



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

May 14, 2003 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

May 14, 2003

I. Call to Order

Acting Chairman Corcoran called the regular meeting of the Agency to order at 6:13 p.m. in the Chicago Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Buffalo Grove, William Balling, Alternate Director
Elk Grove Village, James Petri, Alternate Director
Evanston, Edmund Moran, Jr., Director
Hoffman Estates, James Norris, Director
Morton Grove, Teresa Hoffman Liston, Director
Morton Grove, James Karp, Alternate Director
Mount Prospect, Tim Corcoran, Director
Mount Prospect, Paul Hoefert, Alternate Director
Niles, Louella Preston, Director
Palatine, Rita Mullins, Director
Park Ridge, Ronald Weitecha, Director
Wilmette, Nancy Canafax, Alternate Director
Winnetka, Douglas Williams, Alternate Director

Others in Attendance

Reid Bateman, Assistant Public Works Director, City of Rolling Meadows
C. Brooke Beal, Executive Director
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Megan Price, Administrative Intern
Steven Schilling, Assistant Executive Director

Absent

Barrington	Prospect Heights
Glencoe	Rolling Meadows
Glenview	Skokie
Inverness	South Barrington
Kenilworth	Wheeling
Lincolnwood	



May 14, 2003 Agency Board Meeting Minutes

II. Pledge of Allegiance

Acting Chairman Corcoran led the Pledge of Allegiance.

III. Financial Update

Secretary/Treasurer Balling reported that the Executive Committee approved the April 2003 payment request in the amount of \$990,841.53; comprised of the following: \$16,215.22 from the General Fund, \$976,620.49 from the Operations Fund and \$5,000.00 from the Cost of Issuance Fund. There were no questions.

IV. Approval of Minutes

Director Norris moved, Alternate Director Petri seconded, to approve the February 12, 2003 Meeting minutes. The motion was unanimously approved.

Alternate Director Balling moved, Director Preston seconded, to approve the February 12, 2003 Executive Session Meeting minutes. The motion was unanimously approved.

Alternate Director Petri moved, Alternate Director Balling seconded, to approve the April 9, 2003 Informational Meeting minutes. The motion was unanimously approved.

V. Executive Session

A motion was made by Alternate Director Hoefert and seconded by Director Preston to enter into executive session at 6:36 p.m. to discuss litigation under Section 2(c) (11) of the Open Meetings Act and personnel under Section 2(c) (1) of the Open Meetings Act. After a roll call vote, the motion was unanimously approved. The Board returned to Open Session at 6:43 p.m.

A motion was made by Alternate Director Balling and seconded by Director Wietecha to approve the recommendation of the Executive Committee with respect of the salary and benefits of the Executive Director. A roll call vote was taken and the motion was unanimously approved.

A motion was made by Director Wietecha and seconded by Alternate Director Petri to proceed with settlement discussions concerning legal action pending at the pollution control board, authorizing the Executive Director to move forward. A roll call vote was taken and the motion was unanimously approved. There were no questions.

VI. Old Business – None



May 14, 2003 Agency Board Meeting Minutes

VII. New Business

Legislative Report – Mr. Beal informed the Board of new legislation proposed by Governor Blagojevich to increase the state's landfill surcharge from \$0.95 per ton to \$1.50 per ton and the State's Subtitle D tax from \$0.12 per ton to \$0.22 per ton. This will increase the total tax on landfill and garbage by \$0.65 per ton.

These fees are projected to raise \$15.1 million to replace a reduction in the IEPA's budget. Governor Blagojevich's proposal will give the IEPA about \$700,000, plus the fee increases to make up the difference of the general revenue fund money. The IEPA, as well as the Agency and others, believes that this proposal will raise only about \$7 million, which is half of what is needed based on the current value of garbage being disposed in the state of Illinois.

The Agency was promoting a bill proposed by Lake County, Senate Bill 1001, which would have raised the state surcharge by \$0.50 for household hazardous waste funds. It would have also given direct block grants back to the Agency, as well as other counties. Again, this proposed increase provides no additional funding and no new programs by the State.

The Agency estimates that these fee increases will cost about \$182,000, which is not included in this fiscal year's budget. If possible, the Agency internalize the increases into this year's budget. SWANCC waste is disposed of in Wisconsin, however, the rates are tied to Illinois landfill rates, therefore the Agency will be paying Waste Management an additional \$182,000. Staff recommends that the Board oppose the increase.

Chairman Corcoran asked for a consensus to move forward with opposition to the proposed state legislation and the Board agreed.

FY2003 Transfer Station Report – Mr. Beal informed the Board that in FY2003 the transfer station handled over 300,000 tons. The material is broken down by 270,904 tons of member waste, 20,093 tons of landscape waste and 9,061 tons of commercial waste. Since 1994, the transfer station has baled over 2.1 million tons of member garbage. There was over a 10% increase in landscape waste deliveries in this fiscal year. Overall, the commercial waste program last year generated about \$136,000 for the Agency. Staff will complete the true-up within the next sixty days and report back to the Board on the final costs and the revenues.

VIII. Adjournment

There being no further business, the meeting was adjourned at 6:45 p.m.



May 14, 2003 Agency Board Meeting Minutes

MOTION TO ENTER INTO EXECUTIVE SESSION

AYES

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Morton Grove
Mount Prospect
Niles
Palatine
Park Ridge
Wilmette
Winnetka

NAYS

ABSENT

Barrington
Glencoe
Glenview
Inverness
Kenilworth
Lincolnwood
Prospect Heights
Rolling Meadows
Skokie
South Barrington
Wheeling



May 14, 2003 Agency Board Meeting Minutes

**MOTION TO APPROVE COMPENSATION
RECOMMENDATION FOR EXECUTIVE DIRECTOR**

AYES

NAYS

ABSENT

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Morton Grove
Mount Prospect
Niles
Palatine
Park Ridge
Wilmette
Winnetka

Barrington
Glencoe
Glenview
Inverness
Kenilworth
Lincolnwood
Prospect Heights
Rolling Meadows
Skokie
South Barrington
Wheeling

Material included in the Board packet for May 14, 2003:

- . February 12, 2003 Meeting Minutes*
- . February 12, 2003 Executive Session Meeting Minutes*
- . April 9, 2003 Informational Meeting Minutes*
- . April Payment Information memo dated May 7, 2003*
- . Proposed State Legislation Memo dated May 8, 2003*
- . Glenview Transfer Station FY2003 Deliveries Memo dated May 8, 2003*
- . Annual Performance Review for C. Brooke Beal dated May 8, 2003 (confidential)*

Handouts: None



May 14, 2003 Agency Board Meeting Minutes

**MOTION TO AUTHORIZE EXECUTIVE DIRECTOR TO PROCEED
WITH SETTLEMENT DISCUSSIONS FOR LITIGATION**

AYES

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Morton Grove
Mount Prospect
Niles
Palatine
Park Ridge
Wilmette
Winnetka

NAYS

ABSENT

Barrington
Glencoe
Glenview
Inverness
Kenilworth
Lincolnwood
Prospect Heights
Rolling Meadows
Skokie
South Barrington
Wheeling



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

July 9, 2003 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

July 9, 2003

I. Call to Order

Chairman Van Dusen called the regular meeting of the Agency to order at 6:03 p.m. in the Chicago Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Barrington, Jack T. Schaefer, Director
Buffalo Grove, William Balling, Alternate Director
Elk Grove Village, James Petri, Alternate Director
Evanston, Roger Crum, Alternate Director
Glencoe, Anthony Ruzicka, Jr., Director
Lincolnwood, Timothy Wiberg, Alternate Director
Mount Prospect, Gerald Farley, Alternate Director
Niles, Louella Preston, Director
Palatine, Rita Mullins, Director
Prospect Heights, Matt Zimmerman, Alternate Director
Skokie, George Van Dusen, Director
Skokie, Albert Rigoni, Alternate Director
Wheeling, F. Wallace Douthwaite, Alternate Director
Wilmette, Mike Earl, Alternate Director
Winnetka, Douglas Williams, Alternate Director

Others in Attendance

Mary S. Allen, Recycling and Education Director
Reid Bateman, Assistant Public Works Director, City of Rolling Meadows
C. Brooke Beal, Executive Director
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Steven Schilling, Assistant Executive Director

Absent

Glenview	Morton Grove
Hoffman Estates	Park Ridge
Inverness	Rolling Meadows
Kenilworth	South Barrington



July 9, 2003 Agency Board Meeting Minutes

II. Pledge of Allegiance

Chairman Van Dusen led the Pledge of Allegiance.

III. Financial Update

Secretary/Treasurer Balling reported that the Executive Committee approved the June 2003 payment request in the amount of \$1,020,727.75; comprised of the following: \$37,561.82 from the General Fund, \$959,121.84 from the Operations Fund, \$4,000.00 from the Cost of Issuance Fund and \$20,044.009 from the Debt Service Fund. There were no questions.

IV. Approval of Minutes

Alternate Director Petri moved, Alternate Director Balling seconded, to approve the May 14, 2003 Meeting minutes. The motion was unanimously approved.

Alternate Director Balling moved, Alternate Director Dixon seconded, to approve the May 14, 2003 Executive Session Meeting minutes. The motion was unanimously approved.

V. Executive Session

A motion was made by Alternate Director Schaefer and seconded by Alternate Director Petri to enter into executive session at 6:09 p.m. to discuss litigation under Section 2(c) (11) of the Open Meetings Act and Land Sales under Section 2(c) (6) of the Open Meetings Act. After a roll call vote, the motion was unanimously approved. The Board returned to Open Session at 6:58 p.m.

VI. Old Business

Executive Committee Nominations – A motion to recommend President Anthony Ruzicka of Glencoe to fill the vacant position on the Executive Committee was made by Alternate Director Balling and seconded by Alternate Director Douthwaite. After a roll call vote, the motion was unanimously approved.

VII. New Business

Landfill Fee Increase – Mr. Beal informed the Board that the State had increased numerous fees. This included a 107% increase in the landfill disposal fee. Based on the Agency's change in law provision in the contract with Waste Management, the Agency must pay 100% of the increase. The impact is estimated to be \$322,000 for this fiscal year. He also noted that some



July 9, 2003 Agency Board Meeting Minutes

waste haulers were asking communities for an increase of \$0.14 per household. Mr. Beal told the Board that they should not pay this fee because the Agency paid the disposal costs, not the hauler.

Mr. Beal stated that the Agency would internalize these costs for this fiscal year. He outlined the areas in which the Agency was able to reduce costs as well as increase revenue.

Matters Arising Out of Executive Session – A motion was made by Alternate Director Dixon and seconded by Alternate Director Balling to enter into a litigation settlement offer as described by the Agency counsel. After a roll call vote, the motion was unanimously approved.

A resolution was presented that authorized the sale of surplus land at the transfer station to Cook County on behalf of Mount Prospect and Prospect Heights at \$38,761 per acre.

A motion was made by Alternate Director Williams to delete the clause in Section 2 of the resolution, “to use the proceeds in such manner as may be required to preserve the tax exempt status of the Agency’s bonds” and insert, “to recommend to the Board an equitable use of the proceeds”. The motion was seconded by Alternate Director Balling. After a roll call vote, the motion was approved.

A motion was made by Director Ruzicka and seconded by Alternate Director Petri to approve Resolution 2004-01 as amended. After a roll call vote, the motion was unanimously approved.

Executive Session Minutes Review – Mr. D’Esposito recommended that the Executive Session minutes be released. A motion was made by Alternate Director Dixon and seconded by Alternate Director Balling to approve the release of these minutes. After a roll call vote, the motion was unanimously approved.

Summary of SWANCC’s Educational Programs – Mr. Beal gave a summary of all of the educational programs provided throughout fiscal year 2002.

VIII. Adjournment

There being no further business, the meeting was adjourned at 7:10 p.m.



July 9, 2003 Agency Board Meeting Minutes

MOTION TO ENTER INTO EXECUTIVE SESSION

AYES

NAYS

ABSENT

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Lincolnwood
Mount Prospect
Niles
Palatine
Prospect Heights
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Glenview
Hoffman Estates
Inverness
Kenilworth
Morton Grove
Park Ridge
Rolling Meadows



July 9, 2003 Agency Board Meeting Minutes

MOTION TO APPROVE EXECUTIVE COMMITTEE APPOINTMENT

AYES

NAYS

ABSENT

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Lincolnwood
Mount Prospect
Niles
Palatine
Prospect Heights
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Glenview
Hoffman Estates
Inverness
Kenilworth
Morton Grove
Park Ridge
Rolling Meadows



July 9, 2003 Agency Board Meeting Minutes

MOTION TO CONTINUE WITH DMS SETTLEMENT

AYES

NAYS

ABSENT

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Lincolnwood
Mount Prospect
Niles
Palatine
Prospect Heights
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Glenview
Hoffman Estates
Inverness
Kenilworth
Morton Grove
Park Ridge
Rolling Meadows



July 9, 2003 Agency Board Meeting Minutes

MOTION TO APPROVE RESOLUTION 2004-01

AYES

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Lincolnwood
Niles
Palatine
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

NAYS

ABSTAIN

Mount Prospect
Prospect Heights

ABSENT

Glenview
Hoffman Estates
Inverness
Kenilworth
Morton Grove
Park Ridge
Rolling Meadows



July 9, 2003 Agency Board Meeting Minutes

MOTION TO AMEND RESOLUTION 2004-01

AYES

NAYS

ABSTAIN

ABSENT

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Lincolnwood
Niles
Palatine
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Mount Prospect
Prospect Heights

Glenview
Hoffman Estates
Inverness
Kenilworth
Morton Grove
Park Ridge
Rolling Meadows

Material included in the Board packet for July 9, 2003:

- . May 14, 2003 Meeting Minutes*
- . May 14, 2003 Executive Session Meeting Minutes*
- . June Payment Information memo dated July 3, 2003*
- . Glenview Transfer Station Land Sale Memo dated July 3, 2003*
- . State Landfill Fee Increases Memo dated July 3, 2003*
- . Executive Session Minutes Review dated July 3, 2003*
- . Summary of SWANCC's Educational Programs dated July 1, 2003*

Handouts: Resolution 2004-01



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

September 10, 2003 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

September 10, 2003

I. Call to Order

Chairman Van Dusen called the regular meeting of the Agency to order at 6:10 p.m. in the Chicago Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Barrington, Curt Allison, Director
Buffalo Grove, William Balling, Alternate Director
Elk Grove Village, Gary Parrin, Alternate Director
Evanston, Roger Crum, Alternate Director
Hoffman Estates, James Norris, Director
Lincolnwood, Timothy Wiberg, Alternate Director
Morton Grove, James Karp, Alternate Director
Mount Prospect, Paul Hoefert, Alternate Director
Niles, Louella Preston, Director
Palatine, Rita Mullins, Director
Park Ridge, Tim Schuenke, Alternate Director
Prospect Heights, Rodney Pace, Alternate Director
Skokie, George Van Dusen, Director
Skokie, Albert Rigoni, Alternate Director

Others in Attendance

Mary S. Allen, Recycling and Education Director
Reid Bateman, Assistant Public Works Director, City of Rolling Meadows
C. Brooke Beal, Executive Director
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Steven Schilling, Assistant Executive Director
Sam Trakas, Assistant to the Village Manager, Village of Palatine

Absent

Glencoe	South Barrington
Glenview	Wheeling
Inverness	Wilmette
Kenilworth	Winnetka
Rolling Meadows	



September 10, 2003 Agency Board Meeting Minutes

II. Pledge of Allegiance

Chairman Van Dusen led the Pledge of Allegiance.

III. Financial Update

Secretary/Treasurer Balling reported that the Executive Committee approved the August 2003 payment request in the amount of \$1,030,424.98; comprised of the following: \$5,129.36 from the General Fund and \$1,025,295.62 from the Operations Fund. There were no questions.

FY2003 Audit – Mr. Balling briefly reviewed the FY2003 Annual Audit and stated that the Executive Committee accepted the audit as submitted.

FY2003 True-Up – Mr. Beal updated the Board on the 2003 Fiscal Year True-Up. Mr. Beal reviewed the proposed Fixed Costs and Operation and Maintenance true-up calculations and explained how the true-up was calculated. He noted the debt service cost (fixed cost) was reduced for the first time in the middle of the fiscal year, causing the true-up to have to be calculated differently. Due to substantial outside revenue, the actual tipping fee for the year was \$43.56 per ton, therefore the Agency would be rebating \$.44 per ton back to the membership. Mr. Beal said that the true-up, whether a refund or additional fee, would be divided into four installments starting with the November bill. There were no questions.

A motion was made by Alternate Director Balling to approve the 2003 True-Up as submitted and seconded by Alternate Director Rigoni. A roll call vote was taken and the motion was approved.

IV. Approval of Minutes

Alternate Director Balling moved, Alternate Director Karp seconded, to approve the July 9, 2003 Meeting minutes. The motion was unanimously approved.

Director Preston moved, Alternate Director Balling seconded, to approve the July 9, 2003 Executive Session Meeting minutes. The motion was unanimously approved.

V. Executive Session – None

VI. Old Business – None



September 10, 2003 Agency Board Meeting Minutes

VII. New Business

Long Range Planning – Mr. Balling introduced the Long Range Planning discussion. He told the Board that the Executive Committee had been working on the long range plan for about a year starting with the first meeting on September 25, 2002, planning objectives and goals for the Agency. At the last meeting the Executive Committee discussed the final issues and compiled the recommendations for the Agency to present to the Board. These recommendations were being presented for informational purposes, then would be discussed in depth at the November meeting. Mr. Balling then turned the floor over to Mr. Beal to present the long range planning report.

Mr. Beal stated that the Executive Committee, as well as other members of the Board, had been working on the long range plan to decide where the Agency currently is and what programs the Agency would want to consider. He reviewed the major issues in the long range plan:

Dissolution of the Agency – The Agency cannot be dissolved as long as Agency debt is outstanding. The Agency currently has just under \$15 million in debt which will expire in 2015. The Agency also cannot be dissolved at this time because of its commitments under the GTS Operating Contract with Groot. This contract cannot be terminated until the terms of the contract are satisfied.

Member Withdrawal – Members can withdraw at anytime, but it would be similar to taxation without representation. If a member withdraws, they are still liable and must continue to meet all of the obligations of the Project Use Agreement, including delivery of waste and continuance of paying operating and fixed costs. The member is not liable, however, for any new debt that the Agency issues or any new commitments. There currently is not a withdrawal option that permits members to withdraw and fund their debt obligations and cease delivery of waste at this time.

Glenview Transfer Station – The main asset that the Agency owns is the Glenview Transfer Station. The facility has currently processed over 2.3 million tons of waste from the members and customers since it opened. There have also been no violations issued by Illinois EPA. The Agency has also built up its commercial waste deliveries over the last few years. Currently the Agency is the single largest processor of landscape waste in the Chicago metropolitan area. The Groot operating contract expires in 2014 but the Agency can opt out in 2009. Another item regarding the transfer station is that the current operating contract minimizes the cost of the balers. First of all, it is a very clean operation and secondly the balers provide for increased payloads reducing the transportation cost to the landfill.

Sale of Glenview Transfer Station – Staff looked at the value of the facility the way the private sector would evaluate it for an acquisition and found that what makes the transfer station valuable is location and the amount of waste delivered to the facility. Based on this analysis the facility will have more value once the Groot contract is fulfilled. Staff does not recommend selling the transfer station at this time. Groot has offered \$15 million to purchase the site and



September 10, 2003 Agency Board Meeting Minutes

this would allow Agency to eliminate all of the Agency's debt. Staff believes that all potential sale options for the GTS should be reviewed in 2009 and there potentially may be more bidders at that time. Currently, the Agency is the second largest waste contract in the Midwest, behind the City of Chicago.

Commercial Waste – The Agency has always promoted that there is value in the commercial waste sector in each member community, with one example being a commercial waste franchise. The Village of Skokie implemented a franchise and businesses saw a decrease in costs as well providing revenue for the member community. The Agency also receives requests from businesses looking for roll-off container services. There are currently over 100 accounts at the transfer station and many of them ask that the Agency provide this service. Staff believes that there is a market for the Agency to do very well in this area. The Executive Committee recommends that staff provide a detailed business plan for a roll-off program. Another way to reduce member cost is a joint purchasing collection program. Smaller communities would benefit more than larger communities initially, and the benefits would be reduced member staff time and work load.

Household Hazardous Waste Collection Facility – This is the single largest service request that the Agency receives. There is a lack of consistent disposal available right now and the one day events are overwhelmed and congested. About 5% or 6% of our residents attend these one day collections and at a permanent site, we believe that it would start at about 7% and then slowly taper down to about 3% after about 5 years. Staff proposes building a permanent facility which would be operated by a private contractor and would cost about \$50 per user. A one day event currently ranges between \$55 and \$65. The total annual operating cost would be about \$1.25 million dollars with two funding options: 1. The Agency could fund the facility and only accept member hazardous waste and the rate would be about \$4.79 per ton or 2. The IEPA would pay for disposal and the Agency would pay for just the operations and collection with a cost of about \$1.63 per ton. The only downside of the IEPA option is that the Agency would have to take waste from any Illinois resident. Staff would propose charging non-residents \$17 or \$20 to drop off hazardous waste.

Asset and Cash Management – Variable rate debt is the vast majority of the Agency debt with a balance of \$11.6 million and a current variable interest rate of 1.55%. The fixed rate debt interest rate is about 5.5%.

After comments and questions from the Board, Chairman Van Dusen asked if it would be beneficial to hold another meeting for mayors and others to update them on the long range plan and stated that these matters would have to be discussed seriously at the next meeting.

VIII. Adjournment

There being no further business, the meeting was adjourned at 7:10 p.m.



September 10, 2003 Agency Board Meeting Minutes

MOTION TO ACCEPT FY2003 TRUE UP

AYES

NAYS

ABSENT

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Palatine
Park Ridge
Prospect Heights
Skokie

Glencoe
Glenview
Inverness
Kenilworth
Rolling Meadows
South Barrington
Wheeling
Wilmette
Winnetka

Material included in the Board packet for September 10, 2003:

- . July 9, 2003 Meeting Minutes*
- . July 9, 2003 Executive Session Meeting Minutes*
- . August Payment Information memo dated September 4, 2003*
- . True Up for Fiscal Year 2003 Memo dated September 8, 2003*
- . Long Range Planning Report Memo dated September 4, 2003*

Handouts: FY2003 Audit



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

November 12, 2003 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

November 12, 2003

I. Call to Order

Chairman Van Dusen called the regular meeting of the Agency to order at 6:08 p.m. in the Congress Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Arlington Heights, Arlene Mulder, Director
Buffalo Grove, William Balling, Alternate Director
Buffalo Grove, Elliott Hartstein, Director
Elk Grove Village, Gary Parrin, Alternate Director
Elk Grove Village, James Petri, Alternate Director
Evanston, Roger Crum, Alternate Director
Glencoe, Anthony Ruzicka, Jr., Director
Glenview, Paul McCarthy, Alternate Director
Hoffman Estates, James Norris, Director
Lincolnwood, Timothy Wiberg, Alternate Director
Morton Grove, James Karp, Alternate Director
Mount Prospect, Timothy Corcoran, Director
Mount Prospect, Gerald Farley, Alternate Director
Mount Prospect, Paul Hoefert, Alternate Director
Niles, Louella Preston, Director
Prospect Heights, Rodney Pace, Director
Skokie, George Van Dusen, Director
Skokie, Albert Rigoni, Alternate Director
Wheeling, F. Wallace Douthwaite, Alternate Director
Wilmette, Michael Earl, Director
Winnetka, Douglas Williams, Alternate Director

Others in Attendance

Mary S. Allen, Recycling and Education Director
Reid Bateman, Assistant Public Works Director, City of Rolling Meadows
C. Brooke Beal, Executive Director
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Steven Schilling, Assistant Executive Director
Sam Trakas, Assistant to the Village Manager, Village of Palatine



November 12, 2003 Agency Board Meeting Minutes

Absent

Barrington	Park Ridge
Inverness	Rolling Meadows
Kenilworth	South Barrington
Palatine	

II. Pledge of Allegiance

Chairman Van Dusen led the Pledge of Allegiance.

III. Financial Update

Secretary/Treasurer Balling reported that the Executive Committee approved the October 2003 payment request in the amount of \$1,018,286.66; comprised of the following: \$32,537.80 from the General Fund and \$985,748.86 from the Operations Fund. There were no questions.

IV. Approval of Minutes

Director Norris moved, Alternate Director Balling seconded, to approve the September 10, 2003 Meeting minutes. The motion was unanimously approved.

Alternate Director Balling moved, Alternate Director Rigoni seconded, to approve the September 10, 2003 Executive Session Meeting minutes. The motion was unanimously approved.

V. Executive Session – None

VI. Old Business

Long Range Planning – Chairman Van Dusen introduced the Long Range Planning discussion. He briefly reviewed each of the topics that Mr. Beal would be addressing and stated that half of the long range plan would be presented and discussed and the remainder would be discussed at the January meeting.

- Projected Costs – Mr. Beal laid out the estimated SWANCC total system cost going forward over the next five years. He also stated that the current projections included the recent increase in state landfill fees and that one area that was under pressure was the tipping fee. The tipping fee was going to start increasing at about 3% or at the CPI each year. That is one area of concern because for seven straight years the tipping fee was



November 12, 2003 Agency Board Meeting Minutes

kept at \$44 through various revenue enhancements in the budget, however, all of the revenue streams currently in place cannot be enhanced to a great degree anymore. The tipping fee can be reduced through some budgetary cuts which would probably reduce it a dollar or two, but to significantly hold the line on the tipping fee, it would be necessary to provide new revenue sources.

- Service Enhancements – These are areas in which the Agency can enhance any current service or broaden the services provided to members, and at the same time provide additional revenue to the Agency to help minimize the tipping fee pressure.
 - Additional Waste – There is not much waste left in the marketplace that the Agency can attract. The GTS has a broad base of commercial accounts currently and the average customer probably brings 10-15 tons per month or less. There are really no new customers in this area that would significantly increase the amount of waste brought in to the transfer station. If there was another company that brought another 10-15 tons per day, it would only increase net revenue about \$7,500 for the whole year. Therefore, there is not a lot of waste available unless it is regulated in some way or the Agency has a way to bring it to the transfer station by bypassing the commercial collection methods somehow.
 - Commercial Waste Franchise – Created by the Agency in 1998, this program rolls out joint purchasing or an economy of scale out to the membership's business community. A pilot program was done in Skokie and is in its 5th year. Under the program 88% of the businesses saved money and the average cost reduction was 44%. Under this contract, no businesses saw an increase in their commercial waste costs and either paid less money or paid the same amount. A blue bag recycling program was also included for every business. In aggregate, Skokie businesses saved about one million dollars per year under this disposal program. The Agency could play a role in helping members institute a Commercial Waste Franchise program and offer a broad-based service to the members to benefit the commercial sectors
The Agency could:
 - Do the initial data collection and business survey.
 - Prepare and distribute pre-program information to businesses, conduct a public relations campaign and gain support from the chamber.
 - Review and propose applicable ordinance changes, prepare and issue the RFQ's and RFP's, develop a contract, review the proposals and recommend a contractor.
 - Develop and distribute quarterly information to the businesses in the first year and conduct annual performance surveys.
 - Provide staffing customer service and contract administration to maximize the franchise fee.
 - Offer a community specific website with information on the program.
 - Promote Recycling on a continuous basis for the community.
 - Conduct period field surveys and look for code violations.



November 12, 2003 Agency Board Meeting Minutes

On a motion by Director Norris, seconded by Alternate Director Dixon, for staff to formalize the commercial waste franchise memo and talk to the communities that expressed interest in the program, the motion was unanimously approved.

- Roll-off services - Mr. Beal presented the concept of roll-off services to attract more waste to the Agency. He suggested that the Agency purchase 10 yard and 30 yard roll-off containers. The numbers still needed to be defined and a business plan developed. There was discussion concerning focusing on the small roll-offs only.

On a motion by Alternate Director Rigoni, seconded by Director Pace, to approve staff to develop a business plan regarding the roll-off service, the motion was unanimously approved.

- Joint Purchasing – In 1994, the Agency put out an RFP for solid waste collection services. There was no guaranteed work for the companies, but it kept prices down for five years. If the program was instituted, the Agency would have to guarantee work. One company in the industry suggested that the Agency purchase equipment to lease to the companies as well as fuel that they could purchase or barter from the Agency at a lower cost, keeping member costs down.

Alternate Director Balling moved, Director Mulder seconded, to allow staff to further study the Joint Purchasing program. The motion was unanimously approved.

- Office Space – Mr. Beal informed the Board that the Agency utilizes about 1,000 square feet (s.f) of the 5,000 s.f. office building. Current office space is at a premium and is very tight with storage at a complete breaking point. Currently, the Agency pays about \$2.12 per square foot from the NWMC. Staff believes that space could be leased for about \$1.85 per s.f. with all of the factors figured in. If the Agency decided to build a building, it would be cheaper if someone, such as the Conference, shared the building to drop costs down to \$.66 per s.f. For SWANCC alone, it would be \$2.11 which is not a realistic option. Staff needs direction because the budget cycle is coming up and a decision needs to be made.

On a motion by Alternate Director Williams, seconded by Director Norris, direction was given to staff to research alternate office space. The motion was unanimously approved.

VII. New Business

FY2003 Annual Report – Mr. Beal presented the Fiscal Year 2003 Annual Report. As in the past, the report reviews the year and gives you a snapshot of solid waste management in the whole region. Residential waste only makes about 38% of the garbage generated within SWANCC borders with over 62% generated by the commercial sector. Another area shown is the dominance of the haulers. Groot is nearly 40% of the market share residentially in SWANCC, but municipal hauling still makes up nearly 23% of our service area.



November 12, 2003 Agency Board Meeting Minutes

The audited financial statements were also included in the report. It gives KPMG's annual audit and the Agency's clean bill of health as received each and every year. There were no comments or questions.

Garbage Strike – Review and Conclusions – Mr. Beal reviewed the effects of the garbage strike, which lasted over a week, on the Agency members. The transfer station remained open and was the only transfer station open that received, processed and shipped waste out in the Chicago metropolitan area. Other transfer stations took waste in and just stockpiled it and that is why the strike was settled, because they were full. The Agency did charge a gate rate of \$55.15 to its members and considered lowering it, but the Executive Committee decided to keep it the same to show no preference in the strike. The Agency was picketed on day one of the strike, but talked to the Union and they did not strike after that. There was also a dramatic increase of 1,000% in the amount of the waste was received from credit cards and commercial businesses bringing waste. The Agency also received waste from many communities like Oak Park and several Lake County communities. An update on the strike and available service was distributed almost daily to the managers. Roll-off boxes were also made available to the communities on the weekends to clean out any areas that had problems.

Conclusion – Staff found that some of the companies were very ill-prepared to handle the strike. Generally, in other areas, management personnel picks up garbage and at least minimal services are continued. The problem with this area is that 99% of the management were promoted from employees that used to haul garbage from the street. To save money the companies kept those individuals in the Union for benefit reasons and they had no one to pick up garbage. Staff talked to quite a few of the haulers after the strike and almost all of the management people had to either leave the Union or go back to driving a truck. The Agency saw significant amounts of commercial garbage being disposed and companies found other ways to get garbage to the transfer station. The tonnage during the strike decreased, but the number of trucks increased almost 100%, causing traffic flow to be a consideration. Also, some member community contracts did not address strikes very well and while members try to recover costs and get credit, it is hard to leverage because some contracts did not have very good language. The Agency is in the process of developing better strike language and liquidated damages. The Agency is working with governments in Lake, DuPage, Will, McHenry and Kane Counties to come up with standardized language to put into contracts so that everyone has the same language and a draft will be provided after the first of the year.

VIII. Adjournment

There being no further business, the meeting was adjourned at 7:35 p.m.



November 12, 2003 Agency Board Meeting Minutes

Material included in the Board packet for November 12, 2003:

- . September 10, 2003 Meeting Minutes*
- . September 10, 2003 Executive Session Meeting Minutes*
- . October Payment Information memo dated November 6, 2003*
- . Garbage Strike – Review and Conclusions Memo dated November 6, 2003*

*Handouts: Long Range Planning Agenda
 Benefits of a Commercial Waste Franchise*



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

December 10, 2003 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

December 10, 2003

I. Call to Order

Chairman Van Dusen called the regular meeting of the Agency to order at 6:13 p.m. in the Congress Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Buffalo Grove, William Balling, Alternate Director
Elk Grove Village, Gary Parrin, Alternate Director
Elk Grove Village, James Petri, Alternate Director
Evanston, Roger Crum, Alternate Director
Glencoe, Anthony Ruzicka, Jr., Director
Hoffman Estates, James Norris, Director
Morton Grove, James Karp, Alternate Director
Mount Prospect, Timothy Corcoran, Director
Niles, Louella Preston, Director
Prospect Heights, Rodney Pace, Director
Rolling Meadows, Thomas Melena, Alternate Director
Skokie, Albert Rigoni, Alternate Director
Skokie, George Van Dusen, Director
Wheeling, F. Wallace Douthwaite, Alternate Director
Wheeling, Greg Klatecki, Director
Wilmette, Michael Earl, Director

Others in Attendance

Mary S. Allen, Recycling and Education Director
C. Brooke Beal, Executive Director
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Steven Schilling, Assistant Executive Director

Absent

Barrington	Palatine
Glenview	Park Ridge
Inverness	South Barrington
Kenilworth	Winnetka
Lincolnwood	



December 10, 2003 Agency Board Meeting Minutes

II. Pledge of Allegiance

Chairman Van Dusen led the Pledge of Allegiance.

III. Financial Update

Secretary/Treasurer Balling reported that the Executive Committee approved the November 2003 payment request in the amount of \$1,105,736.95; comprised of the following: \$43,057.91 from the General Fund, \$1,042,634.95 from the Operations Fund and \$20,044.09 from the Debt Service Fund. There were no questions.

IV. Approval of Minutes

Director Norris moved, Director Ruzicka seconded, to approve the November 12, 2003 Meeting minutes. The motion was unanimously approved.

V. Executive Session

A motion was made by Director Corcoran and seconded by Alternate Director Petri to enter into executive session at 6:15 p.m. to discuss personnel under Section 2(c) (1) of the Open Meetings. After a roll call vote, the motion was unanimously approved. The Board returned to Open Session at 6:45 p.m.

VI. Old Business – None

VII. New Business

SWANCC Public Relations – Mr. Beal presented two public relation items that the Agency was using to promote and inform residents about SWANCC. The first item was a general information ad placed in the Pioneer Press to inform residents who SWANCC is, SWANCC's plan and what roles they could have in SWANCC's solid waste plan. Also listed were programs provided to the communities and to residents. The second item was a group of handouts that provided general recycling and disposal information to all communities.

Mr. Balling distributed a proposed employment agreement for the Executive Director. He indicated that the proposal had been reviewed and approved by the Executive Committee.

A motion was made by Director Ruzicka and seconded by Director Corcoran to approve Resolution 2004-03 authorizing a new employment agreement for he Executive Director. After a roll call vote, the motion was approved.



December 10, 2003 Agency Board Meeting Minutes

VIII. Adjournment

There being no further business, Director Norris made a motion and Alternate Director Balling seconded to adjourn the meeting at 6:50 p.m. The motion was unanimously approved.



December 10, 2003 Agency Board Meeting Minutes

MOTION TO ENTER INTO EXECUTIVE SESSION

AYES

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Hoffman Estates
Morton Grove
Mount Prospect
Niles
Prospect Heights
Rolling Meadows
Skokie
Wheeling
Wilmette

NAYS

ABSENT

Barrington
Glenview
Inverness
Kenilworth
Lincolnwood
Palatine
Park Ridge
South Barrington
Winnetka



December 10, 2003 Agency Board Meeting Minutes

MOTION TO APPROVE RESOLUTION 2004-03

AYES

Arlington Heights
Buffalo Grove
Evanston
Glencoe
Hoffman Estates
Morton Grove
Mount Prospect
Prospect Heights
Rolling Meadows
Skokie
Wheeling
Wilmette

NAYS

Elk Grove Village
Niles

ABSENT

Barrington
Glenview
Inverness
Kenilworth
Lincolnwood
Palatine
Park Ridge
South Barrington
Winnetka

Material included in the Board packet for December 10, 2003:

- . November 12, 2003 Meeting Minutes*
- . November Payment Information memo dated December 3, 2003*
- . Elk Grove Village Memo dated December 3, 2003*
- . SWANCC Public Relations Memo and Promotional Pieces dated December 4, 2003*
- . Employment Agreement for Executive Director Memo (confidential)*

Handouts: Amended Employment Agreement for Executive Director Memo (confidential)



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

January 14, 2004 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

January 14, 2004

I. Call to Order

Chairman Van Dusen called the regular meeting of the Agency to order at 6:05 p.m. in the Northbrook Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Buffalo Grove, William Balling, Alternate Director
Elk Grove Village, James Petri, Alternate Director
Evanston, Roger Crum, Alternate Director
Glencoe, Anthony Ruzicka, Jr., Director
Hoffman Estates, James Norris, Director
Lincolnwood, Timothy Wiberg, Alternate Director
Morton Grove, James Karp, Alternate Director
Mount Prospect, Timothy Corcoran, Director
Niles, Louella Preston, Director
Reid Ottesen, Palatine, Alternate Director
Prospect Heights, Rodney Pace, Director
Rolling Meadows, Thomas Melena, Alternate Director
Skokie, Albert Rigoni, Alternate Director
Skokie, George Van Dusen, Director
David L. Pierce, South Barrington, Director
Wheeling, F. Wallace Douthwaite, Alternate Director
Wilmette, Michael Earl, Director
Wilmette, Nancy Canafax, Director
Winnetka, Douglas Williams, Alternate Director

Others in Attendance

Mary S. Allen, Recycling and Education Director
Reid Bateman, Assistant Public Works Director, City of Rolling Meadows
C. Brooke Beal, Executive Director
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Steven Schilling, Assistant Executive Director



January 14, 2004 Agency Board Meeting Minutes

Absent

Barrington
Glenview
Inverness

Kenilworth
Palatine

II. Pledge of Allegiance

Chairman Van Dusen led the Pledge of Allegiance.

III. Financial Update

Secretary/Treasurer Balling reported that the Executive Committee approved the December 2003 payment request in the amount of \$891,256.48; comprised of the following: \$22,344.81 from the General Fund and \$868,911.67 from the Operations Fund. There were no questions.

IV. Approval of Minutes

Director Corcoran moved and Director Pace seconded to approve the December 10, 2003 Meeting minutes. The motion was unanimously approved.

Director Ruzicka moved, Director Earl seconded, to approve the December 10, 2003 Executive Session Meeting minutes. The motion was unanimously approved.

V. Executive Session – None

VI. Old Business

Long Range Planning – Mr. Beal presented the remainder of the Long Range Plan to the Board of Directors. Mr. Norris asked that the issue of Agency debt for the transfer station be discussed. He stated that the Agency has issued a large amount of debt over the years and a higher priority should be place on reducing and eliminating debt instead of building additional facilities on the GTS property.

- Multi-Use Facility – Mr. Beal stated that all three of the items listed under this were cost items to the Agency and staff had been trying to turn these cost centers into profit centers.
 - Household Hazardous Waste Collection Facility – Mr. Beal presented the idea of building a HHW collection facility on the GTS property. He stated that if the



January 14, 2004 Agency Board Meeting Minutes

Agency were to do this, it would lose money and there would be a large cost involved. One profitable area though is commercial hazardous waste because there is a great need for hazardous waste transfer capacity in this area. Mr. Beal presented the idea of a private hazardous waste company leasing GTS land to build a facility. This could be a significant source of income for the Agency and would be helpful in providing household hazardous waste collection services.

Alternate Director Crum moved and Alternate Director Williams seconded to direct staff to prepare a Request for Information for development of a hazardous waste transfer station to present to the Executive Committee to later present to the Board. A roll call vote was taken and the motion was approved.

- Office Building/Lease Space – Mr. Beal stated that the Agency retained, at no cost, Mesirow Stein Real Estate, to assist the Agency in locating a new office lease space. After looking at a few proposals, staff believes that the current all-in cost of \$26.79 per square foot can be reduced to \$ 24.75 per square foot. For the Agency to be able to move by May, a lease would need to be entered into by the end of February.

Director Norris moved and Alternate Director Petri seconded to refer to the Executive Committee for review and authorization to enter into a lease under the appropriate terms. A roll call vote was taken and the motion was approved.

- Roll-off Service – Groot Recycling and Waste Services has made a proposal to the Agency that they would be willing to operate trucks and containers and provide the Agency with a referral fee with no capital or any financial risk to the Agency at all. The price for a 10 yard roll-off box would be \$299 and the Agency would receive \$30.00 per rental. The Agency would like to do the program for 90 days in a test area of four or five communities and if both the Agency and Groot feel that it is successful, it will be presented to the Board and the program would be rolled out Agency-wide mid-summer. Mr. Norris suggested extending the program trial period and attaching program flyers to pilot community building permits. Mr. Beal stated that the program could be extended to a 180 day trial.

Alternate Director Karp moved and Director Preston seconded to authorize staff to enter into 180 day pilot Roll-off Program negotiations. A roll call vote was taken and the motion was approved.

Mr. Beal also referred back to the transfer station debt to give the Board perspective. He stated that as of April 30, 2004, the Agency would owe \$1.4 million of transfer station debt. That would translate to the average resident about \$1.25 per year or \$.10 per month.



January 14, 2004 Agency Board Meeting Minutes

VII. New Business

Solid Waste Articles – Mr. Beal presented articles regarding landfill capacity and exportation in Illinois. He stated that the Agency is the largest exporter of solid waste to Wisconsin. He stated that there is about 10 – 13 years of landfill capacity in the State of Illinois.

VIII. Adjournment

There being no further business, Alternate Director Williams made a motion and Alternate Director Rigoni seconded to adjourn the meeting at 6:56 p.m. The motion was unanimously approved.



January 14, 2004 Agency Board Meeting Minutes

**MOTION TO ISSUE REQUEST FOR INFORMATION
FOR HAZARDOUS WASTE FACILITY**

AYES

NAYS

ABSENT

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Palatine
Prospect Heights
Rolling Meadows
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Barrington
Glenview
Inverness
Kenilworth
Park Ridge



January 14, 2004 Agency Board Meeting Minutes

MOTION TO LET EXECUTIVE COMMITTEE DECIDE ON NEW OFFICE LEASE

AYES

NAYS

ABSENT

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Palatine
Prospect Heights
Rolling Meadows
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Barrington
Glenview
Inverness
Kenilworth
Park Ridge



January 14, 2004 Agency Board Meeting Minutes

MOTION TO START ROLL-OFF SERVICE PILOT PROGRAM

AYES

NAYS

ABSENT

Arlington Heights
Buffalo Grove
Elk Grove Village
Evanston
Glencoe
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Palatine
Prospect Heights
Rolling Meadows
Skokie
South Barrington
Wheeling
Wilmette
Winnetka

Barrington
Glenview
Inverness
Kenilworth
Park Ridge

Material included in the Board packet for January 14, 2004:

- . December 10, 2003 Meeting Minutes*
- . December 10, 2003 Executive Session Minutes*
- . December Payment Information memo dated January 8, 2004*
- . Solid Waste Articles Memo dated January 8, 2004*

Handouts: Long Range Planning Agenda



SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

March 10, 2004 Agency Board Meeting Minutes

SOLID WASTE AGENCY OF NORTHERN COOK COUNTY

BOARD OF DIRECTORS MEETING MINUTES

March 10, 2004

I. Call to Order

Chairman Van Dusen called the regular meeting of the Agency to order at 6:10 p.m. in the Northbrook Room at the Adam's Mark Hotel-Northbrook.

Attendance

Arlington Heights, William Dixon, Alternate Director
Barrington, Denise Pieroni, Director
Buffalo Grove, William Balling, Alternate Director
Elk Grove Village, James Petri, Alternate Director
Evanston, Edmund Moran, Director
Hoffman Estates, James Norris, Director
Lincolnwood, Timothy Wiberg, Alternate Director
Morton Grove, James Karp, Director
Morton Grove, Steven Blonz, Alternate Director
Mount Prospect, Paul Hoefert, Alternate Director
Niles, Louella Preston, Director
Prospect Heights, Rodney Pace, Director
Skokie, Albert Rigoni, Alternate Director
Skokie, George Van Dusen, Director
David L. Pierce, South Barrington, Director
Wheeling, F. Wallace Douthwaite, Alternate Director
Wilmette, Michael Earl, Director

Others in Attendance

Mary S. Allen, Recycling and Education Director
Reid Bateman, Assistant Public Works Director, City of Rolling Meadows
C. Brooke Beal, Executive Director
Ken Bonder, Chief Financial Officer, Village of Palatine
Julian D'Esposito, Agency Counsel, Mayer Brown, Rowe & Maw
Elizabeth C. Gresham, Executive Secretary
Natisha Franklin, Administrative Intern
Steven Schilling, Assistant Executive Director



March 10, 2004 Agency Board Meeting Minutes

Absent

Glencoe	Palatine
Glenview	Park Ridge
Inverness	Rolling Meadows
Kenilworth	Winnetka

II. Pledge of Allegiance

Chairman Van Dusen led the Pledge of Allegiance.

III. Financial Update

Pursuant to notice published in the Chicago Tribune, the Chairman convened a public hearing to present the proposed Agency budget for fiscal 2005. Mr. Beal presented the proposed budget. He stated that the O&M fee for the new fiscal year was \$50.00 and the debt service fee was reduced to \$5.93 per ton for a total per ton fee of \$55.93. There was a \$4.00 per ton increase in the O&M fee for the following reasons:

1. FY2004's O&M fee was artificially reduced by \$2.04 per ton because the Agency used unpledged reserves to fund a portion of its expenses.
2. An increase in the Illinois Landfill Tax of \$1.15 per ton was passed during FY2004 and the Agency absorbed the cost through budget cuts.
3. Inflationary increases included in the Groot contract amount to an increase of \$1.16 per ton.

He informed the Board that the main changes to the budget were:

1. Funding for Household Hazardous Waste program was eliminated due to poor performance and sporadic funding by the IEPA.
2. Commercial waste accounts have stabilized and generate more revenue than budgeted in previous years.
3. The repair and maintenance budget was increased for the GTS as a precautionary measure.

He reviewed other items included in the budget. He stated that the cost per ton for SWANCC's educational programs was \$0.29 per ton.

Mr. Balling stated that the Executive Committee recommended that the Board adopt Ordinance 2004-01 to approve the FY2005 fiscal year budget. The Chairman asked if there were any comments from the public. No members of the public spoke. Chairman Van Dusen closed the public meeting on the FY2005 budget.



March 10, 2004 Agency Board Meeting Minutes

IV. Approval of Minutes

Alternate Director Balling made and Alternate Director Petri seconded a motion to approve the January 14, 2004 Meeting minutes. The motion was unanimously approved.

V. Financial Update (continued)

Payment Information – Secretary/Treasurer Balling reported that the Executive Committee approved the February 2004 payment request in the amount of \$1,093,888.22; comprised of the following: \$16,866.63 from the General Fund, \$1,056,977.50 from the Operations Fund and \$20,044.09 from the Debt Service Fund. There were no questions.

Bond Defeasance – Mr. Beal stated that the Executive Committee had directed staff to recommend strategies to reduce Agency debt. After May 1, 2004, the Agency will have \$13.7 million in outstanding debt. The debt is comprised of: Series 2002 Variable Rate Bonds (\$11.1 million), Series 1995A Private Activity Bonds (\$1.39 million) and Series 1994 Tax-Exempt Bonds (\$1.21 million). Staff recommends that the Agency defease the remaining Series 1995A and Series 1994 bonds, leaving only the Series 2002 Variable Rate bonds outstanding. The funding to defease these bonds would come from the Series 1994 Debt Service Reserve Account, the Series 1995 Debt Service Reserve Account, land sales to Des Plaines and Mount Prospect and Agency reserves. Mr. Balling explained that the land that was being sold to these communities was flood plain and unusable by the Agency, however, useful to the communities for flood control. The total costs of this defeasance would be \$2.6 million and would reduce member costs for debt service by an average of 40% through 2007. He stated that there would also be a revised project budget if the defeasance were approved by the Board.

A motion was made by Alternate Director Balling to approve the Resolution 2004-02 authorizing the defeasance and seconded by Director Norris.

Mr. D’Esposito stated that the Resolution as drafted was not clear with respect to the 1994 series. He said that it is intended to delegate to Mr. Beal the determination as to whether or not to redeem these bonds or defease them to maturity, similar to the Series 1995 bonds. A number of technical changes needed to be made where the phrase “Redemption of or defeasance” would be inserted with respect to the 1994 bonds. He asked for a motion to make those changes.

Alternate Director Balling amended his motion to incorporate the attorney’s changes in Resolution 2004-02, Director Norris seconded. A roll call vote was taken and the motion, as amended, was approved.

Interest Rate Cap Insurance – Mr. Beal stated that the Agency had purchased an interest rate cap which provided that if the variable interest rates on the Agency’s 2002 bonds exceeded 4% for 60 straight days the provider would pay the additional interest charges. This is basically an



March 10, 2004 Agency Board Meeting Minutes

insurance policy against interest rate increases. However, the existing agreement expires on April 30. Staff is proposing to purchase a new cap. Resolution 2004-03 authorizes this action at a cost not to exceed \$50,000. Interest rate cap prices have increased since the first cap was purchased, however Staff believes that, if purchased immediately, a two year rate cap could be purchased for \$25,000 and a three year rate cap for \$47,000. Staff recommends that the interest rate cap be purchased up to \$50,000 for three years.

A motion was made by Alternate Director Balling to approve the Resolution 2004-03 authorizing the interest rate cap agreement for the Series 2002 Bonds and seconded by Director Moran. The motion was adopted unanimously.

FY2005 Draft Budget – A motion was made by Director Preston to approve Ordinance 2004-01 Budget and Appropriation Ordinance for FY2005 and seconded by Alternate Director Petri. A roll call vote was taken and the motion was unanimously adopted.

VI. Executive Session – None

VII. Old Business

Roll-off Program – Mr. Beal informed the Board that the residential roll-off pilot project was set to begin on April 1, 2004. Groot Recycling and Waste was going to be the provider of this program to the residents for a cost of \$299 per container. Advertising was going to be focused in Arlington Heights, Hoffman Estates, Mount Prospect, Park Ridge and Prospect Heights, however any SWANCC resident could use the service. The Agency would receive a \$30 referral fee for each container.

VIII. New Business

Executive Committee Nominations – Mr. Beal told the Board that there were three Executive Committee Appointments expiring on April 30, 2004: Timothy Corcoran, Mount Prospect, James Norris, Hoffman Estates and Honorable Nancy Canafax, Wilmette. In the past the Board has elected to have the Executive Committee serve as the nominating committee for these positions. Staff asked that this be done again and nominations would be discussed at the March 31, 2004 Executive Committee meeting.

A motion made by Alternate Director Hoefert and seconded by Alternate Director Petri to approve the Executive Committee to serve as the nominating committee was unanimously adopted.



March 10, 2004 Agency Board Meeting Minutes

IX. Adjournment

There being no further business the meeting was adjourned at 6:45 p.m.



March 10, 2004 Agency Board Meeting Minutes

MOTION TO APPROVE RESOLUTION 2004-02 REGARDING BOND DEFEASANCE

AYES

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Prospect Heights
Skokie
South Barrington
Wilmette

NAYS

ABSENT

Glencoe
Glenview
Inverness
Kenilworth
Palatine
Park Ridge
Rolling Meadows
Wheeling
Winnetka



March 10, 2004 Agency Board Meeting Minutes

**MOTION TO APPROVE RESOLUTION 2004-03 FOR
INTEREST RATE CAP INSURANCE**

AYES

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Prospect Heights
Skokie
South Barrington
Wheeling
Wilmette

NAYS

ABSENT

Glencoe
Glenview
Inverness
Kenilworth
Palatine
Park Ridge
Rolling Meadows
Winnetka



March 10, 2004 Agency Board Meeting Minutes

MOTION TO APPROVE ORDINANCE 2004-01

AYES

NAYS

ABSENT

Arlington Heights
Barrington
Buffalo Grove
Elk Grove Village
Evanston
Hoffman Estates
Lincolnwood
Morton Grove
Mount Prospect
Niles
Prospect Heights
Skokie
South Barrington
Wheeling
Wilmette

Glencoe
Glenview
Inverness
Kenilworth
Palatine
Park Ridge
Rolling Meadows
Winnetka

Material included in the Board packet for March 10, 2004:

- . Proposed Fiscal Year Annual Budget memo dated March 4, 2004*
- . January 14, 2004 Meeting Minutes*
- . February Payment Information memo dated March 4, 2004*
- . Proposed Bon Defeasance Memo dated March 4, 2004*
- . Residential 10-yd. Roll-off Service Pilot Project memo dated March 3, 2004*
- . Agency Nominating Committee for Executive Committee Appointments memo dated March 4, 2004*

Handouts: Long Range Planning Agenda