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COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

Legislative Session 1991

Resolution No. CR-9-1991

Proposed by The Chairman (by request - County Executive)

Introduced by Council Members Castaldi, Fletcher,
Casula and Del Giudice

Co-Sponsors _____

Date of Introduction February 19, 1991

RESOLUTION

A RESOLUTION concerning

Maryland Energy Financing Administration

Limited Obligation Industrial Development Revenue Bonds

(F & E Resource Systems Technology

for Prince George's, Inc. Project)

FOR the purpose of expressing no objection to the issuance and sale by the Maryland Energy Financing Administration of one or more series of its limited obligation industrial development revenue bonds (as described in the Maryland Energy Financing Act), from time to time or at any time in an aggregate principal amount not to exceed \$12,000,000 for the purpose of providing Financial Assistance (as hereinafter defined), to F & E Resource Systems Technology for Prince George's, Inc. for the acquisition and installation of a certain Energy Project (as hereinafter defined) in connection with the Facility (as hereinafter defined) within the geographical

boundaries of Prince George's County, Maryland; specifying and describing the Energy Project; describing generally the public purpose served by such Project; and specifying and describing various matters in connection therewith and relating generally thereto.

WHEREAS, the Maryland Energy Financing Act, Sections 6-301 et seq. of Article 83A of the Annotated Code of Maryland, as amended (the "Act"), provides that in order to accomplish the legislative purpose of the Act, the Maryland Energy Financing Administration (the "Administration"), in addition to whatever other powers it may have and notwithstanding any limitation of law, may issue and sell its bonds to provide Financial Assistance (as defined below) for an Energy Project or Energy Projects (as defined in the Act); and

WHEREAS, the Administration is authorized to provide financial assistance, in accordance with the Act, in any form of assurance, guarantee, grant, payment, support or other assistance, including any of the following forms of Financial Assistance or any combination of these forms: a grant, loan, loan guarantee (including insurance and co-insurance), a price guarantee, purchase agreement, reduction in the principal obligation of or rate of interest payable on a loan or portion of a loan, prepayment of interest on a loan or portion of a loan, a joint venture, an equity investment, a lease, a lease guarantee (including insurance and co-insurance) and a supply agreement; and any commitment to provide assistance in any form delineated above ("Financial Assistance"); and

WHEREAS, pursuant to the Act, an Energy Project eligible for

Financial Assistance includes, inter alia, an Energy Conservation Project (as defined in the Act), with respect to an industrial process, the purchase or installation or modification of an installation which is designed primarily to reduce the consumption of energy; and the acquisition and installation of machinery and equipment for use in connection therewith; and

WHEREAS, the Maryland Industrial Development Financing Authority Act, Section 13-101 et seq. of the Financial Institutions Article of the Annotated Code of Maryland, as amended (the "MIDFA Act"), provides that the Maryland Industrial Development Financing Authority (the "Authority"), with the approval of the Secretary of the Department of Economic and Employment Development (the "Secretary") may exercise any and all of the powers, duties and authority granted to the Secretary under the MIDFA Act; and

WHEREAS, by letter dated July 20, 1988, the Secretary delegated certain of his powers, duties and authority to the Authority; and

WHEREAS, on June 28, 1990, the Authority adopted a resolution pursuant to such delegation of such powers, duty and authority by the Secretary, approving the determination made by the Director of the Administration to provide Financial Assistance for the Energy Project described below by authorizing the issuance, sale and delivery of the Administration's limited obligation revenue bonds in the nature of limited obligation industrial development revenue bonds, from time to time and at any time, in an amount not to exceed Twelve Million Dollars (\$12,000,000) (the "Bonds"), pursuant to the Act, to loan the proceeds from the sale of the Bonds to F & E Resource Systems Technology for Prince George's, Inc., a Maryland

corporation (the "Corporation"), or a partnership to be formed of which the Corporation will be a general partner (the "Borrower"), for the purpose of financing a portion of the costs of the Energy Project, as more particularly described on Exhibit A attached hereto and incorporated by reference herein (the "Energy Project"), located in Prince George's County, Maryland, and paying the necessary expenses of preparing, printing and selling the Bonds and certain other costs permitted by the Act, all in accordance with the Act; and

WHEREAS, the Administration found and determined that the issuance and sale of the Bonds by the Administration, pursuant to the Act, for the sole exclusive purpose of financing a portion of the costs of the Energy Project (to the fullest extent permitted by the Act) was necessary to achieve one or more of the following purposes of the Act:

(a) use of recycled materials thereby reducing the consumption of depletable resources which have other beneficial uses;

(b) reduction in the consumption of energy, particularly the consumption of petroleum;

(c) increase in energy supply available to the citizens of the State of Maryland (the "State");

(d) increase in employment and economic activity in the State;

(e) embodiment of sound technology and economic feasibility;

(f) minimizing any adverse impact on environmental

quality; and

(g) maximizing the utilization of federal programs that provide financial assistance for energy projects; and

WHEREAS, Section 6-307(e) of the Act provides that prior to the provision of Financial Assistance for an Energy Project, the political subdivision in which the Energy Project will be located shall adopt a resolution that shall (a) be administrative in nature and not subject to procedures required for legislative acts and not subject to referendum, (b) specify and describe the Energy Project, and (c) generally describe the public purpose to be served by the energy project; and

WHEREAS, the Borrower and the Administration have requested that the County Council of Prince George's County, Maryland (the "County") adopt a resolution expressing no objection to the Administration's provision of Financial Assistance for the Energy Project which is located within the geographical boundaries and jurisdiction of the County, specifying and describing the Energy Project and generally describing the public purpose served by the Energy Project; and

WHEREAS, the County, based upon the findings and determinations all as set forth below, has determined to express no objection to the Administration's provision of Financial Assistance of the Energy Project, which Financial Assistance shall consist of the issuance and sale pursuant to the Act of one or more series of the Administration's limited obligation industrial development revenue bonds, from time to time or at any time, in an aggregate principal amount not to exceed \$12,000,000 and the lending of the proceeds

thereof to the Borrower for the Energy Project; now, therefore,

SECTION 1. BE IT RESOLVED by the County Council of Prince George's County, Maryland, that, acting pursuant to the Act, it is hereby found and determined that the words and terms used in this resolution that are defined in the Act shall have the meanings assigned in the Act, unless the context requires a contrary meaning.

SECTION 2. BE IT FURTHER RESOLVED that acting pursuant to the Act, it is hereby found and determined as follows:

The Energy Project will consist of and include:

(a) the acquisition of a tract of land and existing structures thereon located at 14800 Gibbons Church Road, Brandywine, Prince George's County, Maryland;

(b) the demolition of certain existing structures and renovation of an existing building;

(c) the construction and installation of a new building as a recycling process plant for mixed waste material separation and processing; and

(d) the acquisition and installation of certain necessary or useful equipment or machinery which is designed in whole or in part to reduce the consumption of energy and serves the public purposes as contemplated by the Act, including:

(1) use of recycled materials thereby reducing the consumption of depletable resources which have other beneficial uses;

(2) reduction in the consumption of energy, particularly the consumption of petroleum;

(3) increase in energy supply available to the

citizens of the State;

(4) increases in employment and economic activity in the State;

(5) embodiment of sound technology and economic feasibility;

(6) minimizing any adverse impact on environmental quality; and

(7) maximizing the utilization of federal programs that provide financial assistance for Energy Projects.

SECTION 3. BE IT FURTHER RESOLVED that the County by this resolution expresses no objection to the Administration's plan to provide Financial Assistance for the Energy Project by the issuance and sale of the Administration's Bonds as described generally in the recitals of this resolution.

SECTION 4. BE IT FURTHER RESOLVED that the passage of this resolution shall not in any way indicate the approval of, or constitute any commitment for, approval by the County or any of its officers or employees of, any license, permit application or any other request to the County with respect to the acquisition and operation of the Energy Project.

Adopted this 2nd day of April, 1991.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Richard J. Castaldi
Chairman

ATTEST:

Maurene W. Epps
Acting Clerk of the Council

EXHIBIT A

PROJECT

The Energy Project and/or Energy Conservation Project consists of (i) the acquisition by the Facility Applicant of a parcel of land and existing structures thereon located at 14800 Gibbons Church Road, Brandywine, Prince George's County, Maryland; (ii) the demolition of certain existing structures and renovation of an existing building; (iii) the construction and installation thereon of a solid waste recycling process plant for the separation of solid wastes and conversion of solid waste into a soil conditioner end-product using a system which promotes the decomposition of the waste by natural microbial activity thereby reducing the consumption of energy required to breakdown and dispose of the solid wastes; and (iv) the acquisition and installation of certain necessary or useful equipment or machinery.

MEMORANDUM OF AGREEMENT

Memorandum of Agreement (Agreement) made this 13th day of December 1990, between FERST for Prince Georges, Inc. (FERST) and the Brandywine-North Keys Civic Association (the Association) concerning operation of the Brandywine recycling/composting project to be constructed on Gibbons Church Road. The purpose of this Agreement is to bind FERST to the commitments set forth below in consideration for which the Association agrees not to oppose the proposed facility. FERST hereby agrees to honor the following commitments regarding operations at the proposed recycling/composting facility in Brandywine:

1. FERST will commit to hire from the local community on a first priority basis.
2. FERST will train its employees and implement a rigid safety program.
3. All trash will be discharged inside an enclosed tipping building and at no time will it be stored outside the building.
4. Ample waiting space for trucks will be maintained on site so no trucks will be parked or required to wait on Gibbons Church Road.
5. The plant will utilize negative air for the tipping building, filtering all emissions so as not to emit any offensive odors from the site.
6. There are no plans to expand the facility beyond 1500 tons per week.
7. FERST will work closely with the association as well as other local civic and charitable organizations to promote recycling. All funds received from the sale of recyclables from these organizations will be passed through to help foster community activities.
8. A small working committee will be established to verify and coordinate these and other activities. The committee may designate a member to make periodic inspections of the facility.

IN WITNESS WHEREOF, FERST for Prince Georges, Inc. and the Brandywine-North Keys Civic Association have caused this Agreement to be executed as of the date first hereinabove written.

ATTEST/WITNESS

FERST FOR PRINCE GEORGE, INC.

By: _____ (SEAL)
Ronald W. Pickett
President

ATTEST/WITNESS:

BRANDYWINE-NORTH KEYS CIVIC
ASSOCIATION

By: _____
Robert C. Proctor
President

(Note: This copy was retyped from the originally signed agreement.)