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**A G E N D A   I T E M   S U M M A R Y****Reference No:** CB-57-1990**Draft No:** 3**P r i n c e   G e o r g e ' s****Meeting Date:** 7/31/90**C o u n t y   C o u n c i l****Requestor:** CO. EXEC.

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**Item Title:** To provide for the establishment and financing of a County disposal System for Waste and Recyclable Material generated in Prince George's County

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**Sponsors** C   B   MC   M

**Date Presented** 5/22/90 **Executive Action** 8/13/90 S  
**Committee Referral** (1) 5/22/90 C.O.W. **Effective Date** 9/28/90  
**Committee Action** (1) 6/26/90 FAV(A)  
**Date Introduced** 7/10/90  
**Pub. Hearing Date** (1) 7/31/90 11:00 AM

**Council Action** (1) 7/31/90 Enacted  
**Council Votes** B\_: A\_, CA: N\_, C\_: A\_, CI: \_\_, MC: A\_, M\_: N\_,  
P\_: A\_, W\_: N\_, WI: A\_, \_\_: \_\_, \_\_: \_\_, \_\_: \_\_

**Pass/Fail** P

**Remarks**

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**Drafter:** Barbara Holtz, Law  
Piper and Marbury,  
Bond Counsel

**Resource** Dick Bradley, Finance  
**Personnel:** Dennis Begley, DER

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**LEGISLATIVE HISTORY**COMMITTEE OF THE WHOLE REPORT

DATE: June 26, 1990

Committee Vote: Favorable, with technical amendments, 6-1 (In favor: Council Members Bell, Casula, MacKinnon, Mills, Wilson and Wineland; Opposed: Council Member Castaldi)

This legislation include the requirements by Rating Agencies that there be procedures and enforcement mechanisms in place to ensure the effective implementation of waste disposal systems. It confirms the County's authority over licensing solid waste collections and haulers and the registration of collection vehicles, detail procedures for the granting and revocation of licenses and registration, and the extension of credit to persons using the County's recycling and disposal system. Finally the bill includes specific authority for the issuance of revenue bonds by the County as needed to finance the Agenda Item

Summary - CB-57-1990 (DR-3)

the County's recycling and disposal system and authorizes the County to enter into contracts for the implementation of the system, including any trust agreement securing any revenue bonds.

FISCAL AND PLANNING COMMITTEE REPORT

DATE: June 4, 1990

Committee Vote: 4-0 to hold in committee

Eugene Lauer, Director of Environmental Resources said this legislation will allow the County to finance landfill expansion through the selling of bonds rather than having to pay for this expansion up-front. Also, the selling of these bonds will require the County to show that this landfill operation is being operated in an efficient and effective manner.

Council Member Wineland asked if the selling of these bonds would encumber the County?

Eugene Lauer said that the selling of these revenue bonds would not encumber the County. The pledge amount is only for the revenue generated from the tipping fees. (See Section 10.257.2)

Eric Tucker, Director of Finance, stated that the County would need approximately \$20 million to operate the system. The present revenue is inadequate to support the operation. In order to acquire the highest bond rating, the County will place all of its tools on the table.

Eugene Lauer said the tipping fee rate is established by the Executive branch through the annual budgetary process. The environmental surcharge and recycling surcharge fees are established and approved by Council.

Ralph Grutzmacher, Legislative Officer, recommended that the language be changed on page 24 line 24.

Council Member Bell asked if the Municipalities are exempted? Eugene Lauer stated that each municipality has its own government and the County does not interfere with their operation.

Council Member Bell responded that she will forward all complaints she receive regarding this matter to the Mayor of the particular municipality.

Eric Tucker stated that the bonding agency required the County to maintain 1 1/2 times the amount needed to pay the debt services after all expenses are paid. Council Member Mills expressed her concern for municipalities to be bound by the same rules as the unincorporated towns. Eugene Lauer responded that municipalities are permitted to operate their own recycling program or use the County's. The municipalities receive a rebate from the County for certain charges. If the municipalities do not use the County's landfill they do not receive the rebate. Likewise, there is no legislation authorizing the municipalities to receive a rebate.

Council Member Bell said the amendments proposed by the Municipal Association will correct the problem.

Leslie M. Down, representing M. V. Downs and Son Company, said this

bill will give the County the opportunity to confiscate the entire waste stream--meaning--to put independent haulers out of business. She asked if the County has thought of any income supplement for the individuals who will be out of a job? Each independent hauler is responsible for providing a livelihood for his employees. Not only is the hauler out of business but the employees are also on the streets. She asked the Council to perform a complete review of this legislation and take into consideration the lethal impact it would have on the small businesses within the County. Also, her company has lost two trash hauling jobs to the County. Eugene Lauer stated that this legislation does not put any trash haulers under the County. All recyclable contracts will continue to be offered for bids but not trash haulers.

Kathy Marx, Maryland/Delaware Solid Waste Association, stated that for the first time all haulers are united against this legislation. Further, this bill gives the Director of Environmental Resources sweeping powers with no check and balance. They support increasing the tipping fee. Also, the amendments proposed by the Association will only cover recyclables under contract and not after the contract expires.

Robert Levan and Charles Moore, representing the City of Bowie, agreed with the Associations position statement. The proposed amendments will permit municipalities to conduct their own recycling program and handle them at sites not controlled by the County. Also, the amendments will correct the present wording in the legislation which is inappropriate for receiving materials.

Elijah Thorne, representing Greyhound Trash Haulers, said his company performed recycling for the County for two years, free of charge. The County refused his offer of \$1 per ton and contracted with another company for \$4 per ton. He feels this program will not work unless the County makes the program mandatory.

#### BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

This legislation would amend various sections of Subtitle 21 and Subtitle 10 of the County Code (1987 Edition, 1988 Supplement). The bill is proposed to accomplish the following: provide for the establishment and financing of a disposal system for waste and recyclable material generated in the County; provide for the fixing of disposal and processing fees and charges; authorize the County to enter into multi-year collection and disposal contracts; authorize the County to enter into recycling, solid waste or trust agreements; provide for the issuance of revenue bonds to finance the recycling and disposal system; specify the security that may be pledged; and provide for the use and regulation of collection and hauling vehicles.