BOARD OF DIRECTORS

MARYLAND ENVIRONMENTAL SERVICE

RESOLUTION 98-10-4R

A RESOLUTION amending Resolution 98-09-2R.

RECITALS

The Service was created by, exists under, and exercises the powers contained in Sections 3-101 through 3-130 of the Natural Resources Article of the Annotated Code of Maryland (1997 Replacement Volume) as amended to date (the "Act"), including (among others) the powers (i) 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 provide for the security of such bonds or notes and the rights of the holders thereof; and (ii) 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, providing for or relating to the furnishing of services to the facilities of any project of the Service.

On September 24, 1998, the Board approved Resolution 98-09-2R (the "Original Resolution"). The Original Resolution authorized the Service to acquire certain equipment (the "Assets") for use at certain projects of the Service including the Baltimore Regional yard Debris Composting Facility Project, which operations are primarily conducted at the Prince George's County Yard Debris Composting Facility Project. The Original Resolution also authorized the Service to borrow an amount not to exceed $245,000 for a term of five years to finance the cost of the Assets. The purpose of this Resolution is to amend the Original Resolution to authorize the repayment of borrowed moneys over a period of seven years. The Service considers this Resolution 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 THE MARYLAND ENVIRONMENTAL SERVICE, that:

1. Capitalized terms used and not defined herein shall have the meanings set forth in the Title and the Recitals to this Resolution.

2. The Board hereby confirms its approval and authorization of the Original Resolution.

3. Section 3 of the Original Resolution is hereby amended to be as follows:

With regard to the attached list entitled "Capital Equipment Expenditures" and totaling Two Hundred Forty-five Thousand Dollars ($245,000.00), the Board

approves the following: **(a)** the purchase of the Assets; **(b)** assignment of the Assets to the Project Reserve Fund (Internal Service Fund) for lease or rental to MES projects, including, without limitation, to the Baltimore Regional Yard Debris Composting Facility Project, for use at the Prince George's County Yard Debris Composting Facility Project operated by the Service; **(c)** borrowing of moneys for a term not to exceed seven (7) years to finance the purchase of the Assets; **(d)** the use of interfund borrowing, as needed, but only a temporary basis, to facilitate the purchase transaction; and **(e)** use of the proceeds of the permanent financing as appropriate to reimburse the interfund borrowing, including, without limitation, financing in the form of a Master Equipment Lease-Purchase Agreement.

4. All recitals, terms and conditions of the Original Resolution that are inconsistent with this Resolution are hereby amended to reflect these amendments. All other recitals, terms and conditions of the Original Resolution shall remain in effect.

5. This Resolution shall take effect immediately upon its adoption.

ADOPTED THIS 22ND DAY OF OCTOBER, 1998.

MARYLAND ENVIRONMENTAL SERVICE

SEAL

James W. Peck
Director

Catherine Pieper Stevenson
Deputy Director

Kenneth Howarth
Treasurer

Attest: _____
Catherine Pieper Stevenson