

EVALUATION OF THE NORTHEAST MARYLAND WASTE DISPOSAL AUTHORITY



DEPARTMENT OF LEGISLATIVE SERVICES 2024

Evaluation of the Northeast Maryland Waste Disposal Authority

**Department of Legislative Services
Annapolis, Maryland**

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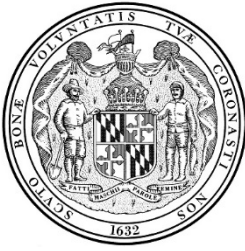
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DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF THE EXECUTIVE DIRECTOR
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

December 2024

Senate Education, Energy, and the Environment Committee
Senate Budget and Tax Committee
House Environment and Transportation Committee
House Appropriations Committee

Dear Committee Members:

As directed by Chapter 68 of 2023, the Department of Legislative Services has conducted an evaluation of the Northeast Maryland Waste Disposal Authority (NMWDA).

We wish to express our appreciation for the cooperation and assistance provided by NMWDA.

Sincerely,

Victoria L. Gruber
Executive Director

VLG/mpd

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Objectives, Scope, and Methodology

Chapter 68 of 2023 requested that the Department of Legislative Services (a) review specific information and (b) include specific elements in evaluating the Northeast Maryland Waste Disposal Authority (the Authority). To accomplish these objectives, the Office of Program Evaluation and Government Accountability (OPEGA):

- conducted interviews with:
 - representatives from all eight of the Authority’s member jurisdictions (Anne Arundel, Baltimore, Carroll, Frederick, Harford, Howard, Montgomery counties, and Baltimore City);
 - a representative from Kent County (a nonmember jurisdiction);
 - individuals who gave testimony in favor of Chapter 68;
 - Authority staff;
 - staff members of the Maryland State Retirement and Pension System (SRPS); and
 - Maryland Environmental Service (MES);
- conducted site visits to:
 - the Millersville Landfill and Resource Recovery Facility (Anne Arundel County);
 - the Wheelabrator waste-to-energy facility in Baltimore (formerly BRESKO); and
 - the Reworld resource recovery facility in Montgomery County;
- reviewed:
 - various State and local laws;
 - various documents stating the Authority’s policies and procedures;
 - publicly available data on Maryland solid waste;
 - spreadsheet of projects and activities provided by the Authority;
 - publicly available information on MES website; and
 - information on SRPS.

The following table, separated by the directives in Chapter 68, is a synopsis of relevant information discovered during the evaluation and references to further information where appropriate.

| HB 161 Directive | OPEGA Highlights and Associated Report Pages |
|---|---|
| (a) The Department of Legislative Services shall review: | |
| <p>1. The statutes related to the Northeast Maryland Waste Disposal Authority.</p> | <ul style="list-style-type: none"> ● OPEGA reviewed the following statutes for this evaluation: <ul style="list-style-type: none"> ● the Northeast Maryland Waste Disposal Authority Act (NMWDA Act) (1980), (see pg. 1); ● the Maryland Recycling Act (MRA), (see pg. 8); ● the Maryland Environmental Services (MES) Act, (see pg. 21); ● Maryland State Procurement Article, (see pg. 19); and ● OPEGA also looked at other relevant law and reports, including: <ul style="list-style-type: none"> ● Executive Order 01.01.2015.01, Zero Waste Plan for Maryland (rescinded 6/27/17); ● Executive Order 01.01.2017.13, Waste Reduction and Resource Recovery Plan for Maryland; ● MES’s <i>Maryland Solid Waste Management and Diversion Report</i> (calendar 2015 to 2022); ● 10-year Solid Waste Management Plans for NMWDA Act member jurisdictions; ● Environmental Protection Agency’s <i>Sustainable Materials Management’s Life-cycle Perspective</i>; and ● Maryland State Ethics Commission’s website and <i>Financial Disclosure Filer Identification Manual</i>. |
| <p>2. Whether the Northeast Maryland Waste Disposal Authority is fulfilling its statutory purpose, including whether its duties or functions in practice differ from duties and functions specified in statute.</p> | <ul style="list-style-type: none"> ● The Authority’s project and service categories align with at least one aspect of the statutory purpose outlined in the NMWDA Act, (see pg. 6). |

| HB 161 Directive | OPEGA Highlights and Associated Report Pages |
|--|--|
| <p>3. Whether continuation of the Northeast Maryland Waste Disposal Authority is necessary for the public interest, including whether the Northeast Maryland Waste Disposal Authority’s statutory purpose serves the needs of the State.</p> | <ul style="list-style-type: none"> ● OPEGA spoke with representatives from all 8 of the Authority’s member jurisdictions. The Authority is viewed as one tool to support ongoing waste management needs. ● A general overview of solid waste management practices in Maryland can be found in Chapter 2, (see pg. 3). ● The amount of solid waste managed by Maryland has increased while landfill capacity has decreased, (see pg. 4). |
| <p>4. Whether the systems for procurement and awarding of contracts by the Northeast Waste Disposal Authority have created any conflicts of interest.</p> | <ul style="list-style-type: none"> ● The Authority is not subject to State procurement law, (see pg. 19). ● In 1996, the Maryland Office of the Attorney General stated in an opinion that the Authority does not meet the criteria to be subject to State procurement rules, (see pg. 19). ● The Authority has a review system for establishing a list of on-call engineers/contractors, (see pg. 17). ● Relevant Authority employees and all board members submit an annual financial disclosure form to the State Ethics Commission, (see pg. 19). ● There are no public orders against anyone from the Authority for ethics violations involving conflict of interest, financial disclosure, or lobbying listed on the State Ethics Commission website, (see pg. 20). |
| <p>5. Whether the operations of the Northeast Maryland Waste Disposal Authority have led to a reduction of waste sent to incinerators and landfills in its member jurisdictions.</p> | <ul style="list-style-type: none"> ● The NMWDA Act does not set a goal of reducing waste sent to incinerators and landfills in the Authority’s member jurisdictions. ● From 2015 to 2022, solid waste in Maryland: <ul style="list-style-type: none"> ● that was incinerated decreased by 5%, (see pg. 3); and ● that was landfilled increased by 4%, (see pg. 3). |
| <p>6. Whether the Northeast Maryland Waste Disposal Authority has contributed to its member jurisdictions attaining a higher recycling rate under the Maryland Recycling Act than the recycling rate for nonmember jurisdictions.</p> | <ul style="list-style-type: none"> ● The NMWDA Act does not set a goal of attaining a higher recycling rate under the MRA. ● All of the Authority’s member jurisdictions must meet a 35% MRA rate, (see pg. 9). ● The average MRA rate from 2015 to 2022 was above 35% for 6 of the 8 member jurisdictions, (see pg. 9). |

| HB 161 Directive | OPEGA Highlights and Associated Report Pages |
|---|---|
| <p>7. Whether the operations of the Northeast Maryland Waste Disposal Authority have led to cost savings for the State and relative to costs for nonmember jurisdictions, the member jurisdictions of the Northeast Maryland Waste Disposal Authority.</p> | <ul style="list-style-type: none"> ● The Authority’s administrative budget does not include any State funds, (see pg. 16). ● The NMWDA Act does not set a goal of attaining cost savings for its member jurisdictions. ● OPEGA discussed cost savings with representatives from all 8 member jurisdictions. These representatives gave anecdotal evidence that cost savings were one reason they might utilize the Authority to meet solid waste needs. ● Any realized cost savings are to the member jurisdictions, not the State. |
| <p>8. What impact discontinuation of the Northeast Maryland Waste Disposal Authority would have on:</p> <ol style="list-style-type: none"> a. the State Retirement and Pension System; and b. the retirement and pension of Northeast Maryland Waste Disposal Authority employees. | <ul style="list-style-type: none"> ● The Authority participates in the State Retirement and Pension System (SRPS) as a participating governmental unit employer, (see pg. 24). ● Legislation would be required to facilitate the transition of Authority employees to an entity that either (1) does not participate in the SRPS or (2) does participate, but in a different employer category, (see pg. 24). |
| <p>9. How to dispose of cash reserves and other holdings of the Northeast Maryland Waste Disposal Authority if the Northeast Maryland Waste Disposal Authority is discontinued.</p> | <ul style="list-style-type: none"> ● The Authority has several accounts including: <ul style="list-style-type: none"> ● A main checking account, upon discontinuation of the Authority this account could be liquidated or transferred to the members. ● An account for transactions regarding the Montgomery County waste to energy facility, upon discontinuation of the Authority this account would be used to settle all outstanding business with the Montgomery County facility, with any remaining funds going to Montgomery County. ● An account established via a memorandum of understanding with Baltimore City to fund projects and services, upon discontinuation of the Authority, the money in this account would revert to Baltimore City. ● Two money market accounts: upon discontinuation of the Authority, these accounts could be liquidated or transferred to the members. |

| HB 161 Directive | OPEGA Highlights and Associated Report Pages |
|---|---|
| <p>10. Whether another entity, such as the Maryland Environmental Service, is better able to perform the duties and functions of the Northeast Maryland Waste Disposal Authority.</p> | <ul style="list-style-type: none"> ● MES currently operates in all of the Authority’s member jurisdictions, (see pg. 23). ● In discussions with representatives from the Authority’s 8 member jurisdictions: <ul style="list-style-type: none"> ● 100% stated they would prefer to have as many options as possible to meet their solid waste needs; and ● 100% viewed overlap in services provided by the Authority and MES as options, not a redundancy in services. |
| <p>11. What, if any, legislative or nonlegislative changes should be recommended to the Maryland General Assembly to:</p> <ol style="list-style-type: none"> a. improve the operations of the Northeast Maryland Waste Disposal Authority; and b. merge the Northeast Maryland Waste Disposal Authority into the Maryland Environmental Service or other appropriate entity. | <ul style="list-style-type: none"> ● The recommendations section of this evaluation contains: <ul style="list-style-type: none"> ● 3 recommendations that the Authority may consider to improve their operations; ● 2 recommendations that the Maryland General Assembly (MGA) may consider to improve the Authority’s operations; and ● 2 recommendations that MGA should consider in furtherance of merging the Authority and MES. ● Draft legislation to merge the Northeast Maryland Waste Disposal Authority into MES is included in Appendix B. |
| <p>(b) The report submitted (by the Department of Legislative Services) shall:</p> | |
| <p>1. Address the Northeast Maryland Waste Disposal Authority’s:</p> | |
| <p>a. Efficiency.</p> | <ul style="list-style-type: none"> ● The Authority receives no State funding, (see pg. 16); and ● 100% of representatives from member jurisdictions expressed satisfaction with the services provided by the Authority. |
| <p>b. Effectiveness, including the ability of the Northeast Maryland Waste Disposal Authority to serve the modern waste disposal needs of member jurisdictions.</p> | <ul style="list-style-type: none"> ● Each of the Authority’s member jurisdictions has full discretion over whether and how to use the Authority’s services, (see pg. 1). ● In discussions with representatives from the Authority’s 8 member jurisdictions: <ul style="list-style-type: none"> ● 100% stated they would prefer to have as many options as possible to meet their solid waste needs; and ● 100% viewed overlap in services provided by the Authority and MES as options, not a redundancy in services. |

| HB 161 Directive | OPEGA Highlights and Associated Report Pages |
|---|---|
| | <ul style="list-style-type: none"> ● The Authority’s projects and service categories align with at least one aspect of the statutory purpose set forth in the NMWDA Act, (see pg. 6). |
| <p>c. Technical abilities to implement and sustain zero-waste methodologies that conserve all resources.</p> <p>i. Through responsible production, consumption, reuse, and recovery of products, packaging, and materials, and</p> <p>ii. Without burning the resources or discharging to land, water, or air pollutants that threaten the environment or human health.</p> | <ul style="list-style-type: none"> ● No definition of zero waste is found in Maryland’s Annotated Code, (see pg. 7). ● The term “zero-waste” does appear in legislation such as Ch. 68 of 2023 and the 10-year solid waste management plans of some Authority member jurisdictions, (see pg. 7). ● In 2022, Maryland managed its waste using the following practices, (see pg. 3): <ul style="list-style-type: none"> ● Landfilled (35% of solid waste); ● Exported (25% of solid waste); ● Reused/Recycled (17% of solid waste); ● Incinerated (14% of solid waste); and ● Stored (9% of solid waste). ● Projects and services of the Authority are discussed in Chapter 3, (see pg. 6). ● Some of the Authority staff hold certifications regarding zero-waste practices, (see pg. 7). |
| <p>d. Sufficiency of resources.</p> | <ul style="list-style-type: none"> ● Membership fees and project management fees fund the administrative budget of the Authority, (see pg. 16). ● If the sufficiency of resources is an issue, the Authority’s board may address the Authority’s fee structure, (see pg. 16). |
| <p>e. Governance.</p> | <ul style="list-style-type: none"> ● The Authority is governed by a 9-seat board of directors, which includes the Executive Director of MES and 1 representative from each of the 8 member jurisdictions, (see pg. 1). |
| <p>f. Adherence to and accomplishment of legislative objectives.</p> | <ul style="list-style-type: none"> ● The NMWDA Act does not set specific legislative objectives for the Authority. ● Local jurisdictions, not the Authority, have policy-driven solid waste goals and metrics, (see pg. 7). ● Each of the Authority’s member jurisdictions has full discretion over whether and how to use the Authority’s services, (see pg. 1). ● Projects and services of the Authority are discussed in Chapter 3, (see pg. 6). |

| HB 161 Directive | OPEGA Highlights and Associated Report Pages |
|---|---|
| <p>g. Statutory purpose, including whether the statutory purpose is appropriate and sufficient to help Maryland achieve the waste diversion and recycling goals in the Maryland Recycling Act and the policies and goals established in Executive Order 01.01.2017.13, Waste Reduction and Resource Recovery Plan for Maryland.</p> | <ul style="list-style-type: none"> ● The Authority’s project and service categories align with at least one aspect of the statutory purpose set forth in the NMWDA Act, (see pg. 6). ● The MRA and Executive Order 01.01.2017.13, among others, establish policy objectives for Maryland jurisdictions, (see pg. 7). ● Each of the Authority’s member jurisdictions has full discretion over whether and how to use the Authority’s services, (see pg. 1). ● A comparison of MRA rates for Maryland jurisdictions can be found in Chapter 3, (see pg. 9). |
| <p>2. Include legislation to:</p> | |
| <p>a. Merge the Northeast Maryland Waste Disposal Authority into the Maryland Environmental Service.</p> | <ul style="list-style-type: none"> ● Appendix B contains draft legislation to merge the Authority with MES. ● The recommendation section of this evaluation lists the rationale for and against a merger, (see pg. 27). |
| <p>b. Implement any other statutory changes recommended in this report.</p> | <ul style="list-style-type: none"> ● Appendix B, containing draft legislation to merge the Authority with MES, is the only draft legislation included with this report. ● Chapter 6 includes all recommendations for this report. (see pg. 27). |

Chapter 1. Introduction and Background

Statute and Mission

The Northeast Maryland Waste Disposal Authority (the Authority) is a consortium of member jurisdictions created by statute. In 1980, the Maryland General Assembly passed the Authority's enabling statute, the Northeast Maryland Waste Disposal Authority Act (NMWDA Act). The NMWDA Act established the Authority as a quasi-governmental agency to improve health and living conditions in the State through the efficient collection and disposal of waste on a regional basis, the generation of energy, and the recovery of useable resources from such waste to the extent practicable.

The Authority's mission, listed on its website, is to plan and develop waste management systems that meet the highest environmental standards while providing the most efficient and reliable waste disposal services possible. To accomplish this mission, the Authority assists member jurisdictions with planning and developing waste management and waste-to-energy projects by serving as a regional coordinating agency and, before Chapter 68 of 2023, as a financing vehicle via bonding authority.

Staff and Board of Directors

As of December 2024, the Authority has 12 employees, including the statutorily mandated executive director. The Authority's staff predominately assist with the procurement and management of solid waste projects at the request of member jurisdictions. They also keep member jurisdictions apprised of legislative changes, manage the sale of electricity generated by member jurisdictions' projects, and support the provision of other benefits (*e.g.*, legal and accounting assistance) to member jurisdictions as needed.

The Authority is governed by a nine-seat board of directors, which includes the Executive Director of the Maryland Environmental Service (MES) and one representative from each of the eight member jurisdictions. Board members from the jurisdictions are recommended by the Executive Branch of each member jurisdiction and then appointed by the Governor to four-year terms. They are usually solid waste managers or other public works officials in the member jurisdiction. Board meetings are held five to six times a year (generally every other month) and are accessible to the public via Webex livestream. Past meeting recordings are available on the Authority's website.

Member Jurisdictions of the Authority

To become a member of the Authority, a local jurisdiction must (1) be added to the NMWDA Act by the Maryland General Assembly and (2) agree to membership at a local jurisdictional level. Baltimore City, and Anne Arundel, Baltimore, and Harford counties were original members of the Authority. Montgomery County was added as a member in 1983, followed by Carroll and Howard counties in 1996, and Frederick County in 2004. Two jurisdictions, Cecil County (2008) and Wicomico County (2014), have been added to the NMWDA Act but have either not sought or received approval at the local jurisdictional level to become members. Each of the Authority's member jurisdictions has full discretion over whether and how to use the Authority's services. Rather than using the Authority, a member jurisdiction may choose to address solid waste, recycling, or renewable energy matters using its internal resources, contracting directly with the private sector or another State entity, such as MES. **Exhibit 1.1** depicts the eight jurisdictions currently members of the Authority. No jurisdiction has ever discontinued its membership.

Exhibit 1.1
Member Jurisdictions of the Authority
Fiscal 2024



Source: Northeast Maryland Waste Disposal Authority

Chapter 2. Solid Waste Management Practices in Maryland

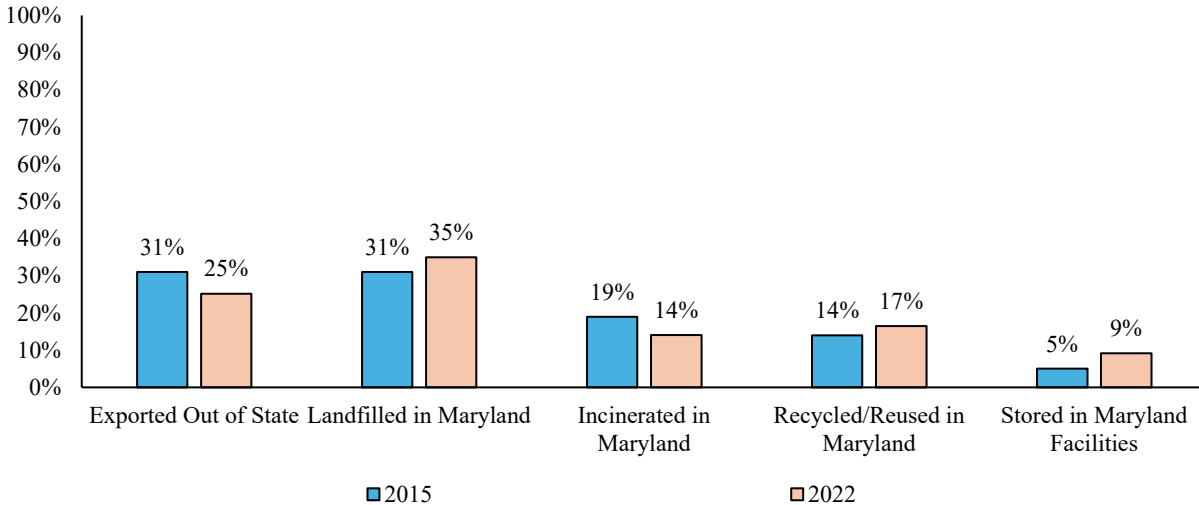
Observation: Maryland’s two most utilized waste management practices are landfilling and exporting out of state.

Solid waste in Maryland is either managed in-state or exported out of State. Waste management practices used in Maryland include:

- **Landfilling:** waste is sent to be buried and covered in a Maryland facility that, according to the Maryland Department of the Environment (MDE), is “designed, constructed, and operated so that all types of waste generated by a community, except waste specifically prohibited by solid waste regulations, can be accepted.”
- **Recycling/reusing:** waste is processed at a Maryland facility and either reused in its original form more than once (reuse) or recovered and transformed to create raw materials or products.
- **Incinerating:** waste is burned in-state at an incinerator (*i.e.*, facility that burns waste) or waste-to-energy facility (*i.e.*, facility that burns waste and harnesses the energy produced from burning).
- **Storing:** waste is stored at a Maryland facility for future disposition.
- **Exporting:** waste is transported out of state for either disposal or recycling.

The most recent year of Maryland waste management data is for calendar 2022, published in MDE’s *Maryland Solid Waste Management and Diversion Report*. **Exhibit 2.1** compares the percentage of waste managed by each practice in 2015 and 2022.

Exhibit 2.1
Solid Waste Management Practices Used in Maryland
Calendar 2015 and 2022



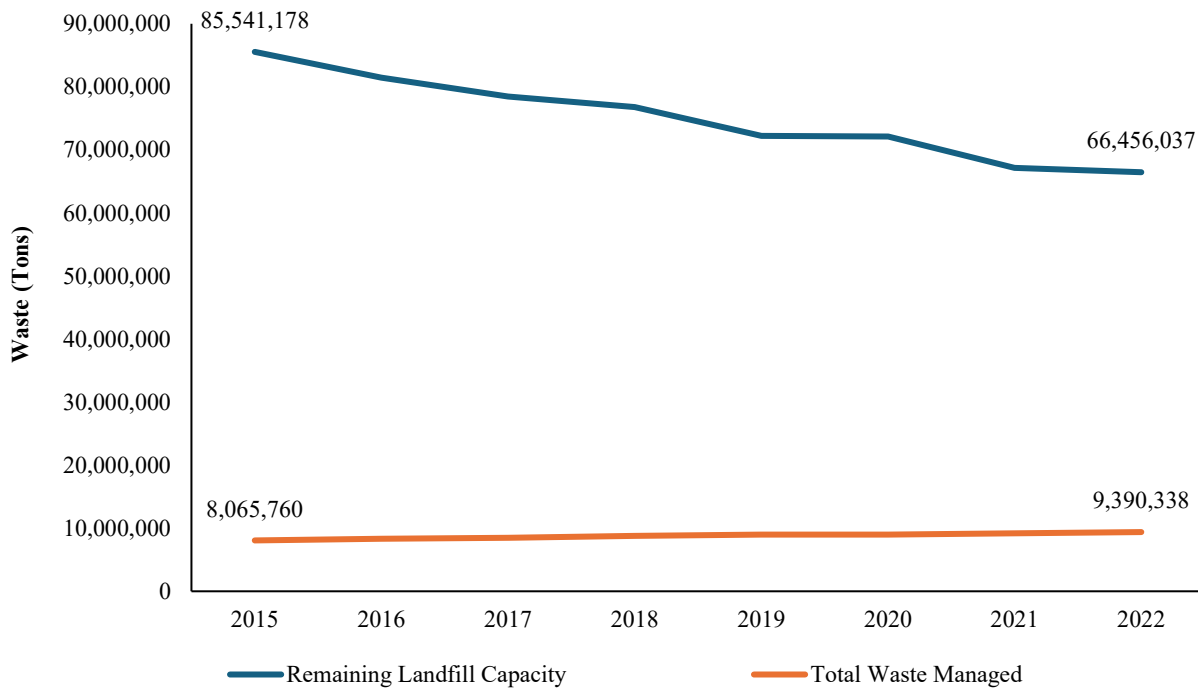
Source: Maryland Department of the Environment; Department of Legislative Services

From 2015 to 2022, the use of recycling increased (+3 percentage points), as did the use of storing waste at an in-state facility (+4 percentage points) and landfilling (+4 percentage points). There were decreases in exporting waste out of state (-6 percentage points) and incinerating waste (-5 percentage points). Most of the waste managed through incineration was handled at waste-to-energy facilities, which involves burning waste to create and harness power or electricity. Although waste is incinerated at both waste-to-energy and incineration facilities, only the former can harness the energy generated from combustion. As of 2022, there were five permitted facilities in Maryland operating as either waste-to-energy facilities (two facilities) or incinerators (three facilities), located in four jurisdictions: Baltimore City, and Charles, Montgomery, and Somerset counties.

Observation: Landfill capacity decreased by 22%, while the amount of solid waste managed increased by 16% between 2015 and 2022.

The ability of landfills in Maryland to accept waste is decreasing. In 2015, Maryland landfills could receive a maximum of just over 85.5 million tons of waste, dropping to just under 66.5 million tons by 2022 – a decrease in landfill capacity of about 22%. During the same timeframe, the total amount of solid waste managed in Maryland increased by about 16%, going from just over 8 million tons to about 9.4 million tons of waste per year. **Exhibit 2.2** shows the decline in Maryland’s landfill capacity and the increase in total waste the State manages.

Exhibit 2.2
Trends in Waste Managed by Maryland and Landfill Capacity
Calendar 2015-2022



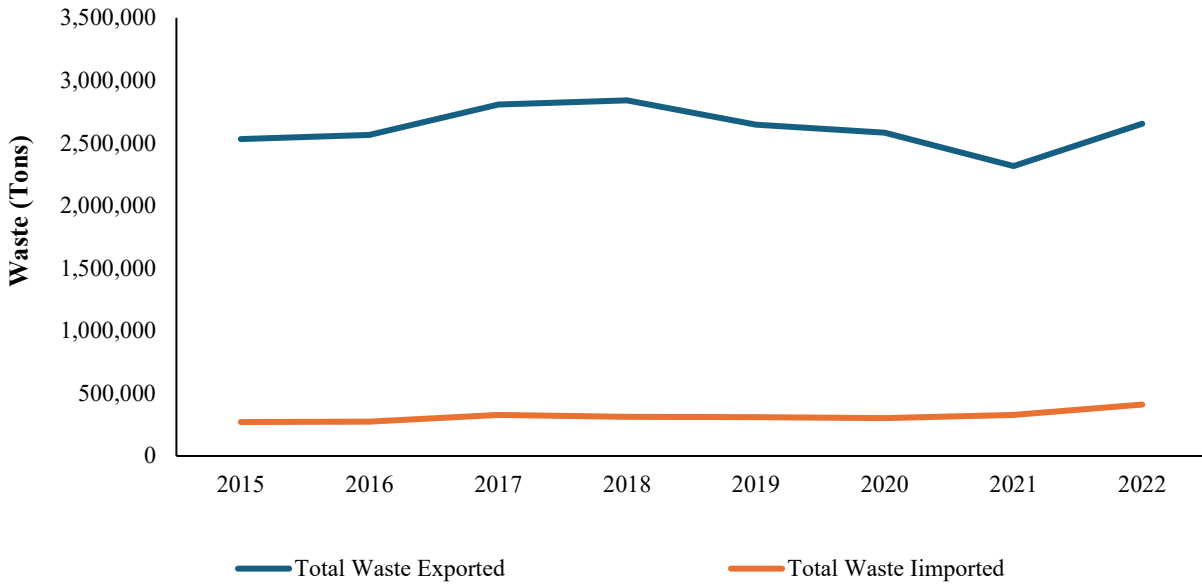
Note: Remaining landfill capacity is shown in tons of waste that facilities can landfill.

Source: Maryland Department of the Environment; Department of Legislative Services

Observation: Maryland exported over six times as many tons of solid waste as it imported in 2022.

Maryland exports almost 30% of the solid waste it manages, whereas about 4% of waste managed in the State was imported. According to MDE, waste is exported out of state “due to economic considerations and the desire to conserve disposal capacity in Maryland landfills.” Over 2.5 million tons of solid waste in 2022 was exported out of Maryland to 16 states (predominately Virginia, Pennsylvania, and New Jersey), the District of Columbia, and Germany. That same year about 410,000 tons of waste, including compostable organics, was imported into Maryland, originating from 22 states, the District of Columbia, and Canada. About one-third of imported waste was taken to privately owned facilities in Prince George’s County and Baltimore City. **Exhibit 2.3** shows the total amounts of solid waste imported and exported from 2015 through 2022.

Exhibit 2.3
Solid Waste Imported to and Exported from Maryland
Calendar 2015-2022



Source: Maryland Department of the Environment; Department of Legislative Services

Chapter 3. The Northeast Maryland Waste Disposal Authority’s Solid Waste Management Services

Observation: The Northeast Maryland Waste Disposal Authority’s (the Authority) projects align with its statutory purpose.

The Authority’s statutory purpose is to improve “the health and living conditions in the State through the efficient collection and disposal of waste on a regional basis and the generation of energy and recovery of usable resources from such waste to the extent practicable.” The Authority’s website lists the projects they engage in, including waste-to-energy, landfill services, gas-to-energy, composting, recycling, and solar. **Exhibit 3.1** shows how these project types align with the Authority’s statutory purpose. Green check boxes indicate alignment, while the yellow check box indicates a partial alignment (discussed below).

**Exhibit 3.1
Comparison of the Authority’s Statutory Purpose and Projects**

| Project | <u>Statutory Purpose</u> | | |
|-------------------|---|-------------------------------------|---|
| | Collection and Disposal of Waste on a Regional Basis | Generation of Energy | Recovery of Usable Resources from Waste |
| Waste-to-energy | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Landfill services | <input checked="" type="checkbox"/> | | |
| Gas-to-energy | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Composting | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| Recycling | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| Solar | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Source: Northeast Maryland Waste Disposal Authority; Department of Legislative Services

All projects are aligned with at least one aspect of the Authority's statutory purpose. Solar projects are unique in that they involve the recovery of useable resources (solar energy), but that energy is not derived from waste. Therefore, the Authority limits its involvement in solar projects to those that incorporate facilities permitted for solid waste management. For example, the Authority has solar projects on an existing closed landfill and on the roof of a solid waste transfer station (*i.e.*, a facility that enables the transportation of waste from one vehicle to another).

Observation: Local jurisdictions, not the Authority, have policy-driven solid waste goals and metrics.

The Northeast Maryland Waste Disposal Authority Act does not set specific solid waste goals for the Authority. Rather, jurisdictions in the State, including those served by the Authority, must meet State and local goals and requirements outlined in other solid waste legislation, such as the State's sustainable materials management (SMM) policy and the Maryland Recycling Act (MRA). Jurisdictions are also mandated (Md. Code Ann., Envir. § 9-500, 2018) to develop 10-year solid waste management plans, which must be adopted by the jurisdiction's governing body, approved by the Maryland Department of the Environment (MDE), and maintained by the jurisdiction.

The SMM policy was initiated through Executive Order 01.01.2017.13, the Waste Reduction and Resource Recovery Plan for Maryland (Resource Recovery Plan). The Resource Recovery Plan created a "policy for Maryland that aims to minimize the environmental impacts of the materials' use through the entire lifecycle" ([Maryland Department of the Environment](#)). Maryland's SMM policy emphasizes the lifecycle of materials, including the management of these materials once they become waste, also called end-of-life management. The Environmental Protection Agency (EPA) identified and ranked, from most to least preferred, four methods of end-of-life waste management: (1) reuse; (2) recycle/compost; (3) energy recovery; and (4) landfill.

EPA also states a peer-reviewed, international definition for zero waste: the conservation of all resources by means of responsible production, consumption, reuse, and recovery of products, packaging, and materials without burning and with no discharges to land, water, or air that threaten the environment or human health. The State's Resource Recovery Plan does not directly use the term "zero waste," nor is a definition for zero waste found anywhere in Maryland statute. However, the term does appear in the 10-year solid waste management plans of four jurisdictions that are members of the Authority. The member jurisdictions may seek assistance for their zero-waste efforts and could use the Authority for such assistance.

To serve member jurisdictions requesting assistance with zero-waste efforts, member jurisdictions have access to the Authority's on-call consultants with zero-waste experience (discussed in Chapter 4). The Authority also has staff who sit on committees and boards related to zero waste and staff with zero-waste certifications. These certifications include:

- Total Resource Use and Efficiency (TRUE)'s TRUE Advisor certification; and
- The Solid Waste Association of North America's Zero Waste Principles & Practices certification.

Observation: All of the Authority's member jurisdictions must meet a 35% recycling rate under the MRA.

Maryland jurisdictions are mandated, through the MRA, to recycle a specific percentage (either 20% or 35% depending on its population) of its "solid waste stream" each year. The MRA dictates what materials can be counted for recycling and as part of the solid waste stream. Compostables, glass, metals, paper, and plastic materials taken from the solid waste stream are generally considered recyclables under the MRA. The solid waste stream, also referred as "MRA waste," is defined as:

Garbage or refuse that would, unless recycled, be disposed of in a refuse disposal system located in this State. "Solid waste stream" does not include hospital waste, rubble, scrap material, land clearing debris, sewage sludge, and waste generated by a single individual or business and disposed of in a facility dedicated solely for that entity's waste. (MDE)

The Authority assists member jurisdictions with the collection of MRA data from commercial entities and provides that information for the members to use in their reporting. The Authority's eight member jurisdictions have a 35% mandatory recycling rate under the MRA as each jurisdiction's population exceeds 150,000. The average MRA recycling rate for Maryland counties and Baltimore City between 2015 and 2022 are reported in **Exhibit 3.2**.

Exhibit 3.2
Jurisdictions' Average MRA Recycling Rates
by Authority Membership

| Authority Member | Jurisdiction | Avg. Estimated Population | MRA Rate | |
|------------------------|------------------|---------------------------|----------------|---------------------------|
| | | | Mandatory Rate | Average Rate (2015-2022)* |
| Member Jurisdiction | Anne Arundel | 577,487 | 35% | 41% |
| | Baltimore City | 598,274 | 35% | 20% |
| | Baltimore County | 833,009 | 35% | 33% |
| | Carroll | 169,556 | 35% | 39% |
| | Frederick | 260,579 | 35% | 42% |
| | Harford | 255,443 | 35% | 44% |
| | Howard | 323,771 | 35% | 44% |
| | Montgomery | 1,047,016 | 35% | 54% |
| Nonmember Jurisdiction | Allegany | 70,343 | 20% | 38% |
| | Calvert | 92,339 | 20% | 27% |
| | Cecil | 103,088 | 20% | 58% |
| | Charles | 162,459 | 35% | 45% |
| | Dorchester | 32,221 | 20% | 16% |
| | Garrett | 29,063 | 20% | 47% |
| | Mid-Shore** | 140,138 | 20% | 49% |
| | Prince George's | 919,649 | 35% | 53% |
| | Somerset | 25,423 | 20% | 11% |
| | St. Mary's | 113,070 | 20% | 30% |
| | Washington | 151,517 | 35% | 37% |
| | Wicomico | 103,168 | 20% | 38% |
| | Worcester | 52,261 | 20% | 30% |

MRA: Maryland Recycling Act

* Average MRA rate reflects the average of each jurisdiction's annual MRA recycling rates for calendar 2015 through 2022.

** Mid-Shore refers to the Mid-Shore Regional Recycling Program and includes Caroline, Kent, Queen Anne's, and Talbot counties.

Italicized numbers indicate an average rate less than the jurisdiction's mandatory MRA rate.

Source: Maryland Department of the Environment; Northeast Maryland Waste Disposal Authority; Department of Legislative Services

Most jurisdictions met or exceeded the mandatory MRA recycling rate across the eight years (2015 to 2022) examined. During this span, the average MRA recycling rate for four jurisdictions fell below the mandatory rate set by the MRA. Two were members of the Authority (Baltimore City and Baltimore County) and two were not (Dorchester and Somerset counties). Regarding the average MRA recycling rate for these four jurisdictions over the eight-year period:

- Baltimore City's rate never met or exceeded 35%.
- Baltimore County's rate exceeded 35% in 2016 and 2017. The county's rate also approached but did not meet 35% in 2015 (34.8%) and in 2018 (34.8%).
- Dorchester County's rate exceeded 20% in 2015 (31.8%) and in 2022 (32.9%).
- Somerset County's rate exceeded 20% in 2017 (35.6%).

The MRA recycling rate is calculated by a formula that generally includes recyclable materials such as compostables, glass, metals, paper, plastic, and miscellaneous goods (*e.g.*, commodities comprised of multiple materials). In 2022, a change was made to the calculation to exclude incinerator ash as a recyclable material and omit a credit provided in the formula to jurisdictions for using resource recovery facilities to meet recycling goals. Given the recency of this change, more time is needed to determine if and how the revised formula will impact jurisdictions' recycling rates.

The Authority's Reuse, Recycling, and Composting Activities

The Authority provides reuse, recycling, and composting services to member jurisdictions who request it. As the exact nature of those services varies and may be unrelated to jurisdictions' MRA recycling efforts, the Authority's impact on jurisdictions' MRA recycling rates cannot be quantified.

Observation: The Authority has five master service contracts for reusing and recycling specific materials.

All member jurisdictions may participate in the Authority's master service contracts. The Authority currently has five master service contracts for the reuse or recycling of the following materials:

- electronics;
- mattresses and box springs;

- plastic film;
- textiles; and
- tires.

Exhibit 3.3 shows the jurisdictions that have chosen to participate in each of the master service contracts provided by the Authority.

Exhibit 3.3
Jurisdictions' Use of Master Service Contracts

| <u>Electronics</u> | <u>Mattresses</u> | <u>Plastic Film</u> | <u>Textiles</u> | <u>Tires</u> |
|---------------------------|--------------------------|----------------------------|------------------------|---------------------|
| Anne Arundel | Anne Arundel | Anne Arundel | Anne Arundel | Anne Arundel |
| Baltimore City | Baltimore City | Baltimore City | Baltimore City | Baltimore City |
| Baltimore | Baltimore | Baltimore | Baltimore | Baltimore |
| Carroll | Carroll | Carroll | Carroll | Carroll |
| Frederick | Frederick | Frederick | Frederick | Frederick |
| Harford | Harford | Harford | Harford | Harford |
| Howard | Howard | Howard | Howard | Howard |
| Montgomery | Montgomery | Montgomery | Montgomery | Montgomery |

Source: Northeast Maryland Waste Disposal Authority; Department of Legislative Services

These master service contracts establish the basic terms and conditions for the types of services provided. Although additional service fees may be required if a member jurisdiction chooses to enter into a contract, the contracting process is streamlined for the jurisdictions participating in them.

Observation: The Authority provides member and nonmember jurisdictions access to recycling resources.

Two member jurisdictions, Baltimore County and Anne Arundel County, use the Authority's assistance for recycling education and outreach. For Baltimore County, the Authority assists with recycling-related media, outreach, and advertising. Anne Arundel County uses one of the Authority's on-call consultants (discussed in Chapter 4) for recycling outreach and support by providing its residents access to Recycle Coach. Recycle Coach is an app that includes a search function for residents to learn if and how a specific item can be recycled or otherwise disposed of.

In addition to activities the Authority does for specific member jurisdictions, the Authority provides residents and businesses across the State access to resources through MDrecycles.org. The website, created by MDE and maintained by the Authority, and features:

- a recycling directory: a list of recyclers operating in Maryland;
- a donation market directory: a list of businesses and organizations operating in Maryland that take items no longer wanted;
- links for residents with more information regarding recycling collection and drop off, organics, electronics recycling drop off, and household hazardous waste drop off; and
- links to resources like government contacts, umbrella organizations, and trade associations.

Observation: Four member jurisdictions use the Authority's services for composting projects.

Baltimore City, Anne Arundel, Frederick, and Howard counties use the Authority's services for composting projects. These projects involve both Tier 1 and Tier 2 composting facilities permitted by MDE. Tier 1 facilities "only accept yard trimmings" whereas Tier 2 facilities "may accept yard trimmings and certain additional materials" (e.g., food scraps, animal manure). Examples of the Authority's composting services include:

- keeping members up to date on composting programs and technologies;
- managing contracts;
- procurement; and
- supporting design efforts.

The Authority's Energy Recovery from Waste Activities

Observation: Five member jurisdictions use the Authority for energy recovery.

EPA ranked energy recovery from waste as more preferable than landfilling but less preferable than reusing, recycling, or composting waste. Jurisdictions use the Authority to assist with energy recovery at either gas-to-energy facilities or waste-to-energy facilities.

- **Gas-to-energy facilities** use natural gasses produced in landfills as fuel to create and harness energy or electricity. This process is an alternative to burning landfill-generated natural gases at a flare station, which does not harness energy or electricity. Jurisdictions using the Authority for gas-to-energy projects include Anne Arundel and Howard counties. Frederick and Montgomery counties have shuttered their landfill gas-to-energy plants.
- **Waste-to-energy facilities** enable energy production through incinerating waste, where combustion-generated steam creates heat directed to generators to produce energy. Waste-to-energy facilities differ from incinerators in that incinerators burn waste but do not harness the energy generated from that process. Two jurisdictions, Baltimore City and Montgomery County, currently use the Authority for waste-to-energy projects. Harford County's waste-to-energy facility was decommissioned with the assistance of the Authority in 2016.
- Three member jurisdictions (Frederick, Howard, and Montgomery counties) also use Authority services for solar energy projects on solid waste-involved land (*e.g.*, landfills) or facilities (*e.g.*, transfer station roof).

Observation: The Authority's assistance with energy recovery has generated gross revenue for some member jurisdictions.

The Authority monitors the electricity sales market and, if jurisdictions are interested, identifies additional energy revenue opportunities for them. The Authority is a member of the Pennsylvania New Jersey Maryland Interconnection (PJM). PJM is a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia. The Authority's membership with PJM allows it to participate in electricity markets on behalf of its member jurisdictions, such as certifying and marketing renewable energy credits (RECs). According to EPA, a REC is "issued for every megawatt-hour of electricity generated and delivered to the electric grid from a renewable energy source" and can be sold to another party to generate revenue.

As a PJM member, the Authority receives any revenue from PJM on behalf of the jurisdiction it is selling electricity for. Depending on the jurisdiction's preference, the Authority either sends the revenue to the jurisdiction or applies the revenue to the jurisdiction's operations costs owed to the Authority, which is then used to pay any financial obligations the project has.

Exhibit 3.4 shows the revenue generated through various projects managed by the Authority, largely generated through its PJM membership and the sale of renewable energy credits.

Exhibit 3.4
Member Jurisdiction Cumulative Revenue from Authority's PJM Projects
Calendar 2014-2023

| <u>Facility</u> | <u>Jurisdiction</u> | <u>Commodity</u> | <u>Revenue Generated</u> |
|--|---------------------|---|--------------------------|
| Millersville Landfill and Resource Recovery Facility | Anne Arundel County | Electricity generated from landfill gas | \$14,512,209 |
| Alpha Ridge Municipal | Howard County | Electricity generated from landfill gas | 1,869,267 |
| R400 Frederick County LFGE* | Frederick County | Electricity generated from landfill gas | 995,000 |
| Gude Landfill and Oaks Landfill* | Montgomery County | Electricity generated from landfill gas | 7,002,102 |
| Montgomery County Resource Recovery Facility** | Montgomery County | Electricity generated from waste, ferrous materials | 185,508,045 |
| Total | | | \$209,886,623 |

LFGE: landfill gas-to-energy

* Landfill gas-to-energy facility has ceased operations and is no longer processing energy.

** Revenue generated from the sale of both energy and ferrous materials.

Source: Northeast Maryland Waste Disposal Authority; Department of Legislative Services

As shown in Exhibit 3.4, the Authority generated over \$200 million in revenues over a 10-year period for certain member jurisdictions through participation in electricity, renewable energy credit, and ferrous markets. Revenue generated for each jurisdiction does not necessarily mean profit, as many of the facilities operate through enterprise funds, whereby a facility is funded (wholly or in part) through the revenue it generates as opposed to being funded through a general fund.

The Authority's Landfill Activities

Observation: All member jurisdictions use the Authority for some aspect of landfill services.

Landfilling involves burying waste at facilities that, according to MDE, are “designed, constructed, and operated so that all types of waste generated by a community, except waste specifically prohibited by solid waste regulations, can be accepted.” Examples of landfill services member jurisdictions use the Authority for include:

- assisting jurisdictions with mandated reporting;
- designing landfill expansions;
- managing contracts;
- issuing requests for proposals; and
- procuring landfill services, such as aerial surveying and environmental monitoring.

The Authority also facilitated the formation of a partnership between Anne Arundel and Howard counties to export waste out of state to be landfilled, preserving in-state landfill capacity. The Authority handles invoicing, organizes site visits, and ensures contract compliance for that project. The partnership is the only landfill-related service that Anne Arundel County uses at present.

Chapter 4. The Northeast Maryland Waste Disposal Authority’s Budget and Operations

Observation: The Northeast Maryland Waste Disposal Authority’s (the Authority) administrative budget does not include any State funds.

The Authority is a not-for-profit entity that operates using general membership fees and additional fees for services (*i.e.*, project management), established in a board-approved funding policy. Its administrative budget, which covers expenses such as payroll, benefits, and office and communication expenses, was \$2,321,018 in the fiscal 2024 (approved at the June 2023 board meeting).

The base membership fee, charged to all member jurisdictions, was \$120,644 in fiscal 2024. In addition to the base membership fee, six of the eight member jurisdictions pay the Authority fees for project management services. Fees for the Authority’s project management services are paid annually and vary by the type of project (*e.g.*, contract, sale of energy) or facility (*e.g.*, landfill, biosolids, energy recovery) involved. **Exhibit 4.1** shows what each member jurisdiction pays in base membership and in project management fees.

Exhibit 4.1
The Northeast Maryland Waste Disposal Authority’s Administrative Budget Fee Components by Member Jurisdiction (as Approved June 2023)
Fiscal 2024

| Jurisdiction | Base Membership | Project Management Fees | | | Total | |
|---------------------|------------------|-------------------------|--------------------|----------------------------------|-----------------|--------------------|
| | | Transfer and Disposal | Waste-to-energy | Landfill Gas-to-energy Biosolids | | |
| Anne Arundel County | \$120,644 | \$60,322 | | \$30,161 | \$211,127 | |
| Baltimore City | 120,644 | | \$516,481 | \$84,000 | 721,125 | |
| Baltimore County | 120,644 | | | | 120,644 | |
| Carroll County | 120,644 | 60,322 | | | 180,966 | |
| Frederick County | 120,644 | 60,322 | | | 180,966 | |
| Harford County | 120,644 | | | | 120,644 | |
| Howard County | 120,644 | 60,322 | | | 180,966 | |
| Montgomery County | 120,644 | | 483,936 | | 604,580 | |
| Total | \$965,152 | \$241,288 | \$1,000,417 | \$30,161 | \$84,000 | \$2,321,018 |

Source: Northeast Maryland Waste Disposal Authority; Department of Legislative Services

Project management fees for two waste-to-energy facilities comprised just over \$1 million of the Authority's 2024 administrative budget. Since approximately 43% of the Authority's administrative budget comes from these two projects, discontinuing them would likely necessitate either financial or operational change at the Authority to avoid a deficit. The Authority's board may consider potential options that could include but are not limited to, cutting the administrative budget, raising the base membership fee, or merging with the Maryland Environmental Service (MES) (subject to MES' consent and the Governor's approval).

Observation: The Authority has a process for selecting on-call service contractors, which all member jurisdictions have access to.

The Authority provides all member jurisdictions access to on-call contractors deemed qualified via a review team to provide consulting, engineering, management, or construction services in one or more areas of specialization designated by the Authority. Access to on-call contractor services is included in Authority membership and serves to expedite the procurement process. Member jurisdictions have discretion regarding whether they use the Authority's on-call contractors, request the Authority to issue a public procurement, or pursue obtaining services without the Authority's involvement.

The on-call contracts are for three years with two one-year renewals at the Authority's discretion; however, inclusion on the on-call contractor list does not guarantee work under the contract. Advertising for the most recent list of on-call contractors occurred in summer 2021. The Authority intended to select and place no less than 5 and no more than 15 qualified firms on the on-call list covering four areas of service. The four areas of service under consideration in the request for proposals (RFP) were:

1. waste-to-energy, resource recovery parks, transfer station, materials recovery facility and emerging technologies design, construction and operations service;
2. landfill service;
3. general solid waste, planning and recycling/diversion category (sustainable materials management, circular economy, and zero waste); and
4. biosolids and organics management service.

The Authority's proposal review team consisted of representatives from Anne Arundel, Baltimore, Carroll, Howard, and Montgomery counties; Baltimore City; and Authority staff. In 2022, the Authority approved 12 of the 16 applicant firms that submitted complete proposals. According to a memorandum from the Authority, three firms were not selected based on scoring, and one firm was not selected for failing to meet the RFP requirements, specifically for "not meeting the required number of reference projects for full consideration." **Exhibit 4.2** shows the firms that were part of the 2022 selection process and the categories that they were selected for.

Exhibit 4.2
2022 On-call Engineering Firm RFP Categories and the
Firms Selected under Each

| <u>Firm</u> | <u>Waste-to-Energy, Transfer Station, Construction, and Operations*</u> | <u>Landfill Service</u> | <u>General Solid Waste, Planning, Recycling, and Diversion**</u> | <u>Biosolids and Organics Management Service</u> |
|--|---|-------------------------|--|--|
| Firm A (not selected) | | | | |
| ARM Group LLC | | ☑ | | |
| BAI Group, LLC | | ☑ | | |
| Barton & Loguidice, D.P.C. | ☑ | ☑ | ☑ | ☑ |
| EA Engineering, Science, and Technology, Inc., PBC | ☑ | ☑ | ☑ | ☑ |
| Gershman, Brickner & Bratton, Inc. | | | ☑ | ☑ |
| Geosyntech Consultants | ☑ | ☑ | ☑ | |
| GHD (with WeCare Denali) | | | | ☑ |
| HDR Engineering Inc. | ☑ | ☑ | ☑ | ☑ |
| Firm B (not selected) | | | | |
| MSW Consultants | | | ☑ | |
| Firm C (not selected) | | | | |
| RRT Design & Construction | ☑ | | ☑ | |
| Stearns, Conrad and Schmidt Consulting Engineers, Inc. | ☑ | ☑ | ☑ | ☑ |
| Tetra Tech, Inc. | | ☑ | | |

Firm D (not selected)

RFP: request for proposals

* Complete service category name: "Waste-to-Energy, Resource Recovery Parks, Transfer Station, MRF and Emerging Technologies Design, Construction and Operations Service."

** Complete service category name: "General Solid Waste, Planning and Recycling/Diversion Category (Sustainable Materials Management, Circular Economy, and Zero Waste)."

Source: Northeast Maryland Waste Disposal Authority; Department of Legislative Services

Observation: The Authority is not subject to State procurement law.

Generally, the procurement of goods and services by State entities is governed via statute. Section 11-202 of the State Procurement Article has subsections that list entities both subject to the State procurement rules and those specifically exempt. The Authority is not expressly listed in either subsection. In 1996, the Maryland Office of the Attorney General opined, at the request of the Authority, that the Authority did not meet the criteria to be subject to the State procurement rules. Although the Authority is not subject to State procurement rules, each of the member jurisdictions have county procurement rules that they must follow, as well as the possibility of oversight by county auditors.

The Authority assists member jurisdictions with the procurement of vendors by:

- developing a scope of work;
- drafting an announcement (*e.g.*, request for expression of interest, RFPs, etc.), which it advertises on eMaryland Marketplace, the Authority’s website, and via email to known vendors; and
- providing feedback on procurement submittals.

The member jurisdiction has full discretion over the selection of the procurement contract/award; however, the Authority’s Board of Directors must approve all contracts in accordance with the Northeast Maryland Waste Disposal Authority Act and regulations set forth in the Code of Maryland Regulations. Contracts procured through the Authority are set up so that the jurisdiction may choose to submit payment for services directly to the vendor or submit payment to the Authority who will then make payment to the vendor.

Observation: Relevant Authority employees and all board members filed a financial disclosure in 2023.

Financial disclosure forms require the filer to identify real estate interests, equity interests, and other relationships such as employment, debts, and gifts. One of the State Ethics Commission’s (the Commission) stated purposes of financial disclosure is to “provide public access to documents disclosing possible conflicts of interest.” Employees of the Authority who are required to submit a financial disclosure form to the Commission have done so for 2023, as have all members of the Authority’s board. According to the Commission’s Financial Disclosure Filer Identification Manual, whether an employee is required to submit a financial disclosure form is based on the Commission’s review of the employee’s salary and duties. Unless specifically exempted from filing by the Commission, members of boards – including the Authority’s – and commissions must file regardless of whether they receive a salary for their role.

Observation: There are no public orders against employees of the Authority on the Maryland State Ethics Commission website.

There are no public orders against anyone from the Authority on the Commission's website. The Commission may issue public orders for ethics violations involving conflict of interest, financial disclosure, or lobbying. Anyone may file a complaint with the Commission alleging a violation of public ethics law, but public orders are issued when an ethics violation is upheld by the Commission, or a settlement agreement is reached. The Commission's website lists public orders from May 31, 2006. Orders before May 31, 2006, are available at the Commission's office.

Chapter 5. Potential Merge of the Northeast Maryland Waste Disposal Authority into the Maryland Environmental Service

The Maryland Environmental Service (MES) is an independent State agency that provides technical services to clients in engineering, design, financing, construction and project management, and environmental facilities operations. MES provides these technical services to support water supply, wastewater treatment, solid waste management, and energy production for a variety of clients, including State agencies, counties, municipal corporations, and private entities. MES's statutory purpose includes the preservation, improvement, and management of the quality of air, land, water, and natural resources of the State. MES shares purposes similar to the Northeast Maryland Waste Disposal Authority (the Authority) regarding the disposal of solid waste, the generation of energy, and the recovery of useable resources from waste.

The Northeast Maryland Waste Disposal Authority Act (NMWDA Act) asserts that the Authority may merge into MES, with the consent of MES and approval of the Governor:

The Authority and its corporate existence shall continue until terminated by law, provided, however, that no such law shall take effect so long as the Authority shall have bonds outstanding, unless adequate provision has been made for the payment thereof. Upon making adequate provision for the payment of all outstanding bonds of the Authority, the Authority may merge into the Maryland Environmental Service, with the consent of the Maryland Environmental Service and the approval of the Governor, by filing a statement of merger with the Secretary of State and the Department of Legislative Services. Upon termination of the existence of the Authority, all its rights and properties shall pass to and be vested in the State for such distribution as may be provided for in contracts between the Authority and the participating counties and in the statement of merger, if any.

Observation: The Authority has no outstanding bonds and has not issued any since 2013.

Chapter 68 of the 2023 legislative session terminated the Authority's bond authority as of June 1, 2023. The most recent bond issued by the Authority on behalf of a project was in 2004 for the financing of the Harford Waste-to-Energy facility air pollution control retrofit. The last outstanding bond issued by the Authority was retired in April 2016. **Exhibit 5.1** shows a timeline for the bonds that the Authority has issued since its establishment in 1980.

Exhibit 5.1
The Authority's Bond Issuance History

| <u>Bond</u> | <u>Jurisdiction</u> | <u>Amount</u> | <u>Date Issued</u> | <u>Date Retired</u> |
|---|---------------------|---------------|--------------------|---------------------|
| Tax Exempt Series 1993A | Montgomery | \$325,985,000 | 1993 | 7/1/2008 |
| Taxable Series 1993B | Montgomery | 34,660,000 | 1993 | 7/1/2001 |
| Tax Exempt Series 1994 | Harford | 15,250,000 | 7/1/2002 | 1/2/2008 |
| Taxable Series 2002 | Harford | 11,050,000 | 7/1/2002 | 3/15/2014 |
| Series 2003 GO Bonds | Montgomery | 184,450,000 | 3/25/2003 | 2/28/2013 |
| Tax Exempt 2004 | Harford | 11,385,000 | 7/1/2004 | 3/15/2014 |
| Series 2013 Solid Waste Refunding Revenue Bonds | Montgomery | 77,685,000 | 2/28/2013 | 4/1/2016 |

GO: general obligation

Source: Northeast Maryland Waste Disposal Authority; Department of Legislative Services

According to the statute, as the Authority has no outstanding bonds, it could either be terminated by law or merged with MES. The Authority's merger with MES is contingent on MES's consent, the Governor's approval, and the completion of any necessary documentation.

Observation: The MES Board of Directors has a makeup different from that of the Authority. The MES Executive Director is a member of both.

The MES Board of Directors consists of eight members. Under the Maryland Environmental Service Act, the board must include the following:

- MES' Executive Director (nonvoting member);
- State Treasurer of Maryland, or the State Treasurer's designee;
- three members from Maryland's public sector who hold positions responsible for "environmental, water, wastewater, or solid waste management";

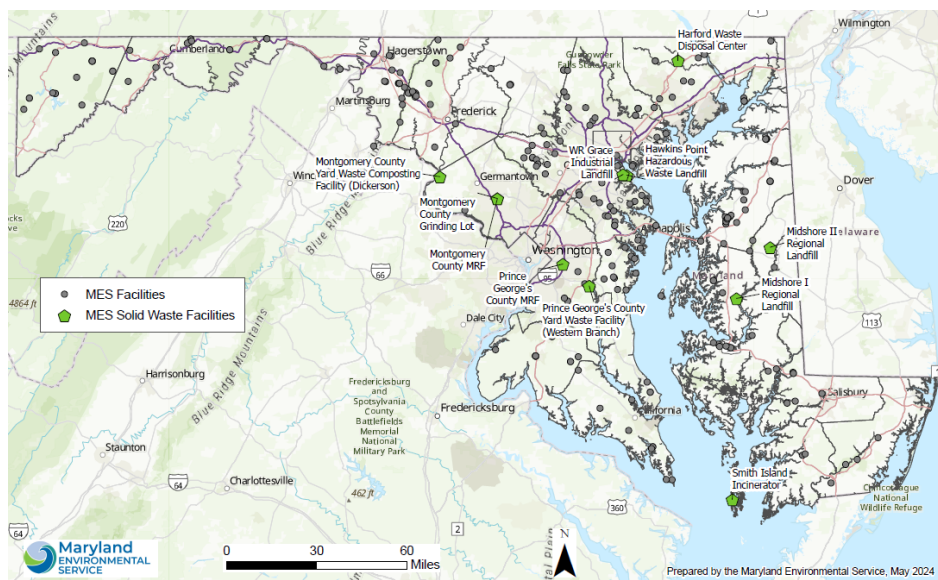
- one member from the Maryland’s private sector with “technical, financial, development, or legal experience related to environmental, water, wastewater, or solid waste management”;
- one member from Maryland’s private sector with “financial experience related to environmental, water, wastewater, solid waste management”; and
- one member from Maryland’s private sector with experience or expertise related to “business ethics, preferably involving board of director ethics and conflicts of interest.”

The Authority’s nine-seat Board of Directors, discussed in Chapter 1, has a jurisdictional component where each of the eight member jurisdictions has a seat. MES’s Executive Director also sits on the Authority’s board and, in contrast to MES’s board, holds voting privileges.

Observation: MES operates facilities, including solid waste facilities, in jurisdictions that are members of the Authority.

Of the many functions that MES has, the current overlap in function between the Authority and MES is in providing solid waste management support. Since MES operates across the entire State, the Authority’s member jurisdictions have the opportunity to use, or not use, MES to support solid waste management instead of or in addition to the Authority. **Exhibit 5.2** shows the MES facilities and solid waste facilities across Maryland.

Exhibit 5.2
Maryland Environmental Service Facilities
May 2024



Source: Maryland Environmental Service

As shown in Exhibit 5.2, of the many facilities across the State that MES operates, 11 facilities involve solid waste. Of those 11, MES currently operates 5 solid waste facilities in jurisdictions that are members of the Authority. Those facilities are:

- Montgomery County Materials Recovery Facility;
- Montgomery County Grinding Lot;
- Montgomery County Yard Waste Composting Facility;
- WR Grace Industrial Landfill;
- Hawkins Point Hazardous Waste Landfill; and
- Harford Waste Disposal Center.

Observation: MES and the Authority have different funding and operating structures.

MES-operated facilities function under fee-for-service contracts. Clients of MES negotiate a fee, and for an agreed-upon price, MES provides the service through its own contractual labor force. As a service provider, MES can and has set measurable performance indicators, outlined in their strategic plan for fiscal 2023 through 2027. This contrasts with the Authority, funded by membership and project management fees, focusing on project management and overseeing work performed almost exclusively by outside vendors.

Observation: MES and the Authority have different retirement plan systems.

MES separated from the Department of Natural Resources in 1993. Employees who continued with the agency had the option to remain in the State Retirement and Pension System (SRPS) through special legislation ([Chapter 196 of 1993](#)). Employees who began working for MES after it became an independent governmental agency in 1993 may participate in a 401(k) plan.

The NMWDA Act guarantees Authority employees' eligibility for SRPS benefits. Currently, six Authority employees are vested in SRPS. Employers participating in SRPS, such as MES (for pre-1993 employees) and the Authority, fund the system by paying employer contributions. SRPS states that the employer contribution rates are based on "actuarial review and valuation" and vary across three employer categories (1) State employers; (2) local boards of education; and (3) participating governmental units (*i.e.*, governmental entities that choose to participate, in the system). Although the Authority and MES both have employees in SRPS, the Authority is classified as a participating governmental unit, whereas MES is classified as a State employer.

Chapter 6. Recommendations

As discussed in Chapter 5 of this evaluation, the Northeast Maryland Waste Disposal Authority Act (NMWDA Act) contemplates a time when the Northeast Maryland Waste Disposal Authority (the Authority) may merge into the Maryland Environmental Service (MES). Chapter 68 of 2023, which required this evaluation, asked for draft legislation to accomplish this merger. **Exhibit 6.1** lists the observations made in Chapter 5, along with brief rationales for why a merger may or may not be appropriate at this time.

Exhibit 6.1 Merging the Authority into the Maryland Environmental Service

| Observations from Chapter 5 | Rationale to Merge | Rationale to Not Merge at This Time |
|--|--|---|
| The Authority has no outstanding bonds and has not issued any since 2013. | The requirement that “no such law [to terminate the Authority] shall take effect so long as the Authority shall have bonds outstanding” is currently being satisfied. | Ch. 68 of the 2023 legislative session terminated the Authority’s bond authority. If not reinstated, the requirement for no outstanding bonds will remain satisfied indefinitely, creating an open window for the merger to occur. |
| The MES Board of Directors has a makeup different from that of the Authority. | The MES board is statutorily required to include various technical experts and has a designee from the state treasurer. | The Authority board makeup allows for equal representation among its member jurisdictions. The jurisdictional representatives should be in the best position to know what is needed. |
| MES operates facilities, including solid waste facilities, in jurisdictions that are members of the Authority. | MES already has a presence in Authority member jurisdictions. Potentially, the same services provided by the Authority will be carried over to MES after the merge. | Authority member jurisdictions may currently utilize MES if they choose. The existence of the Authority provides an added tool for members to address solid waste issues. |
| MES and the Authority have different funding and operating structures. | | Authority member jurisdictions stated that they prefer at least the option of the membership fee structure. |
| MES and the Authority have different retirement plan systems. | The issue of merging retirement plan systems is somewhat mitigated by the fact that MES has previously navigated through internal retirement plan reorganizations. | Legislation will be needed to allow for the transition of Authority employees from one retirement system to another. There will be costs associated with the withdrawal process and the adjustment of the retirement systems if Authority employees shift to MES. |

MES: Maryland Environmental Service

Source: Department of Legislative Services

Other factors that may need to be considered as to the appropriateness of a merger at this time are:

- the Authority’s administrative budget does not include any State funds;
- the language in the NMWDA Act surrounding the merger could be interpreted as a decision between the Authority itself and MES: “the Authority may merge into the Maryland Environmental Service, with the consent of the Maryland Environmental Service and the approval of the Governor...” The Authority’s Board of Directors may vote to merge the Authority with MES at any time; and
- the Authority member jurisdictions unanimously expressed the desire to continue the Authority and its membership fee model.

If the Maryland General Assembly (MGA) decides to terminate the Authority and require the Authority to merge into MES:

Recommendation #1: MGA should pass legislation terminating the Authority and initiating a merger of the Authority into MES.

As required by Chapter 68 of 2023, draft legislation is included in this evaluation as Appendix B.

Recommendation #2: MGA should refer matters related to the pension system to the Joint Committee on Pensions and pass legislation allowing Authority employees to continue SRPS benefits.

Employers participating in the State Retirement and Pension System (SRPS) help fund the system by paying employer contributions. According to the [SRPS website](#), the employer contribution rates are based on “actuarial review and valuation” and vary across three employer categories: (1) State employers; (2) local boards of education; and (3) participating governmental units (*i.e.*, governmental entities that chose to participate in the system). Although the Authority and MES both have employees in SRPS, the Authority is classified as a participating governmental unit, whereas MES is classified as a State employer.

Additional information is needed to determine how the loss of a participating governmental unit may impact SRPS and its financial soundness. According to [SRPS’s Participating Governmental Unit withdrawal application](#), withdrawal liability must be calculated by a State system’s actuary and paid for by the exiting governmental unit. Valuations must be made once a participating governmental unit is ready to leave SRPS, as time is an important factor in these calculations.

If MGA decides to allow the continuation of the Authority at this time:

Recommendation #1: The Authority could consider publishing an annual report to inform the general public about its activities.

The Authority currently does several things to provide transparency in its operations, including:

- publishing a quarterly newsletter;
- making historical board meetings and agendas available on its website;
- commissioning an annual independent audit;
- responding to Maryland Public Information Act requests (over 250 since 2013); and
- sharing an annual report with the Governor’s Office and other select stakeholders.

However, discussions with members of the general public who gave testimony in favor of Chapter 68 suggest that there is still a potential lack of transparency with the Authority regarding what projects it is involved with in each member jurisdiction. Constituents of member jurisdictions should have something directed toward them to inform them of the work that the Authority is doing, the money that is being paid for that work, the benefit that the work is providing, and the contractual relationships that exist between the Authority, the jurisdiction, and the contractors.

Recommendation #2: MGA could consider changing the waste disposal authority statute to add more representation on the Authority’s Board of Directors.

Currently, other than representatives from the member jurisdictions, the Executive Director of MES is the only person required to sit on the Authority’s Board of Directors. A more diverse range of board members may give added layers of expertise and points of view. For example, someone selected by MGA may provide transparency and legislative accountability whereas someone from the Maryland Department of the Environment may provide clarity on State environmental policy issues. MES’s Board of Directors includes a designee from the State Treasurer’s Office.

Recommendation #3: The Authority could consider developing metrics to capture and quantify the impact of the projects it manages.

The Authority does not directly operate either solid waste management or waste-to-energy projects. As such, it is challenging to quantify the Authority’s impact on solid waste and other environmental outcomes MGA may be interested in. It could be in the interest of member jurisdictions as well as the general public if the Authority were to develop metrics that quantify the impact of the projects it manages, such as changes in recycling rates and operations emissions.

If any metrics are specific to project operations, as opposed to project development or management, they could potentially be incorporated into the contracts and requests for proposals that the Authority oversees.

Recommendation #4: The Authority could consider updating its funding policy.

During the evaluation, the Office of Program Evaluation and Government Accountability reviewed the Authority's funding policy, which dictates various financial operations, discussed predominantly in Chapter 4 of this evaluation. That policy has not been updated since 2014. The funding policy is not obsolete and is still followed by the Authority; however, the 10-year mark may be a good time to update numerical values for membership fees and project management fees and for the board to evaluate their fund management policies with respect to reserve, rainy day, and deferred revenue funds.

Recommendation #5: MGA could consider reinstating the Authority's bonding authority.

In preparation for a potential merger of the Authority into MES, Chapter 68 terminated the Authority's bonding authority. The bonding authority is not something that has been used much historically over the years. Montgomery and Harford counties are the only jurisdictions that used the Authority's bonding authority to finance projects; however, all member jurisdictions stated that they prefer as many options as possible when contemplating the funding of solid waste projects. Therefore, if the decision is made to allow the continuation of the Authority at this time, reinstating the Authority's bonding authority should be considered. Although reinstating the Authority's bond authority could benefit its member jurisdictions, the conditions needed to merge the Authority with MES would then depend on whether and when the Authority issues bonds in the future.

**Appendix A. Response from the
Northeast Maryland Waste Disposal Authority**

November 12, 2024

Mr. Michael Powell
Director, Office of Program Evaluation and Government Accountability
Department of Legislative Services
Maryland General Assembly
Via Email only

Mr. Powell,

The Authority appreciates the time we spent with you and your staff under the auspices of HB 161 (2023). The time that your staff spent speaking with the members and visiting certain sites is well reflected in the attached report. We have reviewed the report and recommendations as prepared by the Office of Program Evaluation and Government Accountability (OPEGA) and are sending comments for the record. We are attaching pictures of the facilities that OPEGA visited during this review for the record. Also attached are the FY 25 approved Work Plan/Goals for the Authority.

The Authority was created in 1980 to provide an additional means for member jurisdictions to meet their material management needs as the world of solid waste and recycling changed. This multi-jurisdictional agency became another means for regional cooperation and multiplication of resources for the members.

Regarding the recommendations under the option to terminate the Authority and force the Authority to merge into MES, the Authority notes that the ability to merge with MES already exists in the enabling legislation. However, no Authority Board has opted to undertake such effort. As noted in the OPEGA report, 100% of the Authority's members are satisfied with the work the staff of the Authority performs on their behalf and expressed a desire to continue the Authority and do not see an overlap of services provided by the Maryland Environmental Service. As noted in HB 161, any contemplated merger of the Authority would require MES to offer the same level of customer service as the members currently enjoy. Potential legislation should also review the manner of funding under the merged structure, to ensure the following: (i) that members are not harmed during a transition; (ii) to avoid increased operations costs when compared to Authority member fees; and (iii) to avoid increased or additional procurement and/or operating costs due to potential loss of ongoing contracts.

410.333.2730 / 410.333.2721 fax / authority@nmwda.org
nmwda.org / Business-to-Business Recycling: mdrecycles.org
Tower II – Suite 402, 100 S. Charles Street, Baltimore, MD 21201-2705

Comprehensive Waste Management Through Recycling, Reuse, Resource Recovery and Landfill

MEMBERS:

Rhody R. Holthaus, Anne Arundel County / Vacant, Baltimore City / Anthony Russell, Jr., Baltimore County / Clifford J. Engle, Carroll County
Phillip S. Harris, Frederick County / Joseph J. Siemek, Harford County / Mark A. DeLuca, Howard County / Guillermo Wainer, Montgomery County
Charles Glass, Maryland Environmental Service / Andrew Kays, Executive Director



Regarding the recommendations under the option *not to* terminate the Authority, staff offers the following notes.

Recommendation # 1 as directed to the Authority. As noted in the Recommendation, the Authority distributes the quarterly WasteWatch newsletter to the delegations of all member jurisdictions, as well as the executive and legislative branches in the member jurisdictions. Board Meetings are streamed and made available to the public. The Board may direct staff to investigate further expansion of email distribution of WasteWatch and the annual report/audit.

- All of the information suggested that “should be directed to constituents” as noted in the recommendation is already provided to the public in every meeting agenda, meeting proceedings and meeting minutes. Summary project information is also included in the Authority’s Annual Report to the Board. A few additional examples:
 - The staff does send notices of procurements to interested parties, including past proposers of contracts as to the availability of new public procurements. The Authority also uses the State’s Public Procurement Platform, eMaryland Marketplace Advantage for advertising as required.
 - In Harford County’s case, all projects in which the Authority is involved are also subject to review and approval as part of its annual capital budget approval process and the County’s Board of Estimates.
 - Baltimore City related contracts (e.g., the recyclables processing contracts, the Memorandum of Understanding (MOU) for the OSHA related site improvements, the MOU for the Eastside Transfer Station and Composting Facility and the MOU for the Solid Waste Facility Compliance Memorandum of Understanding) generally go before the City of Baltimore’s Board of Estimates for approval.
- Authority staff works with project staff in each jurisdiction, who in turn are charged with the management of solid waste/recycling/diversion in their respective jurisdictions and must prepare a budget for the same within their respective jurisdiction budget. This budget is approved after public hearings. A list of the planned projects that the Authority is assisting with is included each year in the Authority budget. Updates to the Authority budget are made during the public meetings.
- The link to the Authority’s audited financials is located on the Authority’s website (link found here [audited financial statements - Northeast Maryland Waste Disposal Authority \(nmwda.org\)](#)).
- Additionally, the June Board action items for FY24 and FY25 include the annual report (FY23 and FY24) to the Board (link found here [agendas/minutes - Northeast Maryland Waste Disposal Authority \(nmwda.org\)](#)). This is the process we will continue to follow moving forward to comply with recent changes to state law regarding items for notice to the public.
- Authority members and Authority staff file annual financial disclosures as required.

- Recommendation #2 as directed to the MGA. Staff notes that there may be a perception of conflict if the Maryland Department of the Environment (MDE) has a board representative as they are a regulatory entity with permit oversight (approving 10-Yr Plan, air/water/waste permits, inspections/enforcement). The Authority fulfills an operational role for member driven activities that must abide by MDE regulations.
- Recommendation #3 as directed to the Authority. The Authority is a service agency, and its activities are under the direction of the members. All of the Authority's permitted activities, such as waste to energy, landfill gas-to-electricity, organics composting, are subject to MDE permitting requirements. Many of the recommended reporting efforts may be reflected in the members' reporting activities. The Board may direct staff to investigate further expansion of reporting efforts, beyond those required by MDE or the US Environmental Protection Agency.
- Recommendation #4 as directed to the Authority. The Board reviews the budget annually and when projects come up during the year as staff continues to work to address the ever-changing landscape of materials management. The Board reviews the funding policy as needed, and the Board may direct staff to further investigate funding options.
- Recommendation #5 as directed to the MGA. As noted in the OPEGA report, the bonding authority increases options for member jurisdictions to finance qualified projects.

As always, the Authority and its Staff are available to answer questions from OPEGA or the legislature as we continue to perform this important work.

Best Regards,

Joseph J. Siemek



Chairman of the Northeast Maryland Waste Disposal Authority

Andrew Kays



Executive Director of the Northeast Maryland Waste Disposal Authority

Attachments:

Pictures of site visit locations
FY 25 Work Plan and Goals as approved on June 4, 2024

CC:
BOARD

ADM1198999KDU.DOCX

Anne Arundel County, Millersville Landfill and Resource Recovery Facility (MLFRRF; interior of the landfill gas to energy plant, site visit at the composting facility at MLFRRF).

Anne Arundel County, Millersville Landfill Gas to Electricity Project



Source: [Millersville Landfill - Environmental Stewardship | Anne Arundel County Government](#)

Anne Arundel County Compost Project (MDE Secretary and County Executive Tour)



Source: Anne Arundel County

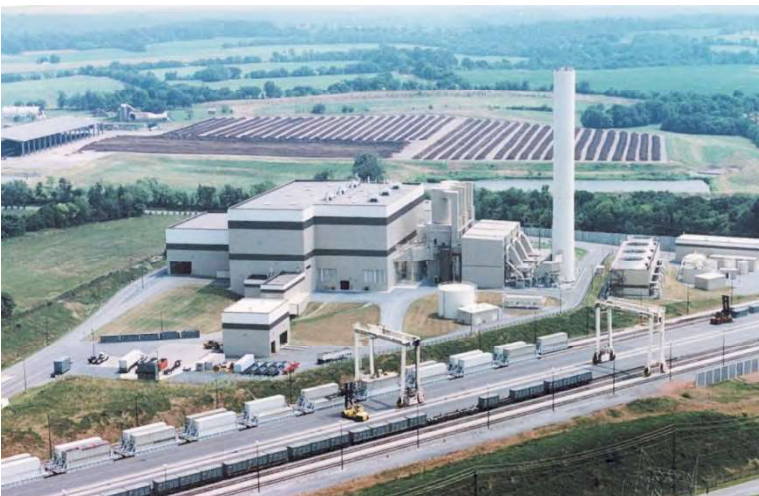
WinWaste BRESKO Facility, Baltimore MD (Source, WinWaste)



WinWaste BRESKO Facility, Baltimore MD (Source, WinWaste)



Montgomery County Resource Recovery Facility (Source, NMWDA historical image)



**Northeast Maryland Waste Disposal Authority
FY 2025 – Goals**

Anne Arundel County

- Manage the operations and maintenance contract for the Landfill Gas-to-Electricity (LFGE) Facility at the Millersville Landfill and Resource Recovery Facility (MLFRRF)
- Provide energy management services for the Millersville LFGE Facility in the PJM energy and capacity markets
- Certify and market renewable energy credits for the Millersville LFGE Facility most beneficial to the County
- Provide support for tire collection and recycling services through a newly procured Master Service Agreement and Confirmation (if requested)
- Manage the agreement with Denali for the acceptance, processing, operations, marketing and distribution of yard material organics at the MLFRRF composting facility
- Explore related, possible food scrap organics diversion pilot programs, if desired by the County
- Certify and market renewable energy credits from the solar project at the Millersville Landfill
- Continue to provide marketing and outreach services for the County’s recycling program through Authority on-call provider
- Assist the County in the waste export project by continuing to:
 - Organize and perform annual site visit and tour of the King George County Landfill (planned for fall 2024) and the Annapolis Junction Transfer Station (planned for spring 2025) for Authority and County staff to review operations and site conditions
 - Ensure compliance with the Service Agreement and Waste Disposal Agreement.
 - Lead semi-annual meetings with the Company, County and Authority to review all contract items, performance to date and future items of concern
 - Provide accurate invoicing for the County
 - Provide accurate invoicing for the last term of the City of Annapolis’ Household Hazardous Waste agreements with the County and support the execution of new related agreements
 - Provide accurate payments to the Company
- Provide access to on-call engineering services as requested

Baltimore City BRESCO Contract

- Ensure compliance with Facility Agreement
- Continue to look for opportunities to improve the contract to the City’s benefit
- Assist the City with monitoring air pollution control upgrades that resulted from extension of contract

Baltimore City Compost Facility

- Continue Monthly Performance Review
- Ensure compliance with notices and permit requirements
- Manage the Authority's Contract with the Company for the City of Baltimore
- Plan for contract extension or procurement for new services
- Ensure coordination with the planned City expansion of Quarantine Road Landfill

Baltimore City

- Continue to certify and market Renewable Energy Credits generated from the Baltimore City Back River Wastewater Treatment Plant, as generated
- Assist the City with certain operations and maintenance tasks as requested to help achieve permit compliance of the Quarantine Road Landfill
- Assist the City with certain design and compliance projects at the Quarantine Road Landfill
- Assist the City with certain design and compliance projects at solid waste operations facilities as requested
- Provide support for electronics collection and reuse/recycling through the Master Service Agreement and Confirmation
- Provide support for tire collection and recycling through the Master Service Agreement and Confirmation
- Provide support for mattress and box spring collection and recycling through the Master Service Agreement and Confirmation
- Provide support for the textile collection and reuse/recycling through the Master Service Agreement and Confirmation.
- Provide support for the comprehensive review and planning for future recycling and solid waste operations, and implementation of the recommended options through the Ten-Year Solid Waste Management Plan updates, if requested
- Manage the single stream recycling and processing contract
- Assist with master planning services in connection with the renovations for the Kane Street Sanitation Yard.
- Assist with master planning services in connection with the renovations for the Western Sanitation Yard (at Reedbird Ave).
- Assist with master planning services in connection with the renovations for the Eastside Transfer Station (at Bowleys Lane).
- Assist with organics collection/processing RFP/REOI from five drop-off sites, if requested
- Provide access to on-call engineering services

Baltimore County

- Assist the County with solid waste planning efforts and other diversion planning efforts
- Provide support for electronics collection and reuse/recycling through the Master Service Agreement, Confirmation and Task Order
- Provide support for textile collection and reuse/recycling services through the Master Service Agreement, Confirmation and Task Order
- Provide support for mattress and box spring collection and recycling services through the Master Service Agreement, Confirmation and Task Order (if requested)

- Provide support for tire collection and recycling services through a newly procured Master Service Agreement, Confirmation and Task Order (if requested)
- Provide landfill gas improvements and engineering services for the Eastern Sanitary Landfill, as requested.
- Provide landfill gas reporting support services, including state and federal semi-annual and annual reporting services at the Eastern Sanitary Landfill
- Assist the County with methane rule compliance services.
- Manage on-call consultant and invoicing for Eastern Sanitary Landfill vertical expansion design and permitting project
- Assist with projects related to implementation of the Five-Year Tactical Plan
- Manage the Bulk Material Collection Service Contract and complete RFP for new contract to initiate January 2025
- Manage the CAF MRF Comprehensive System Review & Recommendation Project
- Manage WAF Packer Unit Repair/Replacement/Upgrade and Related Facility Evaluation, if requested
- Assist with Media/Outreach/Advertising Projects for waste diversion
- Provide access to on-call engineering services

Carroll County

- Provide support for the MSW operations, transfer, and disposal contract
- Provide support for electronics collection and reuse/recycling through the Master Service Agreement and Confirmation
- Manage Master Service Agreement and Confirmation for tire collection and recycling
- Provide support for recovered material processing contract
- Provide support for the recovered materials operations and transfer contract
- Manage the contract for the landfill masterplan and continue design efforts
- Provide access to on-call engineering services for landfill gas monitoring, volume calculations, and methane rule regulation services
- Provide support for household hazardous waste events.
- Provide access to on-call engineering services

Frederick County

- Provide support for the MSW transfer and disposal contract
- Provide support for electronics collection and reuse/recycling through the Master Service Agreement and Confirmation
- Provide support for the textile collection and reuse/recycling through the Master Service Agreement and Confirmation
- Provide support for the mattress and box spring collection and recycling through the Master Service Agreement and Confirmation
- Provide support for the recovered material processing contract
- Provide support for the recovered material transfer contract
- Assist the County with landfill services (including MDE regulations for landfill gas monitoring) at the Reich's Ford Road Landfill
- Oversee the operation and management of the solar project at Ballenger-McKinney WWTP

- Provide support for household hazardous waste events
- Provide support for design and construction of Transfer Station retrofit
- Provide support for tire collection and recycling services through a newly procured Master Service Agreement and Confirmation (if requested)
- Provide access to on-call engineering services

Harford County

- Assist the County with the Bush Valley Landfill groundwater and surface water monitoring and reporting (through a Memorandum of Understanding (MOU) with the Maryland Environmental Service (MES))
- Assist the County with the Bush Valley Landfill gas monitoring and reporting (through MOU with MES)
- Assist the County with Bush Valley Landfill support for other compliance and monitoring as requested (through MOU with MES)
- Provide support for tire collection and recycling through the Master Service Agreement and Confirmation
- Manage the 10-Year Solid Waste Management Plan project to completion
- Provide access to on-call engineering services

Harford Waste-to-Energy Facility

- Issue RFP for design services for the salvage/demolition of steam lines, if directed by the County
- Issue RFP for salvage/demolition of steam lines, if directed by the County
- Assist with the Waste-to-Energy Phase III Demolition/Site Restoration project
- Investigate the sale of the available emission reduction credits generated from the Facility demolition

Howard County

- Manage the solar contract at the New Cut Road Landfill
- Provide energy management services and sales for the Alpha Ridge LFGE Facility
- Certify and market renewable energy credits from the Alpha Ridge LFGE Facility
- Provide support for the design efforts for the next phase of composting operations
- Assist the County with the procurement of contractors for the construction of an organics composting facility at the Alpha Ridge Landfill
- Continue to assist the County with the oversight of the design and construction of improvements to the transfer station at the Alpha Ridge Landfill
- Manage an organics waste sort at Alpha Ridge Landfill
- Assist the County with Sewage Treatment Plant updates
- Assist the County with groundwater remediation planning at Alpha Ridge Landfill
- Assist with alarm system redundancy at Alpha Ridge Landfill
- Assist the County with design of gas management system improvements at New Cut Landfill
- Assist the County with selection and installation of new probes at New Cut Landfill

- Assist the County in the waste export project by continuing to:
 - Organize and perform annual site visit and tour of the King George County Landfill (planned for fall 2024) and the Annapolis Junction Transfer Station (planned for spring 2025) for Authority and County staff to review operations and site conditions
 - Ensure compliance with Service Agreement and Waste Disposal Agreement, including the semi-annual/annual reporting and permit requirements, and complete annual contract renewals for both
 - Provide accurate invoicing for the County
 - Provide accurate payments to the Company
- Provide support for electronics collection and reuse/recycling through the Master Service Agreement and Confirmation
- Provide support for tire collection and recycling services through a newly procured Master Service Agreement and Confirmation (if requested)
- Provide support for certain site improvements and repairs at the Alpha Ridge Landfill during the fiscal year
- Continue to provide support for regulatory compliance support services for Chapter 42 regulations for methane as they apply to Alpha Ridge Landfill
- Continue to assist the County with the construction engineering and construction inspection support services necessary to install the new LFG flare
- Assist County with Operations Plan development for Alpha Ridge Landfill
- Manage the 10-Year Solid Waste Management Plan project to completion
- Provide access to on-call engineering services

Montgomery County Transfer Station (TS), Resource Recovery Facility (RRF), and Rail Transportation System

- Direct and manage operator to maintain the RRF in accordance with the Service Agreement
- Provide support for the regular inspections of the RRF
- Continue accurate monthly invoicing to County
- Complete regular inspections of the TS
- Continue Monthly Plant Performance Report Review
- Monitor the electricity sales market and identify additional revenue opportunities
- Provide the necessary energy management services and sales for the RRF in the PJM energy and capacity markets
- Certify and market the Renewable Energy Credits generated from the RRF
- Provide support for the improvements to the TS, as requested
- Complete the purchase of equipment for the facility as requested and budgeted
- Continue project management of Scales Upgrades project at the TS
- Continue project management of Power Infrastructure Replacement Project at the TS
- Continue project management of the Transfer Station options project, as requested
- Support County task forces and working groups as requested
- Manage on-call contract for the RRF water supply and screen house operations and maintenance
- Assist with the water intake relocation project at the RRF

Montgomery County General/Solar/Recycling

- Provide implementation of the recommended options for the comprehensive review and planning for future recycling and solid waste operations, if requested
- Monitor contract and performance of the Transfer Station Solar project
- Provide support for electronics collection and reuse/recycling through the Master Service Agreement, Confirmation and Task Order
- Provide support for mattress and box spring collection and recycling services through the Master Service Agreement, Confirmation and Task Order
- Provide support for the textile collection and reuse/recycling services through the Master Service Agreement, Confirmation and Task Order
- Provide support for tire collection and recycling services through a newly procured Master Service Agreement, Confirmation and Task Order (if requested)
- Manage Gude Landfill FT connect auto dialer/cellular remote support contract (service paid out from July 1, 2020-June 30, 2025)
- Provide access to on-call engineering services

Montgomery County Gude Landfill Remediation

- Manage the contract for the design engineer for the construction phase of the Corrective Measures implementation
- Manage the on-call contract for the construction phase of certain approved passive beneficial uses
- Manage the contract for the construction manager engineer for the construction phase of the Corrective Measures implementation
- Manage the contract for the construction firm for the construction phase of the Corrective Measures implementation
- Manage the surveillance camera contract

Prince George's County

- Certify and market the Renewable Energy Credits generated from County LFGE Projects
- Manage the electric output and settlements for the Prince George's County LFGE Projects through the Authority's PJM accounts

Regional Reuse/Recycling

- Continue maintenance of and updates to the mdrecycles.org website.
- Continue assisting members with preparation of MRA recycling report, including identifying high volume recyclers
- Provide assistance to Member Jurisdictions by establishing durable medical equipment reuse contracts, as desired, with MES
- Continue to offer permanent electronics collection and reuse/recycling services to interested Member Jurisdictions under the Master Service Agreements, Confirmations and Task Orders including invoicing and reporting services as well as site visits/inspections at these reuse/recycling facilities.
- Investigate opportunities for regional organics processing

- Investigate opportunities for regional collaboration on recyclables processing
- Continue to offer permanent textile collection reuse/recycling services to interested Member Jurisdictions under the Master Service Agreements, Confirmations and Task Orders including invoicing and reporting services as well as site visits/inspections to this reuse/recycling facility.
- Continue to offer permanent mattress and box spring recycling services to interested Member Jurisdictions under the Master Service Agreements, Confirmations and Task Orders including invoicing and reporting services as well as site visits/inspections to this recycling facility.
- Continue to offer permanent tire collection and recycling services under the existing Master Service Agreement and Confirmations, including invoicing and reporting services as well as site visits/inspections at the recycling facility. Issue RFP and procure a new Master Service Agreement and Confirmations for interested Member Jurisdictions.
- Continue to offer household hazardous waste events under the existing Master Service Agreement.
- Continue working on an updated REOI for reissue for diverting certain reusable building materials/furniture/appliances/household goods for interested Member Jurisdictions
- Continue an REOI for plastic film recycling for interested Member Jurisdictions
- Continue to work on REOI for C&D (Shingles, Siding, Gypsum/Drywall, Carpet, Ceramic/Porcelain & Other C&D) Recycling Services for interested Member Jurisdictions, as requested.
- Continue to work on a REOI/RFB for Rigid Expanded Polystyrene Foam, Polyurethane Foam, Polyethylene Foam and/or other Foam Recycling for interested Member Jurisdictions, as requested.

Regional Solid Waste General

- Offer aerial landfill survey and reporting services to Member Jurisdictions, as needed
- Continue REOI for solar development on solid waste sites and/or beneficial use of landfill gas for mainly small, closed and/or rural Member Jurisdiction landfills

Other

- Advise the Member Jurisdictions regarding the best use of waste related assets
- Support activities of Mid-Atlantic Chapter of Solid Waste Association of North America (SWANA) by editing and producing its e-newsletter
- Continue to publish a quarterly newsletter, WasteWatch
- Continue participation in SWANA, Maryland Recycling Network (MRN), Maryland Clean Energy Center (MCEC), Municipal Waste Management Association (MWMA), Zero Waste, and Maryland Department of the Environment (MDE) regional meetings and conferences
- Update Authority Website as needed
- Provide energy market support as needed
- Provide social media training event

Legislative/Regulatory Initiatives

- Respond to inquiries from MES and the Department of Legislative Services as required under HB161
- Monitor and update the Board on State and federal legislation and regulations that may impact Member Jurisdictions
- Monitor (and attempt to influence when appropriate) PJM policies and markets
- Participate in stakeholder and task force groups led by MDE that may have importance to our Members and communicate progress

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FY 2025 PRELIMINARY WORKPLAN

ADMINISTRATIVE FUND - I.9 - REGIONAL SUPPORT/REGIONAL REUSE/ RECYCLING/REGIONAL SOLID WASTE GENERAL

Authority staff is requesting that the Board approve funds in the FY 2025 budget to continue comprehensive regional reuse/recycling efforts consisting of the following focus areas:

1. Maintain and update the website www.mdrecycles.org, making additions and changes as necessary. We are allocating \$2,500 of the FY 2025 budget for general maintenance of the website.

An essential recycling and donation resource and information center to the commercial and residential sector, mdrecycles.org offers a recycling and donation vendor directory, as well as residential diversion program information to assist businesses and residents in developing and implementing recycling and reuse programs.

Authority staff will continue to update the mdrecycles.org website on a periodic basis and verify that the vendor lists, and residential program information provided on the website are up to date, in conjunction with updates from the Maryland Department of the Environment (MDE). Authority staff will also provide a comprehensive update, including the addition of two new directories, available for commercial and residential use, including 1) a food and personal care product packaging reuse/refill/package free directory and 2) a repair/fix-it/tool rental directory. These new directories will be labeled the “reuse/refill directory” and “repair/rental directory.” \$2,500 is budgeted for this effort, for a total of \$5,000.

2. The Authority will provide Member Jurisdictions with one complementary registration to the Maryland Recycling Network/Mid-Atlantic Chapter of Solid Waste Association of North America (SWANA) Annual Recycling Conference and provide sponsorship of the conference. In addition, the Authority will support Member Jurisdictions attending the SWANA Regional Road-E-O event. An allocation of \$6,000 is included for conference registrations and sponsorship.
3. The Authority will continue to assist Member Jurisdictions with preparation of the MRA (Maryland Recycling Act) recycling reports by gathering recycling information from large recyclers in the region. The Authority will complete this effort with internal staff.
4. Continue to offer reuse/recycling for municipally collected electronics from Member Jurisdiction Drop Off Sites, as well as 1) services such as coordinating the purchase and placement of semi-permanent, removable covered structures for electronics and 2) special collection events for Baltimore City Agencies, Offices and Schools, through the new Master Service Agreements and Confirmations. The following Member Jurisdictions will be using the Authority’s Master Service Agreements: Baltimore County, Carroll County, Frederick County, Howard County, Montgomery County, and Baltimore City (pending executing its Confirmation). The Authority will support other Member Jurisdictions that wish to utilize the Master Service Agreements. The Authority budgeted a contingency of \$5,000 for these efforts.

5. Authority Staff will investigate other opportunities for regional collaboration on recyclables processing, development of a regional MRF and organics processing, as requested by Member Jurisdictions. The Authority has not budgeted any funds for this effort, as support will be provided by staff.
6. Authority Staff will maintain Master Service Agreements and Confirmations with its textile collection and reuse and recycling vendor. The Authority budgeted a total of \$5,000 for these efforts. The following Member Jurisdictions will be using the Authority's Master Service Agreement: Baltimore County, Frederick County, Montgomery County, and Baltimore City. The Authority will support other Member Jurisdictions that wish to utilize the Agreements.
7. Authority Staff will maintain Master Service Agreements and Confirmations, its mattress and box spring collection and recycling vendor, for interested Member Jurisdictions. The following Member Jurisdictions will be using the Authority's Master Service Agreement: Baltimore County, Frederick County, Montgomery County, and Baltimore City. The Authority will support other Member Jurisdictions that wish to utilize the Agreements. The Authority has budgeted a total of \$5,000 for these efforts.
8. The Authority will reissue a Request for Expressions of Interest (REOI) for diverting certain reusable building materials/furniture/appliances/household goods for interested Member Jurisdictions. The Authority has budgeted a total of \$5,000 for these efforts.

Authority staff will develop a REOI for C&D (Shingles, Siding, Gypsum/Drywall, Carpet, Ceramic/Porcelain & Other C&D) Recycling for interested Member Jurisdictions. The Authority has not budgeted any funds for this effort.
9. The Authority maintains subscriptions to several market reporting services and provides data to the members. \$6,000 is budgeted for this support.
10. The Authority will host one or two social media seminars for members and is budgeting \$15,000 for the year.
11. The Authority will support the reviews by the Department of Legislative Services and the Maryland Environmental Service as a result of HB 161 (effective as of June 1, 2023). The Authority has budgeted \$25,000 for legal and accounting support services for this effort.
12. Authority staff will continue to conduct a REOI for solar development on solid waste sites and/or beneficial use of landfill gas for mainly small, closed and/or rural Member Jurisdiction landfills. The Authority has budgeted a total of \$5,000 for this effort.
13. Authority staff will provide assistance to Member Jurisdictions by establishing durable medical equipment reuse contracts, as desired, with Maryland Environmental Service (MES). The Authority has not budgeted any funds for this effort, as support will be provided by staff.
14. Authority staff will continue to work on a REOI/RFB for Rigid Expanded Polystyrene Foam, Polyurethane Foam, Polyethylene Foam and/or other Foam Recycling for interested Member Jurisdictions. The Authority has not budgeted any funds for this effort.

15. Authority staff will continue to manage the Master Service Agreement for tire collection and recycling services and conduct a new RFP for these services for interested Member Jurisdictions. The Authority has budgeted a total of \$5,000 for this effort.
16. Authority staff will continue to manage the Master Service Agreement for household hazardous waste management services for Member Jurisdictions. The Authority has budgeted a total of \$2,500 for this effort.
17. Authority staff will continue working on a REOI for plastic film recycling for interested Member Jurisdictions. The Authority has budgeted a total of \$2,500 for this effort.
18. Authority staff will continue to offer aerial landfill survey and reporting services to Member Jurisdictions, as needed.

REGIONAL ENERGY SALES & PURCHASE

The Authority budgeted \$25,000 for an on-call energy consultant to assist with the sales and purchases of energy by existing and any future projects. The Authority budgeted \$5,000 to continue its membership with PJM providing for participation in PJM Energy and Capacity Markets on behalf of Member Jurisdictions -- providing long-term financial benefits for the Authority and its Jurisdictions. The Authority will also maintain its registration with PJM for use of the GATS (Generation Attributes Tracking System), at \$1,000, in order to continue tracking the Renewable Energy Credits (RECs) certification, which allows those RECs to be sold.

The Authority has budgeted \$31,000 for this work.

REGIONAL LEGISLATIVE/REGULATORY INITIATIVES

The Authority will monitor legislation and regulations that affect solid waste, recycling, biosolids and energy production. The Authority will attempt to influence legislation and regulation when appropriate. The Authority has budgeted \$20,000 for this effort.

The Regional efforts described above are included in the Authority's Administrative budget under Regional Support.

The total amount budgeted for the regional activities listed above is \$143,000.

PROJECT FUNDS – Note: Jurisdictions will be consulted prior to the expenditure of any budget contingencies.

A. BALTIMORE CITY BRESKO CONTRACT MANAGEMENT

The BRESKO Project will be in its 40th year of operation. Authority staff will continue to focus on managing project contracts and assisting in monitoring the air pollution control retrofit.

The Authority has budgeted \$100,000 as general contingency for this effort.

C. HOWARD COUNTY - GENERAL

The Authority has budgeted \$100,000 for general contingency.

CA. HOWARD COUNTY WASTE EXPORT

1. Authority staff will continue to receive scale reports and tabulate monthly tonnages and work with the County Representative to verify Company invoices. The Authority will issue monthly invoices to the County.
2. Ensure compliance with and perform responsibilities in accordance with the Service Agreement and Waste Disposal Agreement, including the annual reporting and permit requirements, and complete annual contract renewals for both.
3. Make unannounced visits to the Annapolis Junction Transfer Station and review operations, as needed.
4. Minimize interference with the scheduled delivery of waste caused by shutdowns/delays of the Annapolis Junction Transfer Station and any other problems that arise.
5. Organize and perform the annual site visit and tour of the King George County Landfill and the Annapolis Junction Transfer Station with Authority and County staff to review operations and site conditions.

The Authority in coordination with County staff budgeted \$9,568,000 for Howard County in FY2025 for the waste export project.

CC. HOWARD COUNTY LANDFILL AND SOLAR PROJECT

The Authority developed a solar energy project at the New Cut Road Landfill and will provide contract management during FY 2025.

The Authority will provide energy management services and sales of energy from the Alpha Ridge Landfill (ARL) Gas-to-Electricity (LFGE) Facility and will certify and market RECs from the Facility.

Additional planning support and operations support at the County's landfills is budgeted at \$425,000. Such effort includes, \$20,000 for regulatory compliance support, \$30,000 for operations plan updates for ARL, \$90,000 for updates to LFG systems at ARL and New Cut Road Landfill, \$50,000 for New Cut landfill improvement designs, \$100,000 for groundwater projects, and \$35,000 for alarm systems. The Authority has budgeted \$100,000 as a general contingency for any emergency landfill projects that may arise.

The Authority is proposing a budget of \$300,000 to complete the Phase III design development of the organics composting facility at the Alpha Ridge Landfill and related work. The Authority is budgeting \$20,000 for sewage treatment plan updates. Additionally, the Authority is budgeting \$50,000 for the completion of an organics program benchmarking (organics sort) and evaluation project, which is ongoing into FY 2025.

The total budget is \$795,000, subject to annual appropriations.

D. HARFORD COUNTY - GENERAL

The Authority is budgeting \$150,000 for general contingency.

DA. HARFORD WTE PROJECT MANAGEMENT - GENERAL

The Harford WTE Facility ceased operations March 17, 2016. Salvage and Demolition of the structures (Phase 1) was completed in January of 2017, and Phase II was completed in September 2019. The Authority started work on Phase III of the demolition at the County's direction in FY 2023. Specific tasks planned for FY25, subject to County direction, are set forth below as follows:

1. Protect Authority and County interests and maintain working relations among the County, the Army and the Authority.
2. Market NOx offsets attributable to the closure of the Facility.
3. Work on the design, permitting, contracting and performance of Phase III of demolition of certain WTE infrastructure.

The Authority is budgeting \$10,000 for contingency.

DF. HARFORD COUNTY - LANDFILL

The Authority will continue to assist the County through a Memorandum of Understanding (MOU) with the MES with environmental monitoring (surface water monitoring and reporting, landfill gas monitoring and reporting, and support for other compliance and monitoring if requested) of the Bush Valley Landfill for FY 2025. A budget of \$89,000 is included to allow for the continuance of this work.

The Authority is budgeting \$189,000, which includes a contingency of \$100,000.

G. ANNE ARUNDEL COUNTY - GENERAL

The Authority is budgeting \$100,000 as a general contingency.

The Authority has a contract with Denali for the acceptance, processing, operation, permitting compliance, marketing and distribution of yard material organics at the County's composting facility. This includes annual Maryland Department of Agriculture (MDA) reporting, permit and site compliance, monthly invoicing, conducting site visits, contract renewals, as well as quarterly meetings with the Company, County and Authority to review all contract items, performance to date and future items of concern. The Authority may explore related, possible food scrap organics diversion pilot programs, if desired by the County. This project has a budgeted cost of \$868,368.

The Authority is budgeting \$41,575 for continued assistance with the marketing outreach for recycling.

A total of \$1,009,943 is budgeted.

GF. ANNE ARUNDEL COUNTY WASTE EXPORT

1. Authority Staff will continue to act as the Billing Agent for this effort. In such capacity, the Authority receives scale reports, tabulates monthly tonnages, and works with County representatives to verify Company invoices. The Authority will continue to issue monthly invoices to the County and act as the Billing Agent for the County, under the County's contract with the City of Annapolis, for household hazardous waste collection. In this capacity, Authority Staff work with employees at the City of Annapolis to track collection event tonnages, prepare invoices, monitor the accounts receivables and payables, and ensure that Anne Arundel County receives its cash credits in a timely manner. Authority Staff will continue to ensure compliance and perform annual responsibilities in accordance with the Service Agreement and Waste Disposal Agreement, including the annual reporting and permit requirements, as well as under the amendment extending the related City of Annapolis contract for household hazardous waste through June 30, 2027.
2. Make unannounced visits to the Annapolis Junction Transfer Station and review operations, as needed.
3. Minimize interference with the scheduled delivery of waste caused by shutdowns/delays of the Annapolis Junction Transfer Station and any other issues that might arise.
4. Organize and perform the annual site visit and tour of the King George County Landfill (planned for fall 2024) in addition to the Annapolis Junction Transfer Station (planned for spring 2025) with Authority and County staff to review operations and site conditions.

Organize semi-annual meetings with County, the Company, and the Authority to review operations and contract status. The Authority in coordination with County staff budgeted \$11,897,500 for Anne Arundel County in FY 2025 for the waste export project.

GL. ANNE ARUNDEL COUNTY LANDFILL GAS-TO-ELECTRICITY PROJECT

1. The Authority will manage the contract for the operation of the Millersville LFGE Project. Operations and maintenance costs for FY 2025 are budgeted at \$809,827.
2. The Authority will provide energy management services for energy and capacity sales and will certify and market RECs for the Millersville LFGE Project. A \$25,000 general contingency is budgeted for the project.
3. The Authority has budgeted \$630,000 for the major overhaul of caterpillar engines.

Total costs for FY2025 are \$1,464,827. The estimated revenues for FY 2025 are 820,000 in electricity sales, \$50,000 in capacity sales and \$700,000 in REC revenues. Net revenue budgeted for FY 2025 is \$1,570,000. Total budget for FY 25 is \$2,880,000.

I. BALTIMORE CITY COMPOST FACILITY PROJECT

The Compost Facility is in its 37th year of operation and is entering the last of two extension years. The Authority staff will continue to focus on managing project contracts. Specific tasks to be performed are:

1. Review tipping fee invoices and performance reports.
2. Review the monthly progress report, which contains the performance parameters report.
3. Assure compliance with notice and permit requirements.
4. Ensure that the contractor repairs and upgrades machinery, software and structures as needed.
5. Assist with capacity procurement, as requested by the City.

The Authority has included \$25,000 as a general contingency.

J. & JD. MONTGOMERY COUNTY RESOURCE RECOVERY FACILITY (RRF) PROJECT

The Montgomery County Facility will be in its 30th year of operation. Authority staff will continue to focus on managing Facility contracts and improving the project where possible. Specific tasks to be performed are:

1. Monthly invoicing among the Authority, the Company, Montgomery County, and Republic.
2. Manage and enforce all project contracts.
3. Monitor project performance and environmental compliance.
4. Continue inspections of the Facility and Transfer Station to ensure that Punchlist repairs are being made in a timely fashion. Continue to enlist the services of an expert third party engineering firm to monitor Facility operations and maintenance and recommend further improvements to the Facility.
5. Continue to monitor the electricity sales market and certify and market RECs as appropriate to maximize electricity revenues.

It is anticipated that the Authority will incur expenses for consultants, legal assistance and potentially equipment throughout the year. The following amounts are budgeted for these expenses for FY 2025.

Projected Authority Direct Expenses FY 2025

| | |
|--------------------------|-------------|
| Expenses and Equipment | \$10,000 |
| Insurance | \$10,000 |
| Permit Fees | \$50,000 |
| Consultants & Litigation | |
| Legal consultant | \$50,000 |
| Accounting | \$15,000 |
| Engineer | \$1,450,000 |
| Subtotal Authority Fee | \$1,585,000 |

In addition to projected direct expenses of the Authority above, Montgomery County will reimburse \$28,368,817 for payment of the Company's operating fee and costs. The total reimbursable amount from Montgomery County is \$29,953,817. This money will be reimbursed to the Authority under the Waste Disposal Agreement. The following table shows the estimated Revenues and Expenses for the project.

Montgomery County Resource Recovery Facility
Projected Expenses and Revenues - FY 2025

| | <u>Expenses</u> | <u>Revenues</u> |
|--|---------------------|---------------------|
| Authority Expenses, Equipment, Permits and Insurance | \$70,000 | |
| Consultants and Legal Assistance | \$1,515,000 | |
| Subtotal Authority Expenses | \$1,585,000 | |
| Reimbursement from County | | \$1,585,000 |
| Subtotal | \$1,585,000 | \$1,585,000 |
| | | |
| Solid Waste System | | |
| Operations and Maintenance | \$40,254,372 | |
| | | |
| Pass through Costs – Company and MES | \$2,231,848 | |
| Transportation and Disposal of Non-Processible Waste | \$4,902,761 | |
| Transportation and Disposal of Residue | \$0 | |
| Change Order 133 - Capital Expenditures | \$1,252,836 | |
| Revenues from Electricity, Ferrous, etc. | | \$13,893,000 |
| Renewable Energy Credits | | \$6,380,000 |
| Subtotal Solid Waste System | \$48,641,817 | |
| Reimbursement from County | | \$28,368,817 |
| Total | \$50,226,817 | \$50,226,817 |
| | | |
| Total Project Expenses | \$50,226,817 | |
| Less Revenue Credits | \$20,273,000 | |
| | | |
| Total Due from Montgomery County | \$29,953,817 | |

JB. MONTGOMERY COUNTY – ELECTRONICS COLLECTION AND REUSE/RECYCLING

The Authority’s electronics collection and reuse/recycling contract is \$0 to the County.

JE. MONTGOMERY COUNTY - GENERAL

The operations phase of the solar project procurement developed by the Authority is ongoing and the solar panels will continue to provide energy for use at the transfer station. The energy purchase costs from the solar panels are included in the waste-to-energy contract budget as the transfer station operator purchases the solar energy produced. The Authority is providing for a contingency budget of \$10,000 for the solar project.

For FY 2025 the Authority is providing a general contingency of \$125,000 in the event we are requested to assist in the further development of enhanced recycling/diversion programs.

The Authority started an electrical upgrade project in FY 2022, and this will continue in FY 2025. The Authority has budgeted \$533,632 for this effort. The Authority has budgeted \$2,218,160 for purchase and installation of new scales at the Transfer Station. \$167,400 is budgeted for ongoing structural analysis projects at the Transfer Station campus. The Authority will continue to support transfer station upgrade planning activities as directed by the County.

The Authority will continue to provide the County with support for its mattress and box spring collection and recycling program through contract management and performance monitoring of the contract. The amount budgeted is \$800,000 for residential and commercial material collection from the drop off site. The Authority will continue to provide the County with support for its textile collection and reuse/recycling program, through contract management and performance monitoring of the contract. The Authority has budgeted \$0 for this effort, as the contract does not have an associated charge for the service.

The total budget is \$3,854,192.

JG. MONTGOMERY COUNTY – GUDE REMEDIATION

During FY 2010, the Authority began assisting Montgomery County with the study and development of the remediation project at the Gude Landfill. Phase 1 of the study was completed in FY 2012. Phase 2 was completed in FY 2014. The Authority has budgeted \$1,085,662 for FY 2025 efforts for design support of the implementation of the corrective measures, and \$2,109,208 for the Construction Management Engineer services. The construction services are budgeted at \$16,891,100 reflecting the County’s approved CIP budget balance going into the year. Total for the Gude Remediation is \$20,085,970.

T. CARROLL COUNTY – GENERAL

The Authority has budgeted \$50,000 for program financing planning and general contingency. Additionally, the Authority has budgeted \$100,000 for HHW events. The total general budget is \$150,000.

TA. CARROLL COUNTY – LANDFILL

The Authority has budgeted \$100,000 for general contingency, including the management of the MSW transfer contract and the recyclables transfer station operations and transfer contract. Recyclables will continue to be processed under a separate contract. \$210,000 is budgeted for landfill support services, such as compliance monitoring and reporting. Through a contract with a procured engineer team, the Authority will continue the long range planning and design expansion of the Resource Recovery Park Northern Landfill in Westminster, which is budgeted at \$3,785,848.

The total FY25 budget is \$4,095,848.

W. BALTIMORE CITY - GENERAL

The Authority has budgeted \$300,000 for general contingency. The Authority will continue to assist the City in the preparation and execution of projects related to the Less Waste Better Baltimore plan, as requested by the City. The Authority will assist the City with the analysis and improvement implementation for OSHA compliance at the Kane Street Sanitation Yard, Western Sanitation Yard (Reedbird), and possibly other facilities, and is budgeting \$1,770,000 for this effort. The Authority will continue to support design and procurement efforts at Bowleys Lane Sanitation Yard. The budget reflects \$2,000,000, for this project.

The City has requested that the Authority purchase new transfer compactors at the Northwest Transfer station. The City has authorized the Authority to purchase up to three compactors at cost up to \$1,036,783 upon written direction from the City as to which compactor(s) to replace.

The Authority has budgeted \$302,210 for mattress and box spring collection and recycling, \$0 for textile collection and reuse/recycling, \$300,000 for tire recycling, and electronics collection and reuse/recycling (including large storage container purchase and special collection events) in the amount of \$195,378.

The Authority has budgeted \$5,000 to manage the organics collection/processing RFP/REOI from the City's five drop-off sites.

The total budget is \$5,909,371.

WC. BALTIMORE CITY QUARANTINE ROAD LANDFILL

The Authority will assist the City with ongoing repairs, environmental compliance monitoring, operations support, reporting, and strategic/tactical planning at the Quarantine Road Landfill. The Authority and the City executed a multi-year compliance MOU in December of 2018. The MOU was extended to December 2026 and re-funded with \$2,000,000 in FY24. The Authority has budgeted \$1,585,000 for this effort and has included a contingency budget of \$100,000, for a total of \$1,685,000.

X. BALTIMORE COUNTY GENERAL

The Authority has budgeted \$150,000 in general contingency to support County programming.

XA. BALTIMORE COUNTY SOLID WASTE STUDY GROUP SUPPORT

The Authority has budgeted \$2,405,578 for assistance with the implementation of the Tactical Plan recommendations, which include, \$175,000 for packer unit repair/replacement/upgrade (analysis and electrical mapping) and related facility evaluation at the Western Acceptance Facility, \$200,000 for the CAF Comprehensive MRF System Review and Recommendations Project, \$882,446 for bulk material residential curbside collection and special collection services, \$150,000 for electronics collection and reuse/recycling including the purchase of semi-permanent, removable covered structures for electronics coverage, \$248,132 for mattress and box spring collection/recycling (if funded by the County), \$0.00 for textile collection and reuse/recycling, \$50,000 for a solid waste sort, and \$700,000 for media advertising and outreach through an Authority contract.

XB. BALTIMORE COUNTY LANDFILL

Baltimore County has asked the Authority to assist with issues as they arise at the Landfill. The Authority is assisting Baltimore County with the design of the East Ditch Access Road for the ESL and has budgeted \$25,000 for this effort. The Authority has budgeted \$25,000 for annual tonnage reporting.

Baltimore County has asked the Authority to provide state and federal semi-annual and annual landfill gas reporting services at the Eastern Sanitary Landfill. The Authority has budgeted landfill gas reporting services of \$30,000. The Authority is managing an on-call contractor for expansion design and permitting services at ESL that started in FY '23 and is extending into FY '24 and FY '25. The Authority has budgeted \$202,881 for FY '25 for this effort. The Authority has budgeted \$250,000 for landfill monitoring services for FY '25.

The Authority budgeted \$155,000 as contingency to assist the County with other Baltimore County landfill services as they arise.

The total FY2025 budget for Baltimore County Landfill services is \$687,881.

Y. FREDERICK COUNTY

The Authority will continue to support Frederick County with managing the MSW transfer contract. Staff will continue to support Frederick County with managing the recyclables transfer and processing contracts.

The Authority has budgeted \$100,000 as contingency to assist the County with other management needs as they arise. An additional \$143,000 is budgeted for HHW events, for a total FY25 budget of \$243,000.

YC. FREDERICK COUNTY SOLAR

Frederick County requested that the Authority assist in development and management of a solar array at the Ballenger-McKinney wastewater treatment plant, including the selection of engineering services from the Authority's on call consultants and the procurement of the construction services for the array. The County received a grant from MDE for the project. The Authority oversaw the completion of the project and has budgeted \$50,000 for operations and maintenance efforts.

YD. FREDERICK COUNTY – REICHS FORD LANDFILL

The Authority will work with the County on the design/construction modification of the Frederick County Transfer Station and Processing Facility to safely and efficiently accommodate the manual unloading of smaller hauler vehicles. The Authority has budgeted \$1,150,000 for this retrofit.

The Authority has budgeted \$100,000 for the regulatory and compliance support related to Maryland's new methane rules. The Authority has also budgeted \$75,000 general contingency for potential assistance that may be requested by Frederick County during FY 2025. Total budget is \$1,325,000.

Z. PRINCE GEORGE'S COUNTY LANDFILL

The Authority will continue to market available RECs generated from the County's LFGE Projects for a 3.5% marketing fee. The Authority estimates its revenue share to be \$0 for these services in FY 2025.

The Authority will manage the electric output from the County's LFGE through its PJM accounts for a 1% marketing fee. The Authority estimates its revenue share to be \$0 for these services in FY 2025.

The Authority has budgeted \$10,000 for any legal or administrative expenses for FY 2025. Any expenses will be reimbursed by Prince George's County.

Appendix B. Draft Legislation

Bill No.: _____
Requested: _____
Committee: _____

Drafted by: Morgan
Typed by: Sumer
Stored – 10/23/24
Proofread by _____
Checked by _____

By: **Leave Blank**

A BILL ENTITLED

1 AN ACT concerning

2 **Northeast Maryland Waste Disposal Authority – Repeal**

3 FOR the purpose of repealing provisions of law relating to the Northeast Maryland Waste
4 Disposal Authority, subject to a certain contingency; requiring the Joint Committee
5 on Pensions to study and make recommendations for certain legislation; and
6 generally relating to the Northeast Maryland Waste Disposal Authority.

7 BY repealing

8 Article – Natural Resources

9 Section 3–901 through 3–929 and the subtitle “Subtitle 9. Northeast Maryland
10 Waste Disposal Authority”

11 Annotated Code of Maryland

12 (2023 Replacement Volume and 2024 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That Section(s) 3–901 through 3–929 and the subtitle “Subtitle 9. Northeast Maryland
15 Waste Disposal Authority” of Article – Natural Resources of the Annotated Code of
16 Maryland be repealed.

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) Section 1 of this Act is contingent on receipt of a statement of merger filed by

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the Northeast Maryland Waste Disposal Authority in accordance with § 3–924 of the
2 Natural Resources Article with the Secretary of State and the Department of Legislative
3 Services that provides for the transition of employees from the Northeast Maryland Waste
4 Disposal Authority to the Maryland Environmental Service.

5 (b) If the statement of merger is received by the Secretary of State and the
6 Department of Legislative Services on or before October 1, 2026, Section 1 of this Act shall
7 take effect on the date the statement of merger is received in accordance with subsection
8 (a) of this section.

9 (c) If the statement of merger is not received by the Secretary of State and the
10 Department of Legislative Services on or before October 1, 2026, Section 1 of this Act, with
11 no further action required by the General Assembly, shall be null and void.

12 SECTION 3. AND BE IT FURTHER ENACTED, That the Joint Committee on
13 Pensions shall:

14 (1) study and make recommendations for future legislation required to
15 transition employees of the Northeast Maryland Waste Disposal Authority to the Maryland
16 Environmental Service with respect to the Maryland State Retirement and Pension
17 System; and

18 (2) on or before October 1, 2026, submit a report to the General Assembly,
19 in accordance with § 2–1257 of the State Government Article, on the findings and
20 recommendations under item (1) of this section.

21 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
22 2 of this Act, this Act shall take effect October 1, 2025.