BOARD OF DIRECTORS

MARYLAND ENVIRONMENTAL SERVICE

RESOLUTION

(94-02-3R)

A RESOLUTION authorizing

The formal ratification by the Maryland Environmental Service (the "Service") of the procurement of compost bagging equipment (the "Equipment"); assignment of the Equipment to the Washington Suburban Sanitary Commission ("WSSC"); and the borrowing of moneys to finance the purchase of the Equipment.

R E C I T A L S

The Service was created by, exists under, and exercises the powers contained in Sections 3-101 to 3-130, inclusive, of the Natural Resources Article of the Annotated Code of Maryland (the "Act") including (among others) the powers **(i)** to acquire, purchase, hold, lease as lessee, and use any franchise and any property, real, personal or mixed, tangible or intangible, or any interest therein necessary to carry out the purposes of the Service; **(ii)** to create and establish a project reserve fund; **(iii)** 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 or for any other purpose of the Service.

The WSSC operates the Montgomery County Regional Composting Facility. The Service provides various sludge management and compost marketing services to the WSSC. The WSSC pays to the Service an amount sufficient to reimburse the Service for the services it provides. In conjunction with its activities at the Composting Facility, the WSSC has requested that the Service

purchase the Equipment and lease the Equipment to the WSSC with an option to purchase the Equipment after a specified sum has been paid to the Service.

The Service considers the purchase of the Equipment and the leasing of the Equipment to the WSSC with an option to purchase to be in furtherance of the purposes of the Act and the Service.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MARYLAND ENVIRONMENTAL SERVICE, THAT:

1. The purchase of the Equipment is hereby confirmed, ratified, authorized and directed pursuant to the provisions of the Act.

2. Certain procurements have been initiated by the Service due to funding availability and project schedules.

3. With regard to the Equipment purchase, totaling One Hundred Thirty Thousand One Hundred Ninety-one Dollars ($130,191.00), the Board approves the following: **(a)** the purchase of the Equipment; **(b)** lease of the Equipment to the WSSC, with an option to purchase the Equipment; **(c)** borrowing of moneys for a term not to exceed five (5) years to finance the purchase of the Equipment; **(d)** the use of interfund borrowing, as needed, but only a temporary basis, to facilitate the purchase transaction; **(e)** use of the proceeds of the permanent financing as appropriate to reimburse the interfund borrowing; and **(f)** use of the proceeds from the WSSC to repay the borrowed moneys.

4. The purchase shall be, and hereby is, adopted, ratified and authorized as set forth above, and the Director of the Service is hereby authorized to proceed as

authorized, ratified and approved by this Resolution. The Service may make any substitutions of the Equipment it deems necessary.

5. This Resolution shall take effect immediately.

ADOPTED, this 24th day of February, 1994.

SEAL

MARYLAND ENVIRONMENTAL SERVICE

BY: _____
GEORGE G. PERDIKAKIS, DIRECTOR

BY: _____
ANNETTE ANSELMI, DEPUTY

BY: _____
EDWARD A. GRIFFITH, TREASURER