BOARD OF DIRECTORS

MARYLAND ENVIRONMENTAL SERVICE

RESOLUTION

(95-3-2R)

A RESOLUTION AUTHORIZING

THE SERVICE TO LOAN AN AMOUNT NOT TO EXCEED $300,000 FROM THE MID-SHORE REGIONAL LANDFILL CONTINGENCY FUND TO THE MID-SHORE REGIONAL LANDFILL OPERATIONS FUND; PROVIDING FOR A LOAN TERM NOT TO EXCEED THREE YEARS; AND PROVIDING FOR THE PAYMENT OF INTEREST ON THE AMOUNT LOANED.

R E C I T A L S

WHEREAS, the Maryland Environmental Service (the "Service") owns and operates the Mid-Shore Regional Landfill near Easton, Maryland ("Landfill"); and

WHEREAS, pursuant to Section 3-103(h), Natural Resources Article, Annotated Code of Maryland, the Service is authorized to establish one or more project reserve funds; and

WHEREAS, the Service has established project reserve funds related to the Landfill; and

WHEREAS, one such project reserve fund is known as the Operations Fund and consists of funds collected by the Service for the purpose of operating the Landfill; and

WHEREAS, one such project reserve fund is known as the Contingency Fund and consists of funds collected by the Service for the purpose of emergency repair and maintenance and Landfill cell closure; and

WHEREAS, the Service desires to loan an amount not to exceed $300,000 from the Contingency Fund to the Operations Fund for a term not to exceed three years from the conclusion of certain activities specified herein, and at an interest rate as specified herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Maryland Environmental Service THAT:

1. The Service is hereby authorized to loan an amount not to exceed $300,000 from the Landfill Contingency Fund to the Landfill Operations Fund.

2. The funds loaned shall be used solely for the purpose of acquiring, excavating and transporting dirt from the Easton Airport to the Landfill, for restoring the Easton Airport property upon which excavation is conducted, and for any associated ancillary costs.

3. The full amount loaned shall be repaid to the Landfill Contingency Fund not later than three years following the conclusion of the Service's dirt excavation and transportation activities.

4. During the period that dirt is being excavated and hauled no repayment of any of the principal amount loaned will be due. Following conclusion of dirt excavation and transportation activities the Landfill Operations Fund shall repay to the Landfill Contingency Fund, on a quarterly basis, the principal amount loaned. Principal shall be repaid by level principal repayment.

5. During the period in which funds have been loaned from the Landfill Contingency Fund to the Landfill Operations Fund, the Landfill Operations Fund shall pay to the

Landfill Contingency Fund interest on the principal amount then outstanding in an amount equal to the interest rate the Service earns on its general investments, calculated quarterly.

6. This Resolution shall take effect immediately.

ADOPTED, this 22nd day of March, 1995.

MARYLAND ENVIRONMENTAL SERVICE

BY: _____
LEE ZENI, ACTING DIRECTOR

BY: _____
ANNETTE ANSELMI, TREASURER

BY: _____
CAROLYN D. DAVIS, SECRETARY