

Board Meeting Minutes
January 19, 1982

1982 with a session after dinner and concluding with a Sunday morning session ending with or without lunch Attendance is required' The estimated cost of the seminar is \$6,000 and to come from corporate reserves

Mr McDonagh introduced the subject of the need for a public safety officer After discussions by Jim Robinson about the legal ramifications, it was concluded that we should pursue this in view of excessive workmens compensation claims and to hedge against any unfavorable action by MOSHA/OSHA It was further concluded that the public safety officer's duties would not extend to enforcing safety requirements against independent contractors

Joe Johns commenced a discussion about renewing the services of the accounting firm of Ernst & Whinney for the MES annual audit Likewise, a discussion was held on the subject of renewing services provided by McGraw & Simmons It was concluded by the Director that Joe Johns should develop a timetable for procurement of these services on a competitive basis

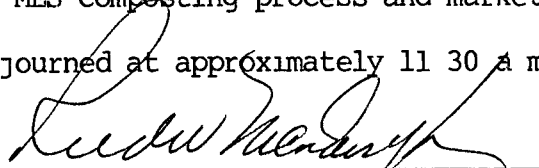
Dr Barnes announced that he would be unavailable during the period February 26, 1982 through March 2, 1982

Obtaining appraisals for the Grace property was discussed The outcome included the Director requesting Joe Johns to forthwith set up a meeting with the two most qualified firms That meeting (briefing) is to occur next week

The Director reviewed the current status of ocean dumping of sewage sludge and the proposal being made by MES to the District of Columbia and to EPA The thrust of the proposal is to demonstrate a viable alternative to ocean dumping using the MES composting process and marketing

The meeting was adjourned at approximately 11 30 a m

Respectfully submitted


Reed W McDonagh, Deputy Secretary



THOMAS D MCKEWEN
DIRECTOR

JOSEPH G JOHNS JR
CONTROLLER

STATE OF MARYLAND
MARYLAND ENVIRONMENTAL SERVICE
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REED W M DONAGH
DEPUTY DIRECTOR

BOARD MEETING MINUTES

March 17 1982

A meeting of the Board of Directors of the Maryland Environmental Service was called to order at 2 00 p m on March 17, 1982, by Thomas D McKewen

Board Members Present	Thomas D McKewen, Director R Kenneth Barnes, Secretary Edward A Griffith Treasurer
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Staff Members Present	Reed W McDonagh, Deputy Director Joseph G Johns, Jr , Controller Michael Scibinico, Assistant Attorney General
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This was the first meeting for the new Treasurer Mr Griffith, who presented his letter of appointment for the record

Joe Johns gave a general description of the Hawkins Point Hazardous Waste Project and presented a cash flow statement for the project He pointed out that the Board of Public Works approved \$2 5 million for this project and directed the Treasurer of the State of Maryland to include this amount in the next bond sale A discussion followed

Mr Barnes moved that the Board adopted the enclosed resolution regarding the Hawkins Point Hazardous Waste Facility Mr Griffith seconded the motion and the motion carried unanimously The bond request was then signed by all Board members

The meeting was adjourned at 4 00 p m

RESOLUTION OF THE BOARD OF DIRECTORS

A RESOLUTION authorizing the Maryland Environmental Service to borrow up to \$2,500,000 00 from the Maryland National Bank, and to covenant with the Maryland National Bank to repay such loan in accordance with a Grant Anticipation Note to be given to the Bank, from monies to be provided to the Service upon the sale by the Board of Public Works of Bonds pursuant to the Resource Recovery Loan Act of 1974

RECITALS

On December 3, 1981 the Board of Public Works approved a request by the Maryland Environmental Service to use \$2,500,000 00 of the Resource Recovery Loan Act of 1974 (Chapter 588 of the Act of 1974) to develop a Hazardous Waste Management Facility at Hawkins Point, Baltimore City, for the safe and proper development of hazardous waste development in Maryland

As of the date of this Resolution the proceeds from the sale of bonds as noted above are not expected to be available until July 1982. However, the Maryland Environmental Service has an immediate need for funds to complete the design and implementation of the Hawkins Point Project

The Maryland National Bank has agreed to loan to the Service \$2,500,000 00 in exchange for the issuance and delivery by the Service of a Grant Anticipation Note


BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF MARYLAND ENVIRONMENTAL SERVICE

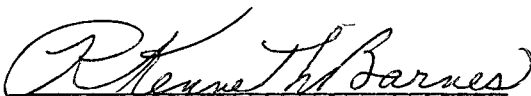
Section 1. That, the Service is hereby authorized to prepare a Grant Anticipation Note for an amount of \$2,500,000 00 from Maryland National Bank which covenants that the Service will repay the Bank's loan in full, plus interest at 65% of the prime rate, upon receipt of the proceeds from the bond sale authorized by the Board of Public Works on December 3, 1981 under the Resource Recovery Loan Act of 1974

Section 2. That, the Service is hereby authorized to prepare such documents as may be required to qualify the above Grant Anticipation Note for tax exempt status as provided in Natural Resources Article Section 3-124, and to execute such documents or submit such documents to the Board of Directors for execution in connection with the Grant Anticipation Note

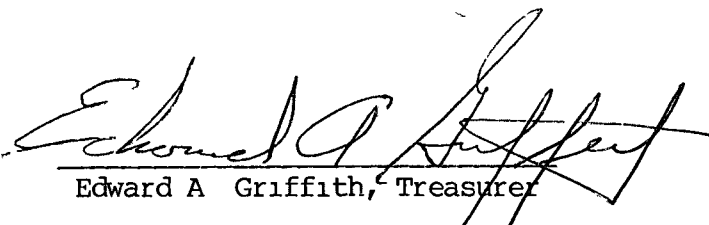
Section 3. That, the Service is hereby authorized to obtain an immediate advance of loan monies from the Bank, in an amount up to \$1,000,000 00, at interest rates up to 65% of the prime rate, provided that upon execution of the Grant Anticipation Note, any money so advanced shall be included in the Grant Anticipation Note at such interest rates as specified in the Note

The foregoing Resolution of the Board of Directors of the Maryland Environmental Service was adopted at a meeting duly called and held on March 17, 1982


Thomas D McKewen, Director


R Kenneth Barnes, Secretary

SEAL


Edward A Griffith, Treasurer



THOMAS D M KEWEN
DIRECTOR

STATE OF MARYLAND
MARYLAND ENVIRONMENTAL SERVICE
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(301) 269 3351

REED W McDONAGH
DEPUTY DIRECTOR

BOARD MEETING MINUTES

April 26, 1982

A meeting of the Board of Directors of the Maryland Environmental Service was called to order at 11 00 a m on April 26, 1982 by Thomas D McKewen

Board Members Present Thomas D McKewen, Director
 Dr R Kenneth Barnes, Secretary
 Edward A Criffith, Treasurer

Staff Members Present Reed W McDonagh, Deputy Director
 Joseph G Johns, Jr , Controller
 Michael J Scibinico, II, Esquire

Mr Scibinico presented a Resolution to the Board authorizing the Service to issue a Grant Anticipation Note to the Treasurer of the State of Maryland in the amount of \$1,500,000. It was explained to the Board that the Grant Anticipation Note was necessary to continue work on the Hawkins Point Project pending receipt of the grant of \$2,500,000 from the Resource Recovery Loan Act of 1974 as authorized by the Board of Public Works on December 2, 1981. Pursuant to the Resolution passed by the Board of Directors on March 17, 1982, the Service has been attempting to sell a Grant Anticipation Note to the Maryland National Bank for the same purposes. The Service has not been successful in this effort due to the current lack of approval by Baltimore City of the Hawkins Point Project. This approval is required by Section 3-104(u) of the Maryland Environmental Service Act. The Service expects to obtain this approval sometime in early June. However, since the Service has already entered into obligations for work at Hawkins Point, (originally in the belief that the State's bond sale would occur in February) there is an immediate need for funds to continue work on the Project.

At the present time, the Service has been informed that the State intends to hold its next bond sale on June 9, 1982 (including those bonds related to the MES grant). If this sale occurs as planned, the grant funds should be available to the Service on or about July 1, 1982. The Grant Anticipation Note to the Treasurer is structured so that it will mature on the date that the grant proceeds are actually made available to the Service. Thus, it is hoped that this Note will be fully paid within the next three months. Since this is not a tax-exempt borrowing, the entire \$1,500,000 will be available to the Service for investment, and this should offset some of the interest payments.

Having reviewed the Resolution presented by Mr Scibinico, the Resolution was unanimously adopted by the Board of Directors.

The meeting was adjourned at approximately 11 50 a m

March 17 1982

Never Happened

RESOLUTION OF THE BOARD OF DIRECTORS

A RESOLUTION authorizing the Maryland Environmental Service to borrow up to \$2,500,000 00 from the Maryland National Bank, and to covenant with the Maryland National Bank to repay such loan in accordance with a Grant Anticipation Note to be given to the Bank, from monies to be provided to the Service upon the sale by the Board of Public Works of Bonds pursuant to the Resource Recovery Loan Act of 1974

RECITALS

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As of the date of this Resolution the proceeds from the sale of bonds as noted above are not expected to be available until July 1982 However, the Maryland Environmental Service has an immediate need for funds to complete the design and implementation of the Hawkins Point Project

The Maryland National Bank has agreed to loan to the Service \$2,500,000 00 in exchange for the issuance and delivery by the Service of a Grant Anticipation Note

BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF MARYLAND ENVIRONMENTAL SERVICE

Section 1. That, the Service is hereby authorized to prepare a Grant Anticipation Note for an amount of \$2,500,000 00 from Maryland National Bank which covenants that the Service will repay the Bank's loan in full, plus interest at 65% of the prime rate, upon receipt of the proceeds from the bond sale authorized by the Board of Public Works on December 3, 1981 under the Resource Recovery Loan Act of 1974

Section 2. That, the Service is hereby authorized to prepare such documents as may be required to qualify the above Grant Anticipation Note for tax exempt status as provided in Natural Resources Article Section 3-124, and to execute such documents or submit such documents to the Board of Directors for execution in connection with the Grant Anticipation Note

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The foregoing Resolution of the Board of Directors of the Maryland Environmental Service was adopted at a meeting duly called and held on March 17, 1982

s/

Thomas D McKewen, Director

s/

R Kenneth Barnes, Secretary

SEAL

s/

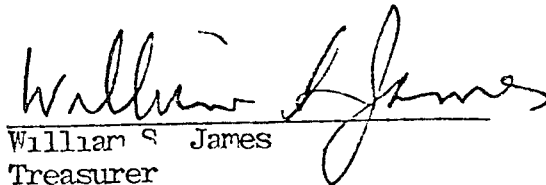
Edward A Griffith, Treasurer

RESOLUTION

IT IS RESOLVED by the Board of Public Works on this 2nd day of December, 1981 that the Maryland Environmental Service be awarded a grant of \$2 5 million dollars upon the issuance and sale of bonds authorized by Chapter 588 of the Laws of Maryland (Acts of 1974) for the purposes described in its agenda item request. The Treasurer is hereby directed to offer the bonds for sale at the State of Maryland's next consolidated bond issue provided that the Attorney General and bond counsel are of the opinion that issuance and sale of the bonds is legally authorized.


Harry Hughes
Governor


Louis L. Golstein
Comptroller


William S. James
Treasurer

DATE

Dec 2, 1981



THOMAS D M KEWEN
DIRECTOR

JOSEPH G JOHNS JR
CONTROLLER

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REED W M DONAGH
DEPUTY DIRECTOR

BOARD MEETING MINUTES

June 7, 1982

A meeting of the Board of Directors of the Maryland Environmental Service was called to order at 2 00 p m on June 7, 1982, by Thomas D McKewen

Board Members Present

Thomas D McKewen Director
R Kenneth Barnes Secretary
Edward A Griffith Treasurer

Staff Members Present

Reed W McDonagh, Deputy Director
Joseph G Johns, Jr , Controller

The first order of business was the Maryland Association of Counties meeting in July A discussion was held on attendance from the agency

The second item of discussion was the tentative award of the auditing contract Joe brought everyone up to date on the bid process to solicit for an independent auditor Ten bids were submitted and three bids were received late--one from Price Waterhouse, one from Arthur Anderson Co , and one from Main Hurdman all of which were returned unopened A 3-member committee consisting of Reed McDonagh Ed Griffith and Joe Johns, met to review the bids The apparent low bidder was Peat, Marwick and Mitchell, and a meeting was held with representatives of that firm on May 21 Present at that meeting was Mr Griffith, Joe Johns and Ed Howard Discussion was held on MES organization and accounting systems, and samples of some of our reports were given to them

They had given MES an "estimate" of 'approximately \$600 for the study of the management fee system which the agency felt was somewhat vague so an agreement was reached on "not more than \$1,000' Peat Marwick's bid for the audit contract was \$31,310 for a three-year contract The next lowest bid was \$38,900 and the highest was \$70,020

MES originally wanted to go out for bid for a 5-year audit contract to be broken down as follows the first three years to be fixed price and the fourth and fifth years to be negotiated, based on the third year actual hours and dollars spent This proposal was over-ruled by the Budget Bureau Dr Barnes wanted to know if the Board could protest that decision and Mr Griffith suggested that the Board of Public Works be notified of this Mr McKewen requested that Joe Johns see if Peat Marwick would be willing to negotiate for a two-year option The Board of Directors recommended that Dr Barnes contact Dr Stetler to discuss the fact that we were limited to a three-year contract, which saves the agency approximately \$30 000 when a five-year contract would have saved an additional \$15-20 000

A motion was made by Mr Griffith and seconded by Dr Barnes, to accept Peat Marwick and Mitchell as the agency auditors for the next three years The motion was unanimously passed

There was some discussion held about getting Peat Marwick started as soon as possible prior to formal approval by the Board of Public Works a contractual risk that they must be willing to share with the agency

The next item on the agenda was the delegation of authority letter from Mr McKewen to Mr Millstone the Secretary of the Department of General Services The letter will go out in today's mail with copies to members of the Board

The meeting was adjourned at 3 30 p m

Isb

cc Michael Scobonico Esq



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REED W M DONAGH
 Deputy Director

THOMAS D M KEWEN
 Deputy Director

JOSEPH G JOHNS JR
 Controller
 Deputy Treasurer

BOARD MEETING MINUTES

August 12, 1982

A meeting of the Board of Directors of the Maryland Environmental Service was called to order at 9:30 a.m. on August 12, 1982, by Thomas D. McKewen

Board Members Present

Thomas D. McKewen, Director
 R. Kenneth Barnes, Secretary
 Edward A. Griffith, Treasurer

Staff Members Present

Joseph G. Johns Jr., Controller
 Michael J. Scibonico, Assistant Attorney General
 Pam Andersen, Assistant Attorney General

Mr. Johns discussed the impending project with Baltimore County which includes the expansion of the size and scope of the solid waste disposal system located at Texas, Md. and the construction of a module for the processing of Refuse Derived Fuel (RDF) at the Crane Station Facility owned by the Baltimore Gas and Electric Company. By unanimous vote, the Board adopted a Resolution authorizing the Service to enter into all necessary agreements for the Project to prepare to issue bonds in a principal aggregate amount not to exceed \$2.4 million, to be repaid from the revenues of the Project and to take any other actions necessary to implement the Project.

There was some discussion on the current legislation to make MES a separate agency and an update on Hawkins Point.

Certified True and Accurate

R. Kenneth Barnes

BOARD OF DIRECTORS OF MARYLAND ENVIRONMENTAL SERVICE
RESOLUTION

A RESOLUTION concerning

Intent of the Board of Directors of Maryland Environmental Service to issue bonds in an aggregate principal amount not to exceed \$2 400 000 to be for the purpose of paying all or a part of the cost of a project of the Service consisting generally of solid waste disposal facilities to be used in connection with the operation of the Solid Waste Reclamation Facility of the Service located in Texas Baltimore County Maryland provisions for further proceedings in connection with the issuance of the bonds and the description and operation of such project and provisions for the bonds to be obligations of the Service payable from revenues received from the operation of such project and such other sources as may be designated by the Service

RECITALS

By Chapter 240 of the Laws of Maryland of 1970 the General Assembly of Maryland enacted Sections 1 to 32 inclusive of Article 33B of the Annotated Code of Maryland (1971 Replacement Volume) Such sections as amended to date (including amendments enacted by Chapter 619 of the Laws of Maryland of 1971) are hereinafter collectively referred to as the Act The Act is now codified as Sections 3-101 to 3-131 inclusive of the Natural Resources Article of the Annotated Code of Maryland (1974 Volume and 1981 Cumulative Supplement)

Maryland Environmental Service (the Service) was created by exists under and exercises the powers contained in the Act including (among others) the powers (1) 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 secure the payment of such bonds or notes or any part thereof by pledge or deed of trust of all or any part of its revenues or other available money or by pledge mortgage or deed of trust of certain of its facilities or properties and in general to provide for the security of such bonds or notes and the rights of the holders thereof and (11) 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 (the State) providing for or relating to the furnishing of

services to or the facilities of any project of the Service or in connection with the services or facilities provided by any water supply project solid waste disposal project or wastewater purification project owned or controlled by the other contracting party, including contracts for the construction and operation of any project which is in the State or in an adjoining state

Pursuant to the Contract to Provide Solid Waste Disposal System and Service for Baltimore County Maryland dated as of December 12, 1973 between the Service and Baltimore County Maryland (the County), as amended on October 6, 1975 and December 29, 1976 (the Service Contract) the Service agreed, among other things to cause to be constructed, maintained and operated a facility to be located in Texas Baltimore County Maryland for the disposal and processing of solid waste provided by the County (the Solid Waste Reclamation Facility) The Solid Waste Reclamation Facility was designed among other things to produce refuse derived fuel (RDF)

The Service and Baltimore Gas and Electric Company (BG&E) have executed an Agreement of Sale dated as of August 31 1982 (the RDF Sales Agreement) pursuant to which BG&E agrees to purchase certain specified quantities of RDF from the Service and burn such RDF with coal in furnaces at its C P Crane Generating Station located in the County (the Crane Station)

In order to provide BG&E with such RDF it is necessary to construct a receiving and handling station for RDF on the site of the Crane Station (the RDF Receiving Station) and to make certain improvements and alterations to the Solid Waste Reclamation Facility (the Project)

The Service and the County have negotiated and prepared a supplement to the Service Contract which among other things sets forth the obligations of the Service and the County with respect to the provision of the RDF Receiving Station and the Project and the method of financing the RDF Receiving Station and the Project (the Supplemental Service Contract) The Supplemental Service Contract provides that the Service shall issue its bonds to pay for the cost of constructing and providing all or a portion of the RDF Receiving Station and the Project

The federal Income Tax Regulations promulgated by the United States Treasury Department (the Regulations) prescribe that the issuer of industrial development revenue bonds, the interest on which is exempt from federal income tax under the Internal Revenue Code of 1954 (the Code) either adopt a bond resolution with respect to such bonds or notes or take some other similar official action toward the issuance of such bonds

or notes prior to the commencement of the construction or acquisition of facilities to be financed by the proceeds of the sale of such bonds or notes

The Authority considers the financing acquisition construction and operation of the RDF Receiving Station and the Project to be in furtherance of the public purposes of the Act and the Service

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MARYLAND ENVIRONMENTAL SERVICE that

1 The Service intends to borrow money and issue and sell its bonds or notes (collectively the Bonds) pursuant to the provisions of the Act in a principal amount sufficient to pay all or any part of the cost of the Project together with costs incident to the authorization sale and issuance of the Bonds in a principal aggregate amount not to exceed \$2 400 000 It is intended that the Project shall consist of the facilities and properties acquired constructed and provided in connection with certain alterations or improvements to be made to the Solid Waste Reclamation Facility by the Service pursuant to the Supplemental Service Contract in order among other things to provide more efficient production of refuse derived fuel and better recovery of glass and other materials from the solid waste processed at such facility including (without limitation) one or more dual disc screen systems air stoners shredders conveyors control rooms and glass recovery modules

2 The proceeds of the Bonds will be used by the Service to pay the Cost (as defined in the Act) of the Project

3 The Service intends to operate the Project itself or to make and enter into contracts with one or more private persons corporations firms partnerships or other private entities (the Private Sector Participants) providing for such Private Sector Participants to construct manage, operate and maintain the Project

4 The Service intends to pledge its revenues in whole or in part received under the RDF Sales Agreement or otherwise from or in connection with the Project to the payment of the principal and redemption premium if any of and interest on the Bonds and to further secure the Bonds by granting a lien security interest or other encumbrance or interest in or on the Project and the RDF Receiving Station to the holders of the Bonds The Service may further define or limit the revenues or other available moneys to be pledged to the payment of the Bonds

5 The Service intends to adopt such resolutions to take such other actions and to authorize the execution and delivery of such documents as may be necessary or advisable for (i) the final authorization issuance and sale of the Bonds (ii) the financing of the acquisition construction or improvement of the Project and (iii) the execution of leases contracts and other agreements with one or more Private Sector Participants with respect to the construction management operation and maintenance of the Project and with the State the County or any other person as may be necessary or appropriate in connection with such activities

6 The Service intends to take or cause to be taken such other acts and to adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in the pursuance thereof

7 The Bonds shall not be a debt or a pledge of the faith and credit of the State of Maryland or of any political subdivision thereof Neither the Service the State nor any political subdivision thereof shall be obligated to pay the principal and redemption premium if any of and the interest on the Bonds except from the revenues described herein or other moneys of the Service available therefor and such other sources as may be permitted by the Act and subsequently designated by the Service

8 The Service intends that this resolution shall to the extent necessary to allow the Service to fulfill any applicable requirements under the Code or the Regulations in connection with the issuance of the Bonds constitute some other similar official action toward the issuance of the Bonds within the meaning of Section 1 103-8(a)(5) of the Regulations

9 This resolution shall take effect immediately

Adopted this 12th day of August, 1982

MARYLAND ENVIRONMENTAL SERVICE

By Thomas D McKewen
Thomas D McKewen Director

(SEAL)-