

RESOLUTION 25-08

ISSUANCE BY THE MARYLAND ENVIRONMENTAL SERVICE OF ITS REVENUE BONDS TO FUND COSTS OF CELL NUMBER 5 AND CELL NUMBER 1 OF THE MID-SHORE II REGIONAL LANDFILL AND RELATED COSTS AND MATTERS RELATING THERETO

FOR THE PURPOSE OF acknowledgment and acceptance by the County Commissioners of Queen Anne's County (the "County") of the planning, design, construction, equipping and operation of Cell Number 5 and Cell Number 1 of the Mid-Shore II Regional Landfill in Caroline County, Maryland by the Maryland Environmental Service (the "Service") and the issuance by the Service of its revenue bonds in a maximum original aggregate principal amount not to exceed \$28,000,000 for such purpose and related purposes as contemplated under the existing Waste Disposal Service Agreement (the "Service Agreement") between the Service and the County, as described herein; acknowledging the County's continuing obligations under the Service Agreement, and as described herein; authorizing the approval, execution and delivery of any additional documents, certificates or instruments related to the contemplated financing by the Service, including a continuing disclosure agreement; and generally relating to the issuance by the Service of such revenue bonds and the Service Agreement.

RECITALS

The Maryland Environmental Service (the "Service") was created by, exists under, and exercises the powers contained in Sections 3-101 through 3-130, inclusive, of the Natural Resources Article of the Annotated Code of Maryland, as replaced, supplemented or amended to date (the "Act"), including (among others) the powers (i) to borrow money and issue bonds or notes for the purpose of paying all or any part of the cost of any one or more "projects" (as defined in the Act) and to provide for the security of such bonds or notes and the rights of the holders thereof; and (ii) to enter into contracts with the federal or any state government, or any unit, instrumentality or subdivision thereof, or with any municipality or person within or without the State of Maryland, providing for or relating to any project of the Service. The County constitutes a "municipality" for purposes of the Act.

Pursuant to a Memorandum of Understanding dated February 4, 2005 (the "2005 MOU"), by and among the Service, the County, Talbot County, Maryland, County Commissioners of Caroline County, Maryland, and County Commissioners of Kent County (collectively, the "Mid-Shore Counties"), the Service agreed to proceed with the planning, design, permit acquisition, financing, construction and operation of the Mid-Shore II Regional Landfill (the "Mid-Shore II Landfill") located near Ridgely in Caroline County. The 2005 MOU included a provision that each of the Mid-Shore Counties would host an active solid waste disposal facility for 20 years.

The Service issued its \$18,275,000 Revenue Bonds (Mid-Shore II Regional Landfill Project), Series 2011, dated February 16, 2011 (the "Series 2011 Bonds") in order to finance the cost of the acquisition, design, construction and equipping of the first cell (Cell Number 4) at the Mid-Shore II Landfill and other costs as permitted by applicable law. The Series 2011 Bonds were

issued pursuant to an Indenture of Trust dated as of February 1, 2011 (the “Original Indenture”), between the Service and The Bank of New York Mellon, as trustee (the “Trustee”).

Prior to the issuance of the Series 2011 Bonds, the Service entered into a Waste Disposal Service Agreement (each, a “Service Agreement” and collectively, the “Service Agreements”) with each of the Mid-Shore Counties. Pursuant to the Service Agreements, the Mid-Shore Counties deliver to the Mid-Shore II Landfill the Acceptable Waste (as defined in the Service Agreements) generated within their respective boundaries and pay Tipping Fees (as defined in the Service Agreements) for each ton of Acceptable Waste that is delivered to the Mid-Shore II Landfill and Supplemental Fees (as defined in the Service Agreements) in the event that the Total Costs (as defined in the Service Agreements) of the Mid-Shore II Landfill exceed the Landfill Revenues (as defined in the Service Agreements).

Since the issuance of the Series 2011 Bonds, the Service has also issued (i) its \$4,500,000 Revenue Bonds (Mid-Shore II Regional Landfill Project), Series 2014, dated May 22, 2014 (the “Series 2014 Bonds”) in order to finance the cost of the acquisition, design, construction and equipping of the second cell (Cell Number 2) at the Mid-Shore II Landfill, (ii) its \$8,915,000 Revenue Bonds (Mid-Shore II Regional Landfill Project), Series 2018, dated August 8, 2018 (the “Series 2018 Bonds”) in order to finance the cost of the development and construction of Cell Number 3 of the Mid-Shore II Landfill, and (iii) its \$9,805,000 Refunding Revenue Bonds (Mid-Shore II Regional Landfill Project), Series 2020 (the “Series 2020 Bonds”) in order to refund the then-outstanding Series 2011 Bonds, and, in each case to the extent applicable, to fund other costs permitted by applicable law.

The Series 2014 Bonds were issued pursuant to the Original Indenture, as supplemented by that Supplemental Indenture of Trust dated as of May 1, 2014, between the Service and the Trustee (collectively, the “First Supplemented Indenture”). The Series 2018 Bonds were issued pursuant to the First Supplemented Indenture, as supplemented by that Second Supplemental Indenture of Trust dated as of August 1, 2018, between the Service and the Trustee (collectively, the “Second Supplemented Indenture”). The Series 2020 Bonds were issued pursuant to the Second Supplemented Indenture, as supplemented by that Third Supplemental Indenture of Trust dated as of September 1, 2020, between the Service and the Trustee (collectively, the “Existing Indenture”).

Pursuant to an Amended and Restated Memorandum of Understanding executed by the Service and each of the Mid-Shore Counties in July 2024 (the “2024 MOU”), the parties, among other things, agreed to extend the term for which the Service will accept solid waste at the Mid-Shore II Landfill beyond the initial 20-year period and align such term with the expected remaining life of the Mid-Shore II Landfill, which is currently expected to end in June 2042. The 2024 MOU also provides for (i) a Host Fee payment to Caroline County, (ii) agreements among the Service and the Mid-Shore Counties regarding the charging of Tipping Fees pursuant to the Service Agreements and surcharges and other fees, all of which will be deemed Landfill Revenues for purposes of the Service Agreements, and (iii) the implementation of other projects, including the designation of future solid waste disposal facility sites.

The Service has determined to issue Additional Bonds as permitted by the Existing Indenture in an original aggregate principal amount not to exceed Twenty-Eight Million Dollars (\$28,000,000.00) and with a final maturity date no later than seventeen (17) years after their date of issuance (the "Series 2025 Bonds") for the purpose of financing, reimbursing or refinancing all or a portion of the costs of the planning, design, construction, equipping and operation of Cell Number 5 and Cell Number 1 of the Mid-Shore II Landfill and other costs as permitted by applicable law. The Series 2025 Bonds will be issued as Additional Bonds pursuant to a Fourth Supplemental Indenture of Trust between the Service and the Trustee that supplements the Existing Indenture (the "Fourth Supplemental Indenture" and, together with the Existing Indenture, the "Indenture"), and will be payable from the revenues under the Service Agreements from the operation of the Mid-Shore II Landfill and other payments provided for in the Service Agreements (the "Service Agreements").

Capitalized terms used in this Resolution shall have the meanings given to such terms in these Recitals to the extent not defined in the Sections of this Resolution.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE COUNTY COMMISSIONERS OF QUEEN ANNE'S COUNTY, THAT:

Section 1. The County acknowledges and accepts the planning, design, construction, equipping and operation of Cell Number 5 and Cell Number 1 of the Mid-Shore II Landfill and the issuance of the Series 2025 Bonds for the purposes described in this Resolution, and acknowledges that the issuance by the Service of the Series 2025 Bonds for such purposes is contemplated under the Service Agreements (as Indebtedness, as referred to therein) and the Indenture (as Additional Bonds, as referred therein). It is acknowledged and agreed that the Series 2025 Bonds will be sold by the Service in such manner as the Service determines. This Resolution may be provided by the Service to the Trustee, bond counsel to the Service and any purchaser of the Series 2025 Bonds as evidence of the County's acknowledgment of and consent to the issuance of the Series 2025 Bonds.

Section 2. The County acknowledges and agrees that the Series 2025 Bonds constitute Indebtedness (as defined in the Service Agreements) under the Service Agreements and a part of Total Costs (as defined in the Service Agreements). It is further recognized that the County is obligated under its Service Agreement to pay its Proportionate Share (as defined in such Service Agreement) of the Total Costs in connection with the performance of its obligations under its Service Agreement, which Total Costs include (without limitation) costs of providing waste disposal services under such Service Agreement and debt service payments with respect to the Series 2025 Bonds and other Indebtedness.

Section 3. The Service Agreement of the County remains in full force and effect. Article I of the 2024 MOU provides that nothing therein shall be construed as an amendment to any Service Agreement.

Section 4. The President of the County Commissioners of Queen Anne's County and the Executive Assistant (the "Authorized Officials") are each hereby authorized and directed, on behalf of the County, to take any and all actions necessary or appropriate in connection with the

issuance of the Series 2025 Bonds, including (without limitation) the undertaking of continuing disclosure obligations in connection therewith and the approval, execution and delivery of all agreements, certificates, consents, assignments or other documents or instruments necessary or appropriate to consummate the issuance of the Series 2025 Bonds and the related matters contemplated under this Resolution. Other appropriate County officials are hereby authorized and directed, on behalf of the County, (i) to approve, execute and deliver closing certificates or instruments as to matters within the scope of their respective duties, obligations and responsibilities and (ii) to attest to the County seal.

Section 5. The Authorized Officials are each hereby authorized and directed, on behalf of the County, to review and approve, with such changes, omissions, insertions and revisions as they may deem desirable or necessary, the information contained in Appendix A of (i) the Preliminary Official Statement of the Service relating to the Series 2025 Bonds (as the same may be supplemented or amended by the Service, the "Preliminary Official Statement"), and (ii) the Official Statement of the Service relating to the Series 2025 Bonds (as the same may be supplemented or amended by the Service, the "Official Statement"), which information is to be in substantially the same form as in the Preliminary Official Statement, concerning the County and each are hereby authorized to approve, execute and deliver any documents and to take any and all other actions necessary to consent to the inclusion of the County's information and certify the accuracy thereof, included in such Preliminary Official Statement and/or Official Statement.

Section 6. The provisions of this Resolution shall be liberally construed in order to effect the transactions contemplated by this Resolution.

Section 7. If any provision of this Resolution is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Resolution which can be given effect without the invalid provision or application, and for this purpose the provisions of this Resolution are declared severable.

Section 8. This Resolution shall take effect from the day of its adoption.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

ADOPTED: July 22,, 2025

**COUNTY COMMISSIONERS OF
QUEEN ANNE'S COUNTY, MARYLAND**

ATTEST:

Stephanie Jarrell

Name: Stephanie Jarrell
Title: Executive Assistant

Christopher M. Corchiarino

Name: Christopher M. Corchiarino
Title: President of County Commissioners

Philip L. Dumenil

Name: Philip L. Dumenil
Title: Vice President of County Commissioners

Patrick McLaughlin

Name: Patrick McLaughlin
Title: Commissioner

James J. Moran

Name: James J. Moran
Title: Commissioner

Jack N. Wilson, Jr.

Name: Jack N. Wilson, Jr.
Title: Commissioner