

RESOLUTION 18-13

DEVELOPMENT AND FINANCING OF ADDITIONAL CAPACITY AT MID-SHORE II REGIONAL LANDFILL

FOR THE PURPOSE OF acknowledgment and acceptance by the County Commissioners of Queen Anne's County (the "County") of the development and construction of Cell Number 3 of the Mid-Shore II Regional Landfill in Caroline County, Maryland (the "Mid-Shore II Landfill") by the Maryland Environmental Service (the "Service"), the issuance of revenue bonds by the Service for such purpose as contemplated under the existing Waste Disposal Service Agreement between the Service and the County and authorizing the execution and delivery of any additional documents related thereto, including a continuing disclosure agreement.

RECITALS

The Service was created by, exists under, and exercises the powers contained in Sections 3-101 through 3-130 of the Natural Resources Article of the Annotated Code of Maryland (2012 Replacement Volume and 2017 Supplement), as amended to date (the "Act"), including (among others) the powers (i) to borrow money and issue bonds or notes for the purpose of paying all or any part of the cost of any one or more projects and to provide for the security of such bonds or notes and the rights of the holders thereof; and (ii) to enter into contracts with the federal or any state government, or any unit, instrumentality or subdivision thereof, or with any municipality or person within or without the State of Maryland, providing for or relating to any project of the Service.

The Service issued its \$18,275,000 Revenue Bonds (Mid-Shore II Regional Landfill Project) Series 2011, dated February 15, 2011 (the "Series 2011 Bonds") in order to finance the cost of the acquisition, design, construction and equipping of the first cell at Mid-Shore II Landfill. The Series 2011 Bonds were issued pursuant to an Indenture of Trust dated as of February 1, 2011, as supplemented by that Supplemental Indenture of Trust dated as of May 1, 2014 (collectively, the "Existing Indenture"), each between the Service and The Bank of New York Mellon, as trustee (the "Trustee").

In connection with the issuance of the Series 2011 Bonds, the Service entered into a Waste Disposal Service Agreement (each, a "Service Agreement" and collectively, the "Service Agreements") with Talbot County, Maryland, and the County Commissioners of each of Kent County, Caroline County and Queen Anne's County, Maryland (collectively, the "Subdivisions"). Pursuant to the Service Agreements, the Subdivisions deliver to the Mid-Shore II Landfill the Acceptable Waste (as defined in the Service Agreements) generated within their respective boundaries and pay Tipping Fees (as defined in the Service Agreements) for each ton of Acceptable Waste that is delivered to the Mid-Shore II Landfill and Supplemental Fees (as defined in the Service Agreements) in the event that the Total Costs (as defined in the Service Agreements) of the Mid-Shore II Landfill exceed the Landfill Revenues (as defined in the Service Agreements).

The Service has also issued its \$4,500,000 Revenue Bonds (Mid-Shore II Regional Landfill Project) Series 2014, dated May 1, 2014 ("Series 2014 Bonds") in order to finance the cost of the acquisition, design, construction and equipping of the second cell at Mid-Shore II Landfill. The Series 2014 Bonds were issued pursuant to the Existing Indenture.

The Service has determined to issue additional bonds in an amount not to exceed Ten Million Dollars \$10,000,000 (the "Bonds") for the purpose of funding certain costs related to the design, development and construction of Cell Number 3 of the Mid-Shore II Landfill, and if necessary, certain costs of issuance of the Bonds. The Bonds will be issued as Additional Bonds pursuant to a Second Supplemental Indenture of Trust between the Service and the Trustee, (the "Second Supplemental Indenture" and, together with the Existing Indenture, the "Indenture"), and will be payable from the revenues under the Service Agreements from the operation of the Mid-Shore II Landfill.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY, THAT:

Section 1. The County Commissioners of Queen Anne's County acknowledge and accept the development and construction of Cell Number 3 of the Mid-Shore II Landfill and the issuance of the Bonds for such purpose, as contemplated under the existing Service Agreements and the Indenture. It is acknowledged and agreed that the Bonds will be sold by the Service in such manner as the Service determines. This Resolution may be provided by the Service to the Trustee, bond counsel and any purchaser of the Bonds as evidence of the County's acknowledgment of and consent to the issuance of the Bonds.

Section 2. The County acknowledges and agrees that the Bonds constitute Indebtedness under the Service Agreements and a part of Total Costs (as defined in the Service Agreement). It is further recognized that the County is obligated under its Service Agreement to pay its Proportionate Share (as defined in the Service Agreement) of the Total Costs of the Service in connection with the performance of its obligations under the Service Agreement, which Total Costs include (without limitation) costs of providing waste disposal services under the Service Agreement and debt service payments with respect to the Bonds and other Indebtedness (as defined in the Service Agreement).

Section 3. The Service Agreement of the County remains in full force and effect.

Section 4. The [President of the County Commissioners of Queen Anne's County and the County Administrator/Executive Assistant] (the "Authorized Officials") are each hereby authorized and directed, on behalf of the County, to take any and all actions necessary or appropriate in connection with the issuance of the Bonds, including (without limitation) the undertaking of continuing disclosure obligations in connection therewith and the execution and delivery of all agreements, certificates, consents, assignments or other documents or instruments necessary or appropriate to consummate the issuance of the Bonds and the related matters contemplated under this Resolution.

Section 5. The Authorized Officials are each hereby authorized and directed, on behalf of the County, to review and approve, with such changes, omissions, insertions and revisions as they may deem desirable or necessary, the information contained in Appendix A of the Preliminary Official Statement, and the Official Statement which is to be in substantially the same form, concerning the County and each are hereby authorized to execute any documents and to take any and all other actions necessary to consent to the inclusion of the County's information and certify the accuracy thereof, included in such Preliminary Official Statement and/or Official Statement.

Section 6. If any provision of this Resolution is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Resolution which can be given effect without the invalid provision or application, and for this purpose the provisions of this Resolution are declared severable.

Section 7. This Resolution shall take effect from the day of its adoption.

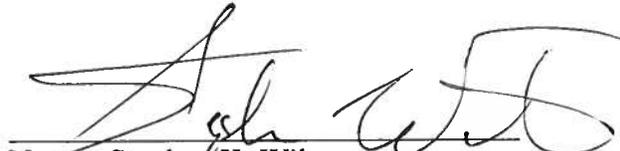
ADOPTED: 7/10, 2018

**COUNTY OF COMMISSIONERS OF
QUEEN ANNE'S COUNTY, MARYLAND**

ATTEST:



Name: Margie Houck
Title: Executive Assistant



Name: Stephen K. Wilson
Title: Commissioner President

Name: James J. Moran
Title: Commissioner

Name: Jack N. Wilson, Jr.
Title: Commissioner Vice President

Absent

Name: Robert Charles Buckley
Title: Commissioner

Name: Mark A. Anderson
Title: Commissioner