

ORDINANCE NO. 2003-09-107

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF AN AGREEMENT FOR
OPERATION OF THE LANDSCAPE RECYCLING CENTER

(with the City of Champaign)

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
URBANA, ILLINOIS, as follows:

Section 1. That an Agreement Between the City of Urbana and City of
Champaign for Operation of the Landscape Recycling Center, in substantially
the form of the copy of said Agreement attached hereto and hereby
incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the
same is hereby authorized to execute and deliver and the City Clerk of the
City of Urbana, Illinois, be and the same is authorized to attest to said
execution of said Agreement as so authorized and approved for and on behalf
of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Tod Satterthwaite, Mayor

AN AGREEMENT

**BETWEEN THE CITY OF URBANA AND CITY OF THE CHAMPAIGN FOR
OPERATION OF THE LANDSCAPE RECYCLING CENTER.**

THIS AGREEMENT is made and entered into by and between the City of Urbana (“Urbana”), Illinois, and the City of Champaign, Illinois (“Champaign”).

WHEREAS, the Illinois Solid Waste Planning and Recycling Act (415 ILCS 15/1, et seq.), herein referenced as the “Act,” provides that the County should have the primary responsibility for the management of municipal waste within its boundary; and

WHEREAS, the local composting facility commonly known as the Landscaping Recycling Center (LRC) has been operating for many years as part of the Champaign County Waste Management Plan, and

WHEREAS, the current agreement for the operation of the LRC has expired and the County of Champaign does not wish to continue as an operating member of LRC, and

WHEREAS the Cities of Champaign and Urbana desire to continue to operate a landscape composting facility, as permitted by the Illinois Environmental Protection Agency, for their benefit and as an important part of the County Waste Management System,

NOW, THEREFORE, on this _____ day of August 2003, it is agreed as follows:

Section 1. Term. This Agreement shall commence on the first day of June, 2003 and continue until terminated as provided in Section 7.

Section 2. Compliance With the Law.

(a) The Illinois Environmental Protection Agency (“I.E.P.A.”) has issued an operating permit (Permit #1990-073-DE/OP) to Urbana and Urbana shall be responsible for operating the LRC (I.E.P.A. Site (0191050019) in accordance with the operating permit, standard conditions and modifications issued September 25, 2002. A copy of this permit is on file at the Urbana Public Works Department.

(b) It is recognized by the parties that Urbana is responsible for operation of the LRC and, as such, shall establish Rules and Regulations relating to the administration and operational procedures to be issued at the LRC. Urbana shall give Champaign prior notice of substantial rule changes and give good faith consideration to input from Champaign about the proposed changes.

(c) Urbana will comply with the provisions of all applicable local, state and federal laws and applicable rules and regulations.

(d) All Municipalities and citizens of Champaign County shall at all times during this Agreement have access to the Site according to the Rules and Regulations established by Urbana. Champaign shall have access under the same terms and conditions as Urbana.

Section 3. Ownership of Equipment and Real Estate.

(a) Equipment acquired under this agreement or which was acquired under the original ISWDA Agreement, is acknowledged to be owned by the parties equally in common. An inventory of this equipment is attached hereto as Exhibit A.

(b) Champaign acknowledges that Urbana is providing the use of certain real property consisting of approximately 27.4 acres located in the northwest quarter of Section 9, T19N, R9E, of the 3rd P.M., to conduct the site operations and is also providing the use of a 60' by 60' metal equipment storage building and a 20' by 20' garage/ticket booth. The location of the LRC is commonly known as 1210 East University Avenue, Urbana, Illinois. The City of Urbana maintains outright ownership of the above mentioned land and buildings and guarantees their availability to the Landscape Recycling Center operation as long as it remains a viable operation under this agreement.

Section 4. Use of Real Property.

A vehicle, building and equipment refurbishment and replacement fund (VBERF) has been developed for the purpose of reserving adequate funds for the refurbishment and replacement of vehicles, buildings and equipment upon their useful life being exhausted. This fund provides for the refurbishment and replacement of buildings currently owned by the City of Urbana, in lieu of charging rent to the parties for land and property that are necessary for the successful operation of the LRC. Annual contributions to this fund from revenues will be in the amount of \$20,000 annually. Annual contributions to this fund can be raised up to \$40,000 annually if both parties agree and if adequate revenues over expenditures are available at a fiscal year's end prior to making contributions to the operating reserve fund.

It is recognized that the equipment storage building and ticket booth have deteriorated to the point of needing serious refurbishment. It is further acknowledged that certain building items will be required to be repaired during the term of this Agreement and that Urbana will be responsible for repairs; and purchase and construction of new buildings in accordance with said refurbishment and replacement schedule, provided adequate funds exist in the VBERF fund. If adequate funds do not exist, then all parties shall be required to seek approval from the governing bodies prior to repair or construction of buildings and ground.

Section 5. Budget.

(a) The operating budget for the Landscape Recycling Center shall be contained in the City of Urbana's Annual Budget document. A budget shall be prepared by Urbana and made available to Champaign prior to inclusion in to the annual budget document. The Landscape Recycling Center shall be operated as an enterprise fund.

(b) Urbana shall provide an accounting of the revenues and expenses annually. If such accounts are not objected to prior to the next accounting, they shall be conclusively presumed to be accurate. A final accounting for a given City of Urbana fiscal year will be provided to the parties and any prorata share of operating deficits shall be due and payable to Urbana with thirty (30) days following the date of invoice.

(c) The parties agree to share the cost of operation on an equal basis. The "cost" of operation shall, for the purpose of this section, be the gross cost of materials, equipment, personnel, and administrative costs reasonably related to the operation less revenues generated by the fees charged for disposal and for the sale of processed materials.

(d) It is recognized by the parties that a vehicle, building and equipment replacement fund (VBERF) is existing and necessary for the purpose of reserving adequate funds for the replacement or refurbishment of vehicles, buildings and equipment upon their useful life being exhausted. This fund provides for the replacement of equipment currently owned in common and necessary for the successful operation of the LRC. Any equipment purchased with VBERF funds or other funds provided by the parties shall be owned equally by the parties in common.

It is further acknowledged that certain equipment items will be required to be replaced during the term of this Agreement and that Urbana will be responsible for the disposition of replaced equipment; and purchase of new equipment in accordance with said replacement schedule, provided adequate funds exist in the VBERF fund. If adequate funds do not exist, then all parties shall be required to seek approval from the governing bodies prior to purchase.

Section 6. Operating Reserve Fund

(a) At the end of each fiscal year any funds constituting a surplus over any outstanding current debt, and the funding of VBERF as provided in 4(a), shall be committed to an operating reserve. This reserve fund shall accumulate a balance of \$300,000 (one years operating expenses) before any disbursement shall be made to the parties. At such time, any remaining surplus shall be distributed to the parties equally.

(b) Each party agrees to pay up to fifteen thousand dollars (\$15,000) each to cover any annual operating deficit, should it occur after application of funds from the operating reserve fund. If such deficits should exceed \$30,000 annually, after application of any reserve funds, a party shall be free to unilaterally terminate this agreement upon ninety (90) days with written notice to the other parties.

Section 7. Termination

(a) The terminating party will be required to satisfy its equal share of any existing liability. The liability shall include an equal share of the estimated costs required for closure of the Landscape Recycling Center in accordance with the provisions of the Illinois Environmental Protection Act as defined in the Landscape Recycling Center's operating permit (Permit #1990-073-DE/OP. The closure cost estimation, as it appears in most recently approved permit is attached hereto as Exhibit B. The terminating party shall relinquish all rights of ownership to the equipment owned in common as related to this agreement. If any such funds allocated to that party remain in the VBERF or reserve fund after satisfying this debt, those funds shall be returned to that party.

If the remaining party determines to close the operation of the Landscape Recycling Center within one year then the parties agree to sell all equipment held in common. Such equipment shall be either purchased at its fair market value by any interested party or sold at public auction, sealed bid or other acceptable purchasing procedure. Any funds resulting from such sale shall be combined with any VBERF or operating reserve funds to satisfy any and all liabilities or debt of the Landscape Recycling Center. Any remaining surplus shall be distributed to the parties equally.

(b) This agreement may also be terminated by mutual agreement at any time under any terms agreed to.

Section 8. Miscellaneous.

(a) Nothing in this agreement shall prohibit the parties from encouraging residential backyard composting or other legal use of landscape waste.

Section 9. Notices.

For the purposes of this agreement, notices shall be deemed given as of the date notices are deposited by first class mail addressed to the other party to each of the parties representatives listed below at the addresses specified herein or such other addresses specified by the party in writing:

Notices shall be sent to the following three addresses:

- (1) Chief Administrative Office; P.O. Box 219; Urbana, IL 61801.
- (2) City Manager; 102 North Neil Street; Champaign, IL 61820.

IN WITNESS WHEREOF, Urbana and Champaign have caused this Agreement to be executed and delivered as of the date set forth beneath their respective signatures.

CITY OF URBANA, ILLINOIS

CITY OF CHAMPAIGN, ILLINOIS

BY: _____
Mayor

BY: _____
City Manager

DATE: _____

DATE: _____

ATTEST: _____
City Clerk

ATTEST: _____
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

City Attorney

City Attorney

EXHIBIT A

LANDSCAPE RECYCLING EQUIPMENT INVENTORY
FEBRUARY 2003

1. 1998 – Vermeer Tub Grinder
model TG400A
2. 1993 – Caterpillar Track Type (Crawler) Loader
model 953
3. 2001 – Caterpillar End Loader with 2 yard bucket and 3 yard grapple bucket
model 924 GZ
4. End Loader Attachments - loader rake, Sweepster rotary broom
Model LR 924 GZ - Rockland Loader Rake
Model LA - 10 ft. Sweepster Hydraulic Windrow Broom
5. 2001 – Timberwolf Log Splitter
model TW-6
6. 1998 – International Lo-pro Dump Truck Class E w/ snow plow attachment
model 4700
7. 2000 – GMC 4 X 4 Pickup Truck
model 2500
8. 2001 – Gehl Skidsteer Loader w/ cab with scrap grapple and 90” wide flail mower
model 5635 SX II
9. 2000 – Hotsy Power Washer
model 982 SS
10. 2001 – Ingersoll – Rand Two Stage Air Compressor
model 2475 (gas)
11. 2001 – Datasym Cash Register
model 2010 pos system
12. 1991 - Scat compost turner (out of service)
model 482BH
13. 2000 – Manitowoe Ice Machine
model Q210
14. 2 – Kenwood Portable Radios

EXHIBIT B

Table C-1

**Closure Cost Estimate
Landscape Recycling Center
Urbana, Illinois**

Item	Cost
Disposal of end product compost	\$3,500
Disposal of compost not complete	28,000
Disposal of brush/wood chips	3,500
Disposal of noncompostables	1,000
Regrade/scarify site and reseed	10,000
Total Closure Cost Estimate	\$46,000