BOARD OF DIRECTORS

MARYLAND ENVIRONMENTAL SERVICE

RESOLUTION 95-11-4R

A RESOLUTION AUTHORIZING

THE USE OF PROGRAM DEVELOPMENT FUNDS BY THE SERVICE TO RECOVER OVERHEAD COSTS ASSOCIATED WITH BAGGING LEAFGRO®.

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 enter into contracts with the federal or any state government, or any unit, instrumentality or subdivision thereof, or any local government or person within or without the State; **(ii)** to create and establish project reserve funds; and **(iii)** to participate in solid waste disposal, water supply, and wastewater treatment and disposal projects.

On April 1, 1986, the Board of Directors of the Service, pursuant to Resolution 1-1986, authorized the establishment of a Program Development Fund. The resolution expressly provides that the uses of Program Development Funds "may include but are not limited to the purposes of developing, supporting, researching, promoting, securing, providing and procuring goods and services for new and proposed projects, experiments, programs, and facilities."

The Service operates, on behalf of Montgomery County, Maryland (the "County"), the Montgomery County Yard Waste Composting Facility in Dickerson, Maryland. In addition to operation services, the Service provides marketing services to the County which include the distribution and sale, in bulk, of composted leaf product known as Leafgro®. In order to expand the potential market of Leafgro® the County has requested, and the Service has agreed to provide, a bagging operation for Leafgro®. The Service has not previously provided bagging services to its clients, and it anticipates utilizing the experience and knowledge it gains in

providing such bagging services to other current and future projects. Therefore, the Service desires to utilize Program Development Funds to fund certain overhead costs associated with providing bagging services.

The Service considers the use of Program Development Funds to assist the County 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 Service may utilize up to Ten Thousand Dollars ($10,000.00) from Program Development Funds to offset overhead costs incurred for the bagging of up to 120,000 bags of Leafgro® during the first twelve (12) months of Leafgro® bagging operation.
2. The use of Program Development Funds as described herein 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.
3. This Resolution shall take effect immediately.

ADOPTED, this 30th day of November, 1995.

SEAL

MARYLAND ENVIRONMENTAL SERVICE

BY: James W. Peck
JAMES W. PECK, DIRECTOR

BY: Annette Anselmi
ANNETTE ANSELMI, TREASURER

BY: Carolyn D. Davis
CAROLYN D. DAVIS, SECRETARY