



## Legislation Text

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File #: 17-909, Version: 1

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### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Adopt the Resolution Approving an Addendum to the Intergovernmental Agreement between the City of Naperville and the Illinois Environmental Protection Agency to operate a long-term household Hazardous Waste Collection Facility.

**DEPARTMENT:** Department of Public Works

**SUBMITTED BY:** Dick Dublinski, Director of Public Works

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

The city currently has funding agreements in place with the Illinois Environmental Protection Agency (IEPA), DuPage County, Will County, Kane County and the City of Aurora for the Regional Household Hazardous Waste (HHW) Program operated at the Environmental Campus on Fort Hill Drive in Naperville. The facility was originally permitted in 1992 in cooperation with the IEPA as the first permanent Household Hazardous Waste Drop-off in the State of Illinois. The city and its funding partners (DuPage County, Will County, Kane County, and the City of Aurora) are responsible for operational costs of the HHW Facility, the City is responsible for capital costs of the Facility, and the IEPA is responsible for hiring a contractor to pick up, transport, and dispose of the household hazardous waste collected at the Facility. The current intergovernmental agreement between the City and the IEPA expires on December 31, 2017. The Funding Partner Agreements are described below.

**DuPage County:** The existing one-year agreement with DuPage County expired on November 30, 2017. The agreement provides \$100,000 of funding for the facility. The 2018 agreement will be forthcoming for City Council approval.

**Will County:** The existing one-year agreement with Will County expires on December 31, 2017. The agreement provides \$25,000 of funding for the facility. The 2018 agreement will be forthcoming for City Council approval.

**Kane County:** The existing Kane county agreement is for \$10,000 annually to be used toward any costs associated with the HHW program. The Kane County agreement automatically renews each year at the same funding level until either party terminates the agreement.

**City of Aurora:** The existing agreement with the City of Aurora is for \$20,000 annually to be used toward any costs associated with the HHW program. The City of Aurora agreement automatically

renews each year at the same funding level until either party terminates the agreement.

**DISCUSSION:**

In late September, the IEPA verbally notified the City that for the first time in the history of the Naperville HHW Facility it intended to impose a cap on the IEPA's responsibility to pay for waste hauling costs from the Facility. Current disposal costs are approximately \$516,000 a year. On October 4<sup>th</sup>, the City learned that the cap proposed by the IEPA, effective January 1, 2018, would be \$250,000 a year. No solution was proposed by the IEPA as to how the \$250,000+ funding gap caused by the cap would be addressed.

There are four permanent HHW facilities in the State of Illinois, including Naperville's. The Naperville HHW facility serves more people than any other HHW Facility in the State and will be the only facility that is subject to a cap.

City staff met with our funding partners to discuss the IEPA's proposed cap and the ramifications that such a cap would have on the viability of the City's HHW Program and the services it provides to the public.

Since a new long term agreement between the IEPA and the City could not be accomplished by December 31<sup>st</sup> when the current agreement expires, the IEPA agreed to a six-month extension of the current IGA in the form of an Addendum provided that: (i) the extension includes a \$250,000 monetary cap on the IEPA's responsibility for waste hauling costs during the extension; and (ii) so long as the Addendum included language granting the IEPA the absolute right to terminate the Addendum/Agreement at any time, without advance notice due to a decision made by either the Governor or the IEPA of a lack of available funding. Finally, since the \$250,000 cap may be insufficient to cover hauling costs during the six-month extension, provisions were also included allowing the City to take such actions at the HHW Facility as may be needed, including but not limited to reduction of services, in order to stay under the cap.

The IEPA has made it clear that although it is willing to grant a six-month extension, after the extension expires on June 30, 2018, the IEPA will insist on some form of an annual monetary cap on its responsibility to pay for HHW hauling costs. During the extension, it is our intent to work collaboratively with the IEPA, our funding partners, and the other permanent HHW regional facilities to try to identify solutions that maximize services while providing IEPA funding in an equitable manner.

**FISCAL IMPACT:**

The HHW operating costs are shared with IEPA, Aurora, DuPage, Kane, and Will Counties. The City's CY2018 annual budget for HHW operations is approximately \$278,000 for staffing the program and the maintenance of the building. Staff will work to ensure that the HHW Facility stays within the \$250,000 disposal funding cap imposed by the IEPA during the term of the Addendum.