

RESOLUTION 2006-R-18**A RESOLUTION ACCEPTING THE PROPOSAL BY
VEOLIA TO INCREASE THE PAYMENTS MADE
TO THE VILLAGE OF WINTHROP HARBOR**

WHEREAS, Veolia ES Zion Landfill, Inc. (hereinafter described as "Veolia") is the successor entity to Onyx Zion Landfill, Inc., and is the current operator of the landfill located generally north of 9th Street, between Green Bay Road and Kenosha Road, and

WHEREAS, Veolia has entered into an agreement with Craig Bergman Landscape Design, Inc. (hereinafter described to as "Bergman"), whereby Veolia intends to purchase certain property held by it on Kenosha Road adjacent to the said landfill, and in so doing, Veolia further intends to seek the appropriate approvals from all necessary units of government to expand the landfill onto a portion of the said property, and

WHEREAS, the landfill is currently located within the City of Zion, and the Bergman property is located within the Village of Winthrop Harbor, and

WHEREAS, established Illinois law requires that local sitings of landfills be held in every village or city in which the proposed site is located, which would necessitate both the Village of Winthrop Harbor and the City of Zion to hold essentially duplicate proceedings at significant cost, delay and expense without counter-balancing clear benefit to the citizens of this Village or to the citizens of the City of Zion or the unincorporated areas surrounding the landfill, and for those reasons, Veolia and Bergman have requested that this Village agree to voluntarily disconnect the Bergman property and allow it to be annexed to the City of Zion, and

WHEREAS, the proposed detachment and annexation would allow Veolia to proceed with only one local siting proceeding at a significant savings of time and money, which siting hearing will still provide full and complete due process to all concerned citizens, residents and stakeholders under the environmental laws of Illinois and of the federal government, and

WHEREAS, Veolia has proposed due and proper monetary consideration to the Village in exchange for its agreement to disconnect the land, which consideration is anticipated to amount to a substantial amount of money to be paid over a number of years, which revenue will clearly benefit the Village and its taxpayers through making funding available for a host of civic capital improvements, and

WHEREAS, Veolia has set forth its proposal in written form, attached hereto as Exhibit A, and

WHEREAS, in response to a petition previously filed with the Village Clerk by Bergman, the corporate authorities are approving the requested disconnection described hereinabove at the same meeting as this resolution is being adopted, and

WHEREAS, the corporate authorities do find and declare that the Exhibit A proposal, as well as the detachment and reannexation envisioned therein are clearly in the best interests of this Village, its citizens and its taxpayers,

NOW THEREFORE, BE IT RESOLVED by the Village of Winthrop Harbor, Lake County, Illinois, as follows:

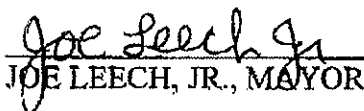
SECTION ONE: The proposal by Veolia attached hereto as Exhibit A is approved and ratified in all respects.

SECTION TWO: The Mayor, Clerk and all other Village officials are specifically directed to execute the Exhibit A proposal on behalf of the Village, and to take any and all other steps necessary to effectuate the disconnection, and comply with all terms and provisions of the Exhibit A proposal, so as to bring the monetary benefits therein offered to the citizens and taxpayers of this community.

SECTION THREE: This resolution shall take effect immediately upon passage.

PASSED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF WINTHROP HARBOR, ILLINOIS, ON THIS 18TH DAY OF JULY, 2006.

APPROVED:



JOE LEECH, JR., MAYOR

ATTEST:



GLORIA JEAN WOLLERT, DEPUTY CLERK

Proposal

In 1995, the City of Zion ("Zion") approved the expansion by Browning-Ferris Industries of Illinois, Inc. ("BFI") of a landfill ("Landfill"), located north of Ninth Street and east of Green Bay Road. In 2000, Onyx Zion Landfill, Inc. ("Onyx") acquired the Landfill from BFI. On July 29, 2003, Onyx and the Village of Winthrop Harbor ("WH"), whose jurisdictional boundaries about the Landfill, entered into an agreement that provides for payment by Onyx to WH of \$0.15 for each ton of waste received at the Landfill ("WH Agreement"). On July 1, 2006, Onyx changed its name to Veolia ES Zion Landfill, Inc. ("Veolia"). Veolia proposes to expand the Landfill vertically on the currently permitted area and also to expand the landfill onto property, known as the Bergmann Property, that is currently located in WH (the "Southeast Expansion"), provided that the Bergmann Property is disconnected from WH and annexed to Zion. In order to construct and operate the Southeast Expansion Veolia will have to receive local siting approval from Zion under Section 39.2 of the Illinois Environmental Protection Act ("Local Siting Approval") as well as all other final and non-appealable governmental permits necessary to construct and operate the Southeast Expansion (the "Southeast Expansion Permits").

In consideration of WH's disconnection of the Bergmann Property ("WH Disconnection"), Veolia agrees to increase the payment to WH under the WH Agreement, as follows and subject to the following conditions:

1. Upon the later of January 15, 2007 or the date of the final and non-appealable WH Disconnection and the Zion Annexation of the Bergmann Property (the "Annexation Date"), Veolia will pay WH the sum of \$50,000.00. If such Disconnection and/or Annexation are not achieved, said payment shall not be due.
2. Commencing with the Annexation Date, Veolia will conditionally increase by \$0.35 per ton (for a total payment of \$0.50 per ton) the WH host fee under the WH Agreement. Veolia shall continue to pay the \$0.15 per ton under the WH Agreement, and the increased amount of \$0.35 per ton will be placed in an interest bearing escrow account (the "Siting Escrow") and shall be payable subject to the conditions in paragraph 3 below.
3. Upon Veolia's receipt of the final and non-appealable Local Siting Approval for the Southeast Expansion, the balance in the Siting Escrow, with interest, will be paid to WH, provided that if such final and non-appealable Local Siting Approval is denied or is not forthcoming despite Veolia's efforts in the pursuit thereof, Veolia shall advise WH in writing, and the balance in the Siting Escrow, with interest, will be returned to Veolia and Veolia will thereafter only be required to continue its \$0.15 per ton host fee payments to WH.
4. Upon Veolia's receipt of such final and non-appealable Local Siting Approval, the WH host fee will conditionally increase by \$0.50 per ton (for a total payment of \$1.00 per ton) for each ton of waste received at the Landfill and the Southeast Expansion which shall be payable as set forth in paragraph 5 below.
5. Upon Veolia's receipt of such final and non-appealable Local Siting Approval, Onyx shall pay to WH \$0.50 per ton of solid waste received at the current Landfill and shall

deposit into an interest bearing "Permit" Escrow account, the remaining \$0.50 of the host fee which shall be payable to WH upon Veolia's receipt of all final and non-appealable Southeast Expansion Permits to construct and operate the Southeast Expansion. Upon the date all such Southeast Expansion Permits are received, the Permit Escrow funds, including interest, shall be disbursed to WH. In addition, from and after such date, no further host fees shall be escrowed and WH shall receive \$1.00 per ton of solid waste disposed of in the remaining airspace of the Landfill permitted as of that date, including the Southeast Expansion. Provided, however, that if such Southeast Expansion Permits are denied or are not forthcoming, Veolia shall notify WH in writing, and the Permit Escrow funds, with interest, shall be returned to Veolia, and Veolia's sole host fee obligation to WH shall be to continue making the \$0.50 per ton host fee payment.

Veolia ES Zion Landfill, Inc.

By: _____
 Its: _____
 Date: _____

ACCEPTANCE OF PROPOSAL

The above proposal is hereby accepted
 by the Village of Winthrop Harbor, Illinois.

By: Joe Seech Jr.
 Its: Mayer
 Date: 7/18/06