoria
419 Fulton Street
Peoria, IL 61602
Attention: City Manager
Telecopier No.: (309) 494-8559

With a copy to:

City of Peoria
419 Fulton Street
Peoria, IL 61602
Attention: Director of Public Works
Telecopier No.: (309) 494-8658

If to the Committee:

Peoria City/County Landfill Committee
c/o City of Peoria
419 Fulton Street
Peoria, IL 61602
Attention: Chairman
If to PCCL:

Peoria City/County Landfill, Inc.
P.O. Box 9071
Peoria, Illinois 61612-9071
Attention: President
Telecopier No.: (309) 688-9611

If to the Escrow Agent:

Attention: _____

5.4 Payment of Escrow Agent Fees. All fees and expenses of the Escrow Agent under Section 4.8 shall be deducted from the Escrow Fund.

5.5 General Terms. This Escrow Agreement may not be amended except by an agreement in writing by all parties hereto, and PCCL. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Any litigation involving this Agreement shall be filed in a court of competent jurisdiction in Peoria County, Illinois.

5.6 Automatic Renewal. The term of this Escrow Agreement shall be one hundred (100) years from the effective date set forth above, and at the end of the initial term and any renewals thereof, it shall automatically renew for an additional one hundred (100) years without the requirement of notice from any party.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the day and year first above written.

COUNTY:

CITY:

COUNTY OF PEORIA

CITY OF PEORIA

By: _____

By: _____

Its: _____
ESCROW AGENT:

Its: _____
COMMITTEE

JOINT CITY OF PEORIA-COUNTY OF
PEORIA SOLID WASTE DISPOSAL
FACILITY BOARD

By: _____

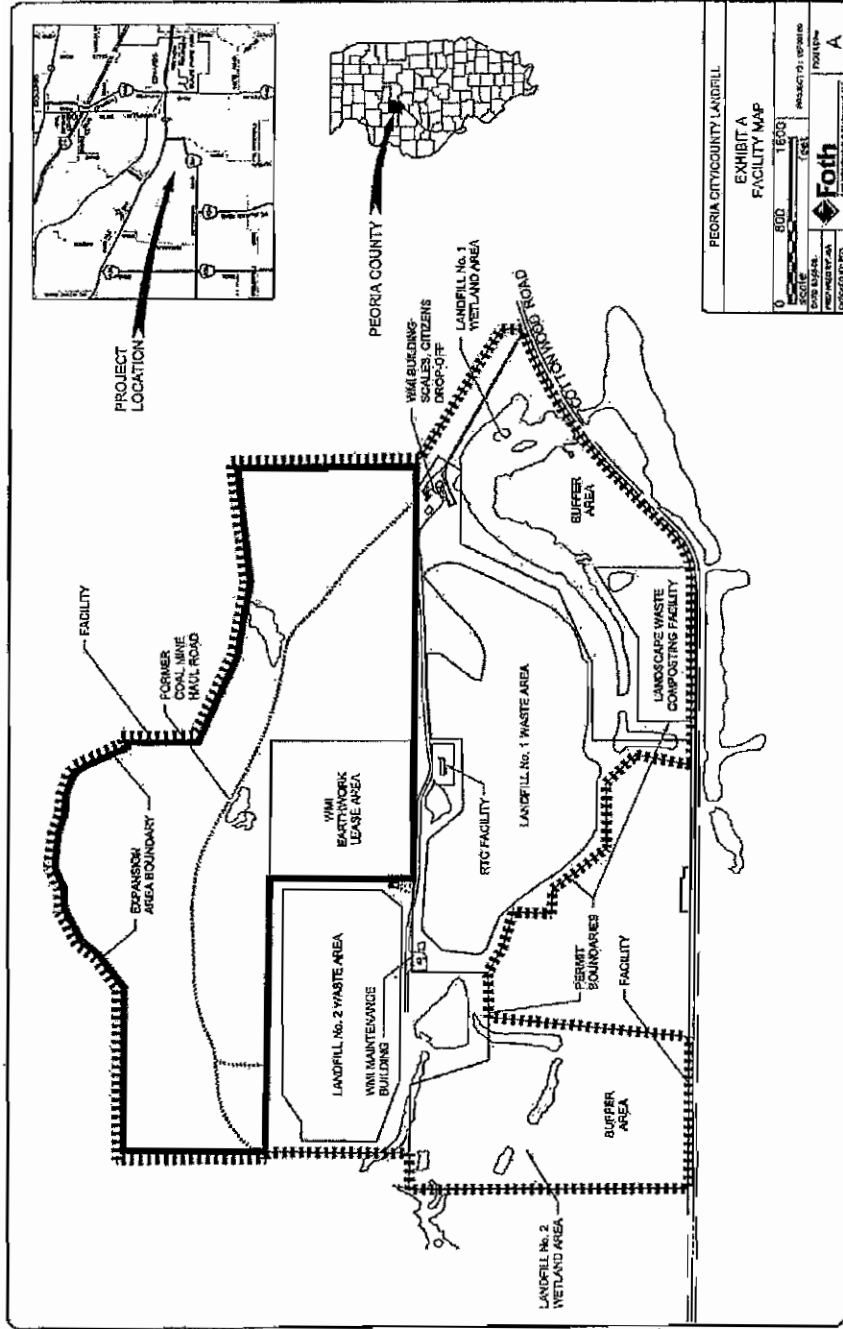
By: _____

Its: _____

Its: _____

SCHEDULE 1

FACILITY



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PEORIA CITY/COUNTY LANDFILL
 EXHIBIT A
 FACILITY MAP

Scale: 1" = 800'

PROJECT NO. 08001
 DATE: 11/04/08
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECTED BY: [Name]

Foth
 Infrastructure & Environment, LLC

Scale: 1" = 800'

PROJECT NO. 08001
 DATE: 11/04/08
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECTED BY: [Name]

Scale: 1" = 800'

PROJECT NO. 08001
 DATE: 11/04/08
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECTED BY: [Name]

SCHEDULE 2

ESCROW AGREEMENT PERPETUAL CARE ACTIVITIES

Facility Inspections, including labor, vehicle and professional engineer review.

Cover and Stormwater Management Facilities Maintenance, including equipment mobilization and demobilization, labor, equipment, professional engineer review, erosion/settlement repair, import/place topsoil, import/place random fill, import/place riprap, vegetation repair (tilling and seeding) and mowing.

Leachate Collection, including system maintenance and leachate extraction, treatment and disposal.

Data Evaluation, including annual data review and report.

Remediation Costs of Landfill No. 1 and the Expansion Solid Waste Facility (commencing thirty years after the closure of the Expansion Solid Waste Facility) and adjoining property, including all necessary expenses incurred in the investigation, removal, remediation, neutralization or immobilization of contaminated soil, surface water, groundwater, or other contamination.

Insurance, including environmental impairment liability insurance.

Natural resource damage costs, including all reasonable direct costs (including costs of assessment) associated with action necessary to restore (including replacement) natural resources.

Groundwater monitoring costs, including reasonable costs of sampling and analysis, and for well maintenance and repairs.

Legal Costs reasonably incurred with respect to perpetual care activities and preserving the escrow fund.

Professional Engineer Costs, and related expenses and costs associated with perpetual care activities

Repair, maintenance and installation of gas collection systems and gas-to-electricity facilities

SCHEDULE 3

ESCROW AGREEMENT PERMITTED INVESTMENTS

1. In bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, that are guaranteed by the full faith and credit of the United States of America as to principal and interest.
2. In bonds, notes, debentures, or other similar obligations of the United States of America or its agencies. As used herein, the term "agencies of the United States of America" includes: (i) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 and Acts amendatory thereto; (ii) the federal home loan banks and the federal home loan mortgage corporation; and (iii) any other agency created by Act of Congress.
3. In interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act.
4. In short term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if; (i) such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature not later than 180 days from the date of purchase; (ii) such purchases do not exceed 20% of the corporation's outstanding obligations and (iii) no more than 10% of the Escrow Fund may be invested in short term obligations of corporations.
5. In money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) of this subsection and to agreements to repurchase such obligations.
6. In short term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of the State of Illinois or any other state or under the laws of the United States. Investments may be made only in those savings banks or savings and loan associations the shares, or investment certificates which are insured by the Federal Deposit Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase.
7. In dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States; provided, however, the principle office of any such credit

union must be located with the State of Illinois. Investments may be made only in those credit unions the accounts of which are insured by applicable law.

8. In repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 subject to the provisions of said Act and the regulations issued there under.
9. In any investment as authorized by the Public Funds Investment Act, 30 ILCS 235/2.
10. In one or more structured environmental annuities with a company or companies approved by the Escrow Agent, PCCL, the County, the City and the Committee.