

RESOLUTION NO. 09-09

**CONSTRUCTION AND OPERATION OF
MID-SHORE II REGIONAL LANDFILL**

FOR THE PURPOSE OF approving the construction and operation of a regional sanitary landfill to be located in Caroline County, Maryland (the "Mid-Shore II Regional Landfill"); making certain findings concerning the form of Waste Disposal Service Agreement between the County Commissioners of Queen Anne's County, Maryland (the "County") and Maryland Environmental Service (the "Service") having a term at least as long as the term of any revenue obligations issued by the Service to finance the Mid-Shore II Regional Landfill, pursuant to which agreement the County shall, among other things, agree to deliver solid waste generated within the boundaries of the County to the Mid-Shore II Regional Landfill or other site designated by the Service and pay the cost associated with disposal of such amounts in accordance with the terms of such Waste Disposal Service Agreement whether or not such amounts are delivered; and generally providing for and determining various matters in connection with the approval by the County of the Mid-Shore II Regional Landfill and the execution and delivery of such Waste Disposal Service Agreement.

RECITALS

The Service was created by and exists under the Maryland Environmental Service Act, being codified as Sections 3-101 through 3-130, inclusive, of the Natural Resources Article of the Annotated Code of Maryland, as amended (the "Act") in order to assist with the preservation, improvement and management of the quality of air, land and water resources and to promote the health and welfare of the citizens of the State of Maryland.

The County, the County Commissioners of Caroline County, the County Commissioners of Kent County and Talbot County, Maryland (collectively, the "Mid-Shore Counties") have established a regional system of solid waste disposal to accommodate their separate and differing systems of collection and disposal of solid waste, including recycling programs developed cooperatively with the Service.

The Mid-Shore Counties have determined that it is in the public interest of each of them to take advantage of any economies of scale and opportunities for solid waste disposal which may be achieved through a regional solid waste disposal system.

The Service is empowered to assist the Mid-Shore Counties in providing solid waste disposal services.

The Service previously undertook the planning, design, permit acquisition, financing, construction, and operation of a new landfill located in Talbot County, Maryland, near the Town of Easton (the "Mid-Shore I Landfill") and the Mid-Shore Counties entered

into waste disposal service agreements with the Service (the "Prior Waste Disposal Service Agreements") in order to make binding, long-term commitments to the Service for the disposal of solid waste generated within the boundaries of the Mid-Shore Counties.

The Mid-Shore I Landfill is expected to close on December 31, 2010 and the Prior Waste Disposal Service Agreements will expire in 2011. In the Memorandum of Understanding dated February 4, 2005, between the Service and the Mid-Shore Counties, the Service agreed to proceed with the planning, design, permit acquisition, financing, construction, and operation of the Mid-Shore II Regional Landfill to accept solid waste generated within the boundaries of the Mid-Shore Counties upon the closure of the Mid-Shore I Landfill.

The County has determined that it is in the public interest to continue its binding, long-term commitment to the Service for the disposal of solid waste generated within its boundaries.

The County is authorized by the Act to enter into contracts with the Service for the purpose of defraying the Service's costs of acquiring or providing solid waste disposal projects, which costs may include debt service requirements of the Service relating to the project. The Act further provides that the County may approve such contracts by resolution.

Accordingly, the County desires to enter into a new Waste Disposal Service Agreement between the Service and the County (the "Waste Disposal Service Agreement") which (by way of general description and not limitation) provides for the disposal by the Service of solid waste generated within the boundaries of the County and for payment by the County of the disposal costs therefore, whether or not such solid waste is delivered.

The Service intends to issue bonds, notes or other obligations to finance the acquisition, design, construction and equipping of the Mid-Shore II Regional Landfill. The sale of such bonds, notes or other obligations would be facilitated by the prior approval by the County of the Waste Disposal Service Agreement. The Service intends to develop the financing documents necessary for the sale of such bonds, notes or other obligations which may include (without limitation) an indenture of trust and an official statement with respect to the financing (collectively, the "Financing Documents").

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

Section 1. The design, construction, equipping, ownership and operation of the Mid-Shore II Regional Landfill and the disposal of solid waste generated within the boundaries of the County, in the manner and upon the terms and conditions described in the Waste Disposal Service Agreement, are in the best interests of the County. The failure to so provide for the Mid-Shore II Regional Landfill and the disposal of such solid waste can create serious economic, environmental and public health problems.

It is in the public interest of the County that the Service proceed with the design, construction and equipping of the Mid-Shore II Regional Landfill and the negotiation and preparation of the Financing Documents and take all actions which the Service, in its discretion, deems to be necessary or appropriate for the issuance and sale of its bonds, notes or other obligations to finance the Mid-Shore II Regional Landfill, for the execution and delivery of the Waste Disposal Service Agreement and the Financing Documents by the parties thereto, and for the design, construction and equipping of the Mid-Shore II Regional Landfill.

Section 2. The terms, provisions, form, content and substance of the Waste Disposal Service Agreement are hereby approved and adopted. A copy of the Waste Disposal Service Agreement has been presented to the County and shall be placed in the official records of the County and be made available for public inspection. The President of the County Commissioners and the County Administrator of the County (the "Authorized Officials") are hereby authorized on behalf of the County to execute and deliver, and to cause to be accepted and executed by the other party or parties thereto, the Waste Disposal Service Agreement. The Waste Disposal Service Agreement to be so executed and delivered shall be substantially in the form hereby approved with (i) such changes in form or such changes in content which do not materially adversely affect the interests of the County thereunder as may be approved by the Authorized Officials (including, without limitation, the completion of Schedule 1 and the definition of Total Costs), their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Waste Disposal Service Agreement hereby approved, or (ii) such other changes as may be approved by resolution or resolutions of the County. The Authorized Officials are hereby authorized to take all actions necessary or appropriate to execute and deliver and to cause to be executed and accepted by the other party or parties thereto, the Waste Disposal Service Agreement and the Financing Documents, such actions to include (without limitation) the execution and delivery of all certificates, consents, assignments or other documents or instruments necessary or appropriate to consummate, for and on behalf of the County, the transactions approved by this Resolution. The County agrees to cooperate with the Service in the preparation of the Financing Documents, including without limitation providing any information about the County that is required to be included in the Financing Documents. It is recognized that the Mid-Shore II Regional Landfill is intended to be developed in stages as additional space is needed for the disposal of solid waste, and that the Service will, from time to time, issue its bonds, notes or other obligations in order to finance the costs of the Mid-Shore II Regional Landfill as it is so developed. It is further recognized that the County is obligated under the Waste Disposal Service Agreement to pay its Proportionate Share (as defined in the Waste Disposal Service Agreement) of the Total Costs (as defined in the Waste Disposal Service Agreement) of the Service in connection with performance of its obligations under the Waste Disposal Service Agreement, which Total Costs include (without limitation) costs of providing waste disposal services under the Waste Disposal Service Agreement and debt service payments with respect to such bonds, notes or other obligations. Any resolution or resolution adopted pursuant to this Resolution shall be deemed to be of an administrative nature and shall be effective upon adoption.

Section 3. The provisions of this Resolution are severable, and if any provision, sentence, section or part thereof is held illegal, invalid, unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Resolution or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Resolution would have been adopted if such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, section or part had not been included therein, and as if the person or circumstances to which this Resolution or any part thereof is inapplicable had been specifically exempted therefrom.

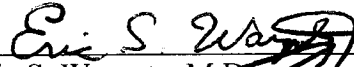
Section 4. This Resolution shall take effect from the day of its adoption.

ADOPTED: May 12, 2009

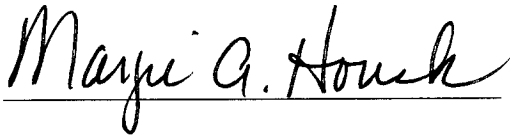
COUNTY COMMISSIONERS OF
QUEEN ANNE'S COUNTY



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