


MEMORANDUM

FROM: Andrew Kays, Executive Director, 
Northeast Maryland Waste Disposal Authority

TO: Willie Wainer, Division Chief
Recycling and Resource Management Division
Montgomery County, MD

RE: Emergency Procurement in accordance with COMAR 14.13.01.12, extension of service with
Reworld Montgomery, Inc.

DATE: November 1, 2024

EXECUTIVE SUMMARY

Pursuant to the attached Letter dated May 31, 2024, from the Montgomery County MD (“County”) Executive, the Northeast Maryland Waste Disposal Authority (“Authority”) and its consulting engineer worked with County staff to negotiate an emergency extension of the current Service Agreement between the Authority and Reworld Montgomery, Inc. (“Company”), dated November 16, 1990, as amended, (the “Service Agreement”), hereafter the “Parties”, for the continued operations of the Transfer Station and Resource Recovery Facility (“RRF”, collectively the “Project”). As noted in the May 31, 2024 letter,

“The County intended to provide for solid waste management alternatives, that differ from the current waste management operations at the Transfer Station and the RRF, by April 2026. However, due to unexpected conditions and circumstances beyond the County’s control (including the pandemic, global/national economic forces and challenges in global supply chains that have impacted staffing activities, and the development/procurement of advanced diversion systems in the County), which the County could not reasonably foresee, such alternative disposal contracts will not be in place by April 2026. The County has determined that it is possible that the full implementation of the diversion plans could take up to 2031 to complete. As such, the County will need to continue to rely on the operation of the Transfer Station and RRF to manage the waste disposal aspect of the County’s system beyond 2026. Accordingly, the County needs to extend the term of the WDA (and have the term of the Service Agreement extended) for a five-year period from the date of termination to allow the County the necessary time to conduct competitive procurements and enter into contract(s) to implement the desired alternate waste disposal plans. The extensions of the WDA and the Service Agreement are necessary to avoid serious damage to the public health, safety, and welfare of the citizens of the County.”

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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



The extension is to be for a period of no more than five years from the end of the current term (April 1, 2026) under the provisions of COMAR 14.13.01.12. The Parties have reached an agreement in principle for the extension of the term, pursuant to the terms and conditions under the Service Agreement as presented in the attached draft Change Order 141. This agreement to extend services will also require an amendment to the Amended and Restated Waste Disposal Agreement, dated April 3, 2003 (“WDA”). The only material change to the Service Agreement is the end of the term under §12.2. All other terms and conditions, including the Termination for Convenience clause in § 11.6 of the Service Agreement remain in effect.

An emergency procurement is limited in scope to the extent necessary to avoid or to mitigate the damage to the environment or to health, safety, or welfare. As such, the extension of the Service Agreement is limited to five years, and there will be no renewal options.

The Parties worked through the summer to establish and refine a list of projects that the County will be responsible for the installation costs, with the Company responsible for the installation and maintenance of, through the extension period. The projects are planned for January 2025 – December 2027. As confirmed through the in-depth study of the RRF by Arcadis and via HDR Inc.’s (Authority consulting engineer) current ongoing review of operations, it has been determined that there are certain investments that need to be made to continue the safe and regulation compliant operations as the RRF is at the end of the planned term. A detailed breakdown of the projects is provided in the attached draft Change Order 141. Examples of projects at the RRF include (but are not limited to) the following:

- various boiler and waterwall tubes (safety & reliability),
- auxiliary gas burners (environmental/emissions control),
- baghouse replating and duct replacement (environmental/emissions control), and
- crane work (reliability).

Examples of projects/work at the Transfer Station include:

- refurbishment of rubber tired loaders
- repair of tipping floor concrete
- gantry crane overhaul

The estimated capital costs, not including any mark-ups, attributable to the County’s responsibilities under draft Change Order 141 are as follows:

Fiscal Year	Amount
2025	\$6.15M
2026	\$30.45M
2027	\$15.2M
2028	\$ 10.1M

The anticipated mark-up (as noted below) is estimated to be \$4.64M over the period.

The Authority has certain notice requirements that are activated by this project extension. A copy of the Authority’s Notice of Intent (NOI) requirement, presented as the draft NOI, is attached to this memorandum. The Authority and County OCA will continue to communicate to finalize the language in the NOI and to determine the date of issuance.

ACTION

The Authority is requesting (1) written confirmation of the County’s acceptance of the terms described herein in the attached draft Change Order 141; (2) written direction to proceed with the formal presentation of the extension to the Authority Board, to include the execution of Change Order 141 with the Company, and any required amendment to the WDA; and (3) written direction to proceed with the extension or negotiation of terms for related agreements critical for the operation of the RRF. Such related agreements include the Rail Transportation Contract CSXT 86070, the extension of the lease for access to the Transfer Station, and to extend the site access to the screenhouse for the provision of water to the RRF. The term of the larger Facility Site Agreement automatically terminates upon the earliest to occur of: (i) October 2, 2038; (ii) the Authority and the County sell the Facility Site; and (iii) the Facility Site is permanently shut down by the Authority and the County, ceasing all operations. At a time specified by the County, the Authority will also issue a Notice of Intent for this extension, as required under Maryland Code Natural Resources § 3-920.

Separately, the County will work to extend the ash disposal agreement that was assigned to the County on September 29, 2023.

BACKGROUND

The Authority and the Company entered into the Service Agreement, dated November 11, 1990 pursuant to which the Company agreed to design, engineer, construct, start-up, operate and maintain a refuse-to-energy, solid waste disposal facility with an installed capacity of 1800 tons-per-day of solid waste located in Dickerson, Maryland and certain improvements to the solid waste transfer station located in Derwood, Maryland. Under the extension, Reworld will still provide for the operation of the RRF and the solid waste transfer station under the Service Agreement. The Authority will provide continued oversight of the operations and represent the interests of the County in these operations. The County will provide direction to the Authority on the operations at both facilities.

The County plans for a new style of solid waste management. From the 31/05/2024 letter to the Authority:

... the “[County] is committed to a safe and efficient solid waste management system that provides for opportunities for increased diversion and recovery and cost efficient service for the residents and businesses in the County. The County continues to make great progress in meeting the goal of diverting larger portions of municipal solid waste before its final disposition.

These efforts include an on-going evaluation of advanced technologies that can be implemented at the County’s Transfer Station to separate and divert waste, secondary diversion technologies, resource recovery, as well as planning and design efforts for a new compost facility in the County. The County has multiple consultants under contract to support these efforts and expects to issue an RFP during Fiscal Year 2025 to update the mixed solid waste management processes in support of the County’s zero waste goals.”

While the County is actively engaged in this comprehensive planning and procurement process there is the recognized need to continue operations at the RRF to meet the needs of the County residents for waste management.

Notice requirements for the Authority. The Authority has notice requirements that are required under the proposed extension. The timetable for the notices is as follows:

For the Authority: Pursuant to Maryland Code Natural Resources § 3-920. Notice of intention to undertake project; adverse finding by subdivision.

- The parties reach an agreement in principle based on concurrence of the County, in writing.
- Once an agreement in principle is reached, the Authority will continue to work with the County to plan a specific date to send the attached draft Notice of Intent (“NOI”) to the County Executive and County Council.
- After a public hearing, the County either can object to the extension within 120 days OR approve the extension and notify the Authority within 120 days.
- If the County decides not to hold a public hearing, the County may affirmatively approve the NOI or do nothing and let the objection period (the 120 days from the date of the notice) lapse. If there is no objection to the extension after 120 days, the notice is deemed accepted and the change order is signed by the Parties (after Authority Board approval).

CHANGE ORDER SUMMARY

Below is a section-by-section analysis to aid in the reading of the attached draft Change Order 141.

1. Term: the only material change for the Service Agreement is the change of the end of Term under §12.2. The term is extended to April 1, 2031. This is the only extension allowed and is the maximum duration of the extension term. The County retains the right to terminate for convenience under §11.6 of the Service Agreement.
2. Process for identifying a qualifying project (“Capital Replacement and Refurbishment Projects”). The Parties worked through the project review process, based upon the experience of the Company, the on-the ground experience of HDR and the analysis performed by Arcadis (2023) to review the current operating status and to develop the list of Capital Replacement and Refurbishment Projects. The projects generally are:
 - a. in-kind replacements and/or major refurbishments of equipment or structures which cost \$75,000 or more
 - b. have a design life of at least 3 years and (i) that have exceeded (or are expected to exceed within 3 years) their expected useful life, or (ii) should be replaced to maintain facility operating conditions, and
 - c. the need for replacement is not due to lack of maintenance by the Company in accordance with the Service Agreement, or is due to improper operation beyond manufacturer warranty conditions.

Any Capital Replacement and Refurbishment Project proposed by the Company, or the Authority, shall be accompanied by a reasonable substantiation for such cost. This effort may include price proposals, engineer reports and review of the maintenance records for the Project (see at §4.11 of the Service Agreement).

3. All Capital Replacement and Refurbishment Projects, including those currently presented in the attached Draft Change Order, will require certain cost proposals to be reviewed and agreed to before the initiation of work. Once the costs and schedule are agreed to by the Parties, the Company shall move forward with scheduling and oversight of the project to completion, and then invoice for the

same under the current invoicing protocols under the Service Agreement at §5 of the Service Agreement.

4. All Capital Replacement and Refurbishment Projects shall be billed pursuant to the current invoicing protocols under the Service Agreement at §5 of the Service Agreement. Applicable costs may include the engineering, construction, installation, and oversight of the Company's personnel and subcontractors. Of note, the penultimate sentence of §8(c) is excluded from applying only to these Capital Replacement and Refurbishment Projects with the following notes:

Current penultimate sentence:

The adjustments and amounts described in the preceding clauses (i) through (v), inclusive, include only adjustments or amounts that (1) are not duplicative of other amounts paid to the Company, (2) are identified in writing to the Authority by the Company within 30 days after the Authority Representative provides the Company Representative with a written description of the proposed Change and any information in the Authority's control concerning the proposed Change that the Company reasonably requests and (3) the Company bears and meets the burden of establishing that (A) these cost increases were caused solely and directly by an Authority Change, (B) the Company used all reasonable efforts to mitigate any cost increases and (C) the increases do not include indirect costs of the Company such as lost profits or lost business opportunities related to the Authority Change.

Notes:

- (1) Is covered under the transmittal of this Change Order 141 and via the process for substantiating the Capital Replacement and Refurbishment Projects list in Change Order 141 §§ 2 and 5 as described above and below.
 - (2) Is covered under the transmittal of this Change Order 141 and via the process for modifying the Capital Replacement and Refurbishment Projects list in Change Order 141 §§ 2 and 5 as described above and below.
 - (3) (A) Is covered under the transmittal of this Change Order 141 and via the process for substantiating the Capital Replacement and Refurbishment Projects list in Change Order 141 as agreed to in principle.
(B) Is covered under the transmittal of this Change Order 141 and via the process for substantiating the Capital Replacement and Refurbishment Projects list in Change Order 141 §7 as described below.
(C) Is covered under the transmittal of this Change Order 141 and via the process for substantiating the Capital Replacement and Refurbishment Projects list in Change Order 141 §4 as described herein as limited to demonstrated costs and not the duplicative costs for personnel. As specified in § 8.1(c), the personnel costs applicable for charge exclude "...home office overhead and administrative expenses of the Company and its Affiliates and management expenses of the Company." Also, all accepted Capital Replacement and Refurbishment Project is subject to a mark-up of 107.5% of direct costs.
5. The Parties agreed that while the list as supplied in draft Change Order 141 is comprehensive and representative of the short-term investments needed for the Project, new issues may arise during the extension period. These new issues may come to the fore during planned repair/replacement efforts, or through a change in law. For the former, the Parties agree to work to review the issue at

hand, and that final approval will be in writing by the County after review of Company submittals. The Company covenants to not consolidate disparate projects into a single project request in order to meet certain threshold requirements for reimbursement. There is no modification to the Uncontrollable Circumstances provision of the Service Agreement under §9.8 and Schedule 16 at clauses (B), (C), (K) or (R), as it relates to a change in law.

6. The Parties agreed that typical maintenance replacements (e.g., wear parts on equipment) shall not qualify as Capital Replacement and Refurbishment Projects. Furthermore, the written acceptance of a Capital Replacement and Refurbishment Project does not relieve the Company of required maintenance for the project during the period leading to the final installation of the project.
7. The Company will continue to follow agreed upon purchasing guidelines for the planned work related to a Capital Replacement and Refurbishment Project. There may be cases when three proposals/bids cannot be obtained due to the unique nature of the Capital Replacement and Refurbishment Project. The Company will provide justification of the same to the County and Authority for consideration and written acceptance of the same. Emergency work that arises will require timely coordination, and the Parties agreed that a sole source procurement for certain work may be required, upon the written approval of the Authority.
8. Additionally, below are some provisions within the Service Agreement that already provide protections for the Company and processes to handle issues between the parties:

Section 14.15 - Dispute Resolution (parties must in good faith attempt to resolve all disputes; clear process is set forth for dispute resolution)

Section 5.4 – Late Payment (interest applies to late payments)

Section 8.1 (c) – Changes in Design, Construction or Operation (includes provisions to allow for the waiver or modification of obligations of the Company that the Company cannot perform because of an Authority Change, and to reduce, if appropriate, the amounts of Acceptable Waste and Processible Waste above which the Company may reject additional waste and tonnage targets)

Section 9.1 - Effect of Uncontrollable Circumstances (See also Schedule 16 for Definition of UCC)

Section 11.3 – Events of Default by the Authority (includes failure to pay amounts when due and the repeated failure to fulfill material obligations; notification and cure periods apply)

Section 11.4 - Termination on Default (either Party may terminate the Service Agreement while an Event of Default of the other Party exists; notification required)

9. Project purpose means that the agreed to projects ... “are reasonably intended to protect the health and safety of Company’s employees, the public at large, and the County’s interests.” This means that the projects to be undertaken, and paid for by the County, are related to the ongoing safe operation of the facility, such that the County’s waste system can be effectively and safely managed. This continued operation will allow the County time to finalize its transition to its planned alternative solid waste management programs.
10. The Parties agree that this draft Change Order 141 is subject to the current terms and conditions for Dispute Resolution as set forth in the Service Agreement at §14.15.
11. Limitations of funding under appropriations. The Parties understand that the County Council may reduce or not fund the Project at its discretion through the public budget approval process.

RECOMMENDED COURSE OF ACTION

The Authority is requesting (1) written confirmation of the County's acceptance of the terms described herein in the attached draft Change Order 141; (2) written direction to proceed with the formal presentation of the extension to the Authority Board, to include the execution of Change Order 141 with the Company and any required amendment to the WDA; and (3) written direction to proceed with the extension or negotiation of terms for related agreements critical for the operation of the RRF. These include the Rail Transportation Contract CSXT 86070, the extension of the lease for access to the Transfer Station, and to extend the site access to the screenhouse for the provision of water to the RRF. The term of the larger Facility Site Agreement automatically terminates upon the earliest to occur of: (i) October 2, 2038; (ii) the Authority and the County sell the Facility Site; and (iii) the Facility Site is permanently shut down by the Authority and the County, ceasing all operations. At a time specified by the County, the Authority will also issue a Notice of Intent for this extension, as required under Maryland Code Natural Resources § 3-920.

Attachments:

Letter from Authority to the Company stating agreement in principle (with May 31, 2024, letter from the County to the Authority and Draft Change Order 141)
Draft Notice of Intent

cc: Bruce Howie, *HDR*
Steve Lezinski, *B&L*
Steve Sprague, *NNWDA*
Lonnie Heflin, *Montgomery County*

ADM1198990KMU.DOCX

October 28, 2024

Mr. Tom DeMaio
Area Asset Manager
Reworld Montgomery, Inc
21204 Martinsburg Road
Dickerson, Maryland 20842

Via email only

Re: Service Agreement between the Northeast Maryland Waste Disposal Authority (the “Authority”) and Reworld Montgomery, Inc. (formerly Covanta Montgomery, Inc., and the “Company”) dated November 16, 1990, as amended (the “Service Agreement”) – Agreement in Principle for Extension of Term

Dear Mr. DeMaio:

The Company, the Authority and Montgomery County, Maryland (the “County,” and together with the Authority, the “County/Authority”), and collectively referred to as the “Parties,” engaged in good faith discussions and negotiations between June 24, 2024 and October 24, 2024 regarding the extension of the term of the Service Agreement. This Agreement in Principle Letter (“Letter”) memorializes the agreement in principle between the Parties regarding the extension of operations of the Resource Recovery Facility (RRF) and the Transfer Station (TS) beyond April 1, 2026.

1. These discussions were at the direction of the County in its May 31, 2024 letter to the Authority, in order to secure the extension of operations of the RRF and the TS until such time as the County’s development/procurement of advanced diversion systems are realized, but no later than April 1, 2031.
2. The discussions were based on the terms of the Emergency Procurement regulations (See COMAR 14.13.01.12), requiring that any extension of the Service Agreement must only address what is needed to rectify the emergency, and generally must be for a short, limited duration with no renewals. The Emergency Procurement is required to avoid damage to the environment, health, safety, and welfare of the County and its residents as the implementation of the County’s advanced diversion systems would not be completed by April 2, 2026, leaving the County with a service vacuum.
3. The Parties negotiated the attached draft Change Order to reflect their understanding of the terms regarding the extension of the Service Agreement.
4. The Parties acknowledge that neither this Letter, nor the attachments, constitute a final agreement, and that the County Council, County Executive, and Board of the Authority each need to take final action before execution of the attached Change Order.
5. The Parties agree that the terms and provisions of the Service Agreement remain unchanged and in full force and effect as of the date hereof.

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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



Mr. Tom DeMaio
Area Asset Manager
October 28, 2024
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Please indicate the Company's acceptance and agreement as to the status of negotiations as set forth above, and attached, by signing below and returning this Letter to my attention.

Sincerely,



Andrew Kays
Executive Director

Agreed to by Reworld Montgomery Inc:

Amir Hafzalla

Digitally signed by Amir Hafzalla
DN: cn=Amir Hafzalla, o=Reworld, email=ahafzalla@reworldwaste.com
Reason: I am the author of this document
Location:
Date: 2024.10.31 15:21:04.00

Name: Amir Hafzalla
Title: President, South Region
Date: 10/31/2024

Agreed to by Montgomery County:

Willie Wainer

Name: Willie Wainer
Title: Division Chief, Recycling and Resource Management Division
Date: 10/31/2024

Attachments:

May 31 letter from County to Authority
DRAFT CO 141
Project List



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

May 31, 2024

Mr. Andrew Kays, Executive Director
Northeast Maryland Waste Disposal Authority
Tower II, Suite 402
100 South Charles Street
Baltimore, Maryland 21201

Dear Mr. Kays:

Montgomery County, Maryland ("County") is committed to a safe and efficient solid waste management system that provides for opportunities for increased diversion and recovery and cost efficient service for the residents and businesses in the County. The County continues to make great progress in meeting the goal of diverting larger portions of municipal solid waste before its final disposition.

These efforts include an on-going evaluation of advanced technologies that can be implemented at the County's Transfer Station to separate and divert waste, secondary diversion technologies, resource recovery, as well as planning and design efforts for a new compost facility in the County. The County has multiple consultants under contract to support these efforts and expects to issue an RFP during Fiscal Year 2025 to update the mixed solid waste management processes in support of the County's zero waste goals.

The Amended and Restated Waste Disposal Agreement, dated April 3, 2003 ("WDA"), between the County and the Northeast Maryland Waste Disposal Authority ("Authority") provides that the Authority operates and maintains the Transfer Station and Resource Recovery Facility ("RRF") to manage the waste disposal aspect of the County's system terminates on April 1, 2026. Similarly, the correlating Service Agreement between the Authority and Reworld Montgomery, Inc. ("Reworld" or the "Company"), dated November 16, 1990, as amended, (the "Service Agreement") provides that Reworld agrees to fulfill the Authority's obligations to operate the Transfer Station and the RRF, terminates April 1, 2026. Since the Authority fulfills its obligations to the County under the WDA through the Service Agreement, the Authority acts under the direction of the County with respect to the Service Agreement.

The County intended to provide for solid waste management alternatives, that differ from the current waste management operations at the Transfer Station and the RRF, by April 2026. However, due to unexpected conditions and circumstances beyond the County's control (including the pandemic, global/national economic forces and challenges in global supply chains that have impacted staffing activities, and the development/procurement of advanced diversion systems in the County), which the County could not reasonably foresee, such alternative disposal contracts will not be

Mr. Andrew Kays, Executive Director

May 31, 2024

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in place by April 2026. The County has determined that it is possible that the full implementation of the diversion plans could take up to 2031 to complete. As such, the County will need to continue to rely on the operation of the Transfer Station and RRF to manage the waste disposal aspect of the County's system beyond 2026. Accordingly, the County needs to extend the term of the WDA (and have the term of the Service Agreement extended) for a five-year period from the date of termination to allow the County the necessary time to conduct competitive procurements and enter into contract(s) to implement the desired alternate waste disposal plans. The extensions of the WDA and the Service Agreement are necessary to avoid serious damage to the public health, safety, and welfare of the citizens of the County.

The County has had discussions with the Authority regarding extension of the operations contract for the Transfer Station and RRF. Based on the need to avoid serious damage to the public health, safety, and welfare, as well as to the environment, the Authority can conduct an Emergency Procurement in accordance with COMAR 14.13.01.12 to extend the Service Agreement with Reworld to allow the necessary time for the County to conduct a competitive procurement and implement alternative waste disposal contracts.

The County acknowledges emergency conditions exist as the County's planning and implementation of zero waste policies and programs were inhibited by events outside of the control of the County (as set forth above), and that this requested extension of the Service Agreement will be conducted by the Authority under the emergency procurement regulations found at COMAR 14.13.01.12.

Arcadis, Inc., a third-party engineering firm, conducted a Facilities Conditions Analysis of the RRF in 2023 and identified several items that will need to be repaired or replaced to maintain safe and efficient operations. As indicated by Arcadis, the cost and need for such improvements depend on the length of time of facility operations, and other factors still to be determined through discussions and negotiations with the Company. The County may share in the costs of the improvements and increased labor depending on successful good faith negotiations with the Authority and the Company regarding such costs, and contingent upon the approval of the County's budget.

In order to provide for stable operations and pursue efficiencies at the Transfer Station and RRF, and to mitigate damage to the public health, safety, welfare and to the environment, I approve the extension of the Waste Disposal Agreement between the Authority and Montgomery County, Maryland, from April 1, 2026 through April 1, 2031. Additionally, I approve and direct the Authority to extend the Service Agreement between the Authority and Reworld, Inc., from April 1, 2026 through April 1, 2031, under emergency extension provisions. This extension reflects the County's commitment to engage in meaningful good faith negotiations to reach an agreement that is satisfactory to the Company, the County, and the Authority regarding investments to address maintenance issues and increased labor costs to ensure the continued, safe, and efficient operations of the Transfer Station, and RRF, in accordance with the terms of the Service Agreement.

Sincerely,



Marc Elrich
County Executive

CHANGE ORDER NO. 141 TO SERVICE AGREEMENT

THIS CHANGE ORDER NO. 141 TO SERVICE AGREEMENT is made this ____ day of October, 2024 between Northeast Maryland Waste Disposal Authority (the “Authority”) and Reworld Montgomery, Inc. (formerly known as Covanta Montgomery, Inc. and herein, the “Company”).

RECITALS

- A. The Authority and the Company entered into an agreement, dated November 11, 1990 (as amended) (the “Service Agreement”) pursuant to which the Company has agreed to design, engineer, construct, start-up, operate and maintain a refuse-to-energy, solid waste disposal facility with an installed capacity of 1800 tons-per-day of solid waste located in Dickerson, Maryland and certain improvements to the Authority’s solid waste transfer station located in Derwood, Maryland.
- B. Per letter dated May 31, 2024, the Montgomery County Executive directed the Authority to extend the termination date of the Service Agreement from April 1, 2026 to April 1, 2031, under emergency extension provisions in accordance with COMAR 14.13.01.12.
- C. The Parties have agreed to make changes with respect to the expected future investments by the Authority to ensure the continued safe and efficient operations of the Transfer Station and the Facility.
- D. As set forth below, the Parties have reached an agreement with respect to an increase in the funds for major maintenance at the Facility.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Section 12.2., Renewal, of the Service Agreement is amended to extend the Term of the Service Agreement to April 1, 2031.
2. Capital Replacement and Refurbishment Projects will include all in-kind replacements and/or major refurbishments of equipment or structures which cost \$75,000 or more, have a design life of at least 3 years and (i) that have exceeded (or are expected to exceed within 3 years) their expected useful life, or (ii) should be replaced to maintain facility operating conditions provided that in the case of projects proposed to be replaced pursuant to this clause (ii), and the need for replacement is not due to lack of maintenance by the Company in accordance with the Service Agreement, Prudent Industry Practices and as prescribed in its respective Operation and Maintenance

Manual, or is due to improper operation beyond manufacturer warranty conditions. Obsolescence of installed equipment that is no longer supported by the original equipment manufacturer and where replacement or spare parts are not otherwise available may be considered as a Capital Replacement and Refurbishment Projects. Any proposed Capital Replacement and Refurbishment Projects will be accompanied by reasonable substantiation for such project. An initial list of Capital Replacement and Refurbishment Projects is set forth on Attachment A.

3. The Company shall be responsible for completing the design, engineering, installation/construction, and oversight of all Capital Replacement and Refurbishment Projects. The specific projects, including cost proposals, will be agreed upon by both parties prior to implementing each project.
4. Notwithstanding any other provisions set forth in the Service Agreement, commencing immediately and throughout the remainder of the Term of this Service Agreement, including any renewal terms, the Authority shall pay Company for all Capital Replacement and Refurbishment Projects. The specifics of each Capital Replacement and Refurbishment Project, including cost proposals, will be agreed upon by the Parties prior to implementing each project. Company shall invoice the Authority for the Capital Replacement and Refurbishment Projects in a manner consistent with Company's monthly invoice to the Authority under the Service Agreement for costs incurred during such month, which invoice shall at a minimum include the vendor's invoice and reasonable substantiation of expenses incurred by the Company. These expenses may include the engineering, construction, installation, and oversight of the Company's personnel and subcontractors. All Capital Replacement and Refurbishment Projects, as undertaken by the Parties, shall be invoiced in a manner consistent with Section 8.1(c) (excluding the penultimate sentence in that Section) at 107.5% of direct costs.
5. Any changes to Attachment A must be in writing and approved by the Parties. Any new task or project requested by the Company must be approved by the County, in writing, prior to commencement to be eligible for reimbursement. The County should be afforded a reasonable amount of time to review and respond to any requests by the Company. The Company shall not aggregate or "bundle" unrelated projects.
6. The Parties agree that nomination of a Capital Replacement and Refurbishment Project is not to be used for minor equipment replacements that fall under the category of normal or routine maintenance per manufacturer's recommendations and generally accepted industry practices, nor shall the tentative approval of a candidate be reason to cease or minimize required maintenance up until the time of actual replacement.
7. All purchases of items by the Company constituting Capital Replacement and Refurbishment Projects shall be in accordance with purchasing guidelines approved, in writing, by the Authority. Unless Company can demonstrate a compelling reason to sole-source equipment or services to a particular vendor, normal bidding practices

shall prevail with three bids from qualified vendors the standard practice, unless waived by written Authority approval.

8. To the extent the Authority fails to timely pay for Capital Replacement and Refurbishment Projects on agreed to projects, such failure shall constitute an Event of Default by the Authority under Section 11.3 of the Service Agreement. To the extent the Authority fails to approve a Capital Replacement and Refurbishment Project that materially impedes the ability of Company to meet the Performance Standards, such failure to approve shall relieve Company from such Performance Standard in accordance with Section 8.1 (c) of the Service Agreement (excluding the penultimate sentence in that Section), to the extent the Company would have been able to meet the Performance Standards if such Capital Replacement and Refurbishment Project had been implemented; provided such failure is not a result of Company's failure to maintain or operate the Project in accordance with the Service Agreement.
9. The Capital Replacement and Refurbishment Projects are reasonably intended to protect the health and safety of Company's employees, the public at large, and the County's interests.
10. The Authority and the Company agree that all the provisions of this Change Order No. 141 To Service Agreement are subject to Section 14.15, Dispute Resolution, as set forth in the Service Agreement.
11. The Parties acknowledge that although the Department of Environmental Protection and the County Executive Branch do not control the final appropriations with respect to Fiscal Year budgets, the County shall use its best efforts to ensure that final budgetary appropriations for the applicable Fiscal Years are consistent with this Change Order 141.

Capitalized terms used but not defined in this Change Order 141 have the meanings given such terms in the Service Agreement.

This Change Order 141 is effective as of October 1, 2024 (the "Effective Date").

This Change Order 141 does not change the Performance Standards of the Service Agreement.

All of the terms and provisions of the Service Agreement not changed hereby remain unchanged and in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the Authority and the Company have executed and delivered this Change Order No. 141 as of the date first written above.

NORTHEAST MARYLAND WASTE DISPOSAL AUTHORITY

Attest: _____ By: _____
Andrew Kays
Executive Director

REORLD MONTGOMERY, INC. (formerly, COVANTA MONTGOMERY, INC.)

Attest: _____ By: _____
Reworld Montgomery, Inc. Representative

On behalf of Montgomery County, Maryland, I hereby approve the execution of this Change Order by the Authority pursuant to Section 6.2 (B) of the Waste Disposal Agreement between the Authority and the County dated November 19, 1990, as amended.

Date: _____ By: _____
County Representative

Item No.	Description and Notes	Total Cost	FY25	FY26	FY27	FY28
1	Refuse Cranes Festoon Replacement	\$ 370,000	\$ -	\$ -	\$ 370,000	\$ -
2	Replace Stoker controls & hydraulic upgrades (500k per unit)	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -	\$ -
3	Unit 1 Replace Stoker Transverse Frames, Feeders	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
4	Unit 2 Replace Stoker Transverse Frames, Feeders	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
5	Unit 3 Replace Stoker Transverse Frames, Feeders	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000	\$ -
6	Unit 1 Feed Chute Replacement	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -
7	Unit 2 Feed Chute Replacement	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -
8	Unit 3 Feed Chute Replacement	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -
9	Unit 1 2nd Pass Roof elevation 15' to Hdr	\$ 568,000	\$ -	\$ -	\$ 568,000	\$ -
10	Unit 1 2nd Pass Upper Division Wall (T1-20, 20' Panel)	\$ 225,000	\$ -	\$ 225,000	\$ -	\$ -
11	Unit 1 2nd Pass Upper Left Wall	\$ 253,000	\$ -	\$ -	\$ 253,000	\$ -
12	Unit 1 2nd Pass Upper Rear Wall	\$ 915,000	\$ -	\$ 915,000	\$ -	\$ -
13	Unit 1 2nd Pass Upper Right Wall	\$ 253,000	\$ -	\$ 253,000	\$ -	\$ -
14	Unit 1 Econ Bundle #1 Replacement	\$ 335,000	\$ -	\$ 335,000	\$ -	\$ -
15	Unit 1 Finishing SH Replacement	\$ 600,000	\$ -	\$ -	\$ -	\$ 600,000
16	Unit 1 Furnace Middle Rear Wall Elev. 46'-58'	\$ 521,000	\$ -	\$ 521,000	\$ -	\$ -
17	Unit 1 Furnace Roof	\$ 523,000	\$ -	\$ 523,000	\$ -	\$ -
18	Unit 1 Furnace Upper Front Wall 64' to 85'	\$ 753,000	\$ 753,000	\$ -	\$ -	\$ -
19	Unit 1 Intermediate SH Replacement	\$ 600,000	\$ -	\$ -	\$ -	\$ 600,000
20	Unit 1 Lower Furnace Front Wall Ignition Roof to Elev. 65'	\$ 726,000	\$ -	\$ 726,000	\$ -	\$ -
21	Unit 1 Lower Furnace Rear Wall Elev. 28'-58' (Burn Out Roof)	\$ 1,017,000	\$ -	\$ -	\$ -	\$ 1,017,000
22	Unit 1 Upper Furnace Left Wall Header to Elev. 58'	\$ 470,000	\$ -	\$ 470,000	\$ -	\$ -
23	Unit 2 2nd Pass Lower Division Wall 50' to 63'	\$ 167,000	\$ -	\$ -	\$ -	\$ 167,000
24	Unit 2 2nd Pass Roof elevation 15' to Hdr	\$ 568,000	\$ -	\$ -	\$ 568,000	\$ -
25	Unit 2 2nd Pass Upper Division Wall (T1-20, 20' Panel)	\$ 225,000	\$ -	\$ 225,000	\$ -	\$ -
26	Unit 2 2nd Pass Upper Left Wall	\$ 253,000	\$ -	\$ 253,000	\$ -	\$ -
27	Unit 2 2nd Pass Upper Right Wall	\$ 253,000	\$ -	\$ 253,000	\$ -	\$ -
28	Unit 2 Econ Bundle #1 Replacement	\$ 335,000	\$ -	\$ 335,000	\$ -	\$ -
29	Unit 2 Finishing SH Replacement	\$ 900,000	\$ 900,000	\$ -	\$ -	\$ -
30	Unit 2 Furnace Middle Rear Wall Elev. 46'-58'	\$ 521,000	\$ -	\$ -	\$ -	\$ 521,000
31	Unit 2 Furnace Roof Elevation 3' to 15'	\$ 523,000	\$ -	\$ 523,000	\$ -	\$ -
32	Unit 2 Furnace Upper Front Wall (T1-100, from roof tangent elv 85'-65')	\$ 753,000	\$ -	\$ 753,000	\$ -	\$ -
33	Unit 2 SH Roof Replacement	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ -
34	Unit 2 Lower Furnace Front Wall Ignition Roof to Elev. 65'	\$ 726,000	\$ -	\$ 726,000	\$ -	\$ -
35	Unit 2 Lower Furnace Rear Wall	\$ 1,017,000	\$ -	\$ -	\$ -	\$ 1,017,000
36	Unit 2 Lower Furnace Right Wall Header to Elev. 33' to 58'	\$ 467,000	\$ -	\$ 467,000	\$ -	\$ -
37	Unit 3 2nd Pass Upper Rear Wall and CZ Terminal Tubes Elevation 74'0" to 88'	\$ 915,000	\$ -	\$ 915,000	\$ -	\$ -
38	Unit 3 2nd Pass Lower Division Wall 50'-63'	\$ 160,000	\$ -	\$ -	\$ -	\$ 160,000
39	Unit 3 2nd Pass Upper Division Wall (T1-20, 20' Panel)	\$ 225,000	\$ -	\$ -	\$ 225,000	\$ -
40	Unit 3 2nd Pass Upper Left Wall	\$ 253,000	\$ -	\$ -	\$ 253,000	\$ -
41	Unit 3 2nd Pass Upper Right Wall	\$ 253,000	\$ -	\$ 253,000	\$ -	\$ -
42	Unit 3 Econ Bundle #2 Replacement	\$ 335,000	\$ -	\$ -	\$ 335,000	\$ -
43	Unit 3 Econ Bundle #1 Replacement	\$ 335,000	\$ -	\$ -	\$ 335,000	\$ -
44	Unit 3 Finishing SH Replacement	\$ 900,000	\$ -	\$ -	\$ 900,000	\$ -
45	Unit 3 Furnace Middle Rear Wall Elev. 46'-58'	\$ 521,000	\$ -	\$ 521,000	\$ -	\$ -
46	Unit 3 Furnace Roof	\$ 523,000	\$ -	\$ -	\$ 523,000	\$ -
47	Unit 3 Furnace Upper Front Wall Elev 64'-85'	\$ 752,000	\$ 752,000	\$ -	\$ -	\$ -
48	Unit 3 Intermediate SH Replacement	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ -
49	Unit 3 Lower Furnace Front Wall Elev. 41'-64'	\$ 726,000	\$ -	\$ 726,000	\$ -	\$ -
50	Soot Blower Replacements (lks 24k ea, G9Bs 8k ea, 10 per year)	\$ 1,280,000	\$ 340,000	\$ 470,000	\$ 470,000	\$ -
51	Unit 1 Superheater Hopper Replacements	\$ 500,000	\$ -	\$ -	\$ 200,000	\$ 300,000
52	Unit 3 Superheater Hopper Replacements	\$ 400,000	\$ 200,000	\$ 200,000	\$ -	\$ -
53	Unit 2 Superheater Hopper Replacements	\$ 600,000	\$ -	\$ 200,000	\$ -	\$ 400,000
54	Unit 1 ID Fan Expansion Joint Replacement (U2 in '27, U3 in '28)	\$ 95,000	\$ -	\$ -	\$ 95,000	\$ -
55	Unit 1 Replace Gas Burners	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -
56	Unit 2 Replace Gas Burners	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -
57	Unit 3 Replace Gas Burners	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -
58	Unit 1 Scrubber Cone Replacement	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -
59	Unit 2 Scrubber Cone Replacement	\$ 420,000	\$ -	\$ 420,000	\$ -	\$ -
60	Unit 3 Scrubber Cone Replacement	\$ 435,000	\$ -	\$ 435,000	\$ -	\$ -
61	Baghouse Cell Plating - Reskin with SS	\$ 2,270,000	\$ 560,000	\$ 660,000	\$ 550,000	\$ 500,000
62	Unit 2 Bag House Inlet & Outlet Duct	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -
63	Unit 3 Bag House Inlet & Outlet Duct	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -
64	Rev Air Duct Replacements (All 3 units)	\$ 900,000	\$ 900,000	\$ -	\$ -	\$ -
65	Unit 3 Lower Furnace Left Wall Header to Elev. 33' to 58'	\$ 460,000	\$ -	\$ 460,000	\$ -	\$ -
66	Unit 3 Lower Furnace Rear Wall Elev. 28'-58' (Burn Out Roof)	\$ 1,017,000	\$ -	\$ 1,017,000	\$ -	\$ -
67	Unit 3 Upper Furnace Left Wall Header to Elev. 58'	\$ 470,000	\$ -	\$ -	\$ 470,000	\$ -
68	Unit 3 Upper Furnace Right Wall Header to Elev. 58'	\$ 470,000	\$ -	\$ 470,000	\$ -	\$ -
69	Unit 1 Econ Outlet Duct X-joint Replacement	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ -
70	Unit 3 Econ Outlet Duct X-joint Replacement	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -
71	Unit 1 Stack Inlet Duct Replacement	\$ 425,000	\$ -	\$ 425,000	\$ -	\$ -
72	Unit 2 Stack Inlet Duct Replacement	\$ 425,000	\$ -	\$ 425,000	\$ -	\$ -
73	Turbine Major	\$ 1,848,000	\$ -	\$ -	\$ 1,848,000	\$ -
74	Replace Main Condenser	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ -
75	Ash Screw Conveyor Replacements (\$48k ea x 10 per unit, 5 per year)	\$ 600,000	\$ -	\$ 300,000	\$ 300,000	\$ -
76	Unit 1 Ash Discharger vib pan replacement	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ -
77	Replace Residue Cranes	\$ 350,000	\$ -	\$ 350,000	\$ -	\$ -
78	Residue Crane Bucket	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -
79	Electrical infrastructure upgrades	\$ 124,500	\$ -	\$ 62,500	\$ 62,000	\$ -
80	Bailey DCS Obsolescent Hardware Upgrade	\$ 1,100,000	\$ -	\$ 850,000	\$ 250,000	\$ -
81	Fire System upgrades	\$ 450,000	\$ 450,000	\$ -	\$ -	\$ -
82	Building Services (HVAC, Doors, Floors, Siding...etc)	\$ 375,000	\$ -	\$ 125,000	\$ 125,000	\$ 125,000
83	Rail & Tie Replacement	\$ 925,000	\$ 100,000	\$ 450,000	\$ 225,000	\$ 150,000
84	Mobile Equipment (Tractors and Chasis)	\$ 735,000	\$ 260,000	\$ 475,000	\$ -	\$ -
85	Riddling Chutes	\$ 550,000	\$ -	\$ 300,000	\$ -	\$ 250,000
86	Grate OH Labor and Prts (2/1/3)	\$ 3,680,000	\$ -	\$ 1,290,000	\$ 1,290,000	\$ 1,100,000
87	Circ Water Pump Overhauls	\$ 232,500	\$ -	\$ 232,500	\$ -	\$ -
88	A BFP Overhaul	\$ 175,000	\$ -	\$ 175,000	\$ -	\$ -
89	C BFP Turbine End Overhaul	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -
Total		\$ 53,212,000	\$ 5,350,000	\$ 25,590,000	\$ 14,365,000	\$ 7,907,000

Item No.	Description and Notes	Total Cost	FY25	FY26	FY27	FY28
1	H7 2010 Full refurbNew M980 loader	\$ 550,000	\$ -	\$ 550,000	\$ -	\$ -
2	Chassis x6 county	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ -
3	M1 2018 overhauls transmission engine	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -
4	M2 2018 ovrhauls transmission / engine	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -
5	East 2015 Over hauls	\$ 550,000	\$ -	\$ -	\$ -	\$ 550,000
6	West 2010 Over hauls	\$ 555,000	\$ -	\$ 555,000	\$ -	\$ -
7	Com #3 Full replacement	\$ 2,550,000	\$ 250,000	\$ 2,300,000	\$ -	\$ -
8	Tipping floor concrete	\$ 350,000	\$ 200,000	\$ 150,000	\$ -	\$ -
9	Yard trucks used x4	\$ 485,000	\$ -	\$ 485,000	\$ -	\$ -
10	Chassis New x10 covanta	\$ 320,000	\$ -	\$ -	\$ -	\$ 320,000
11	Containers addl basd on age maint. Not new/ or full refurbs	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
12	Dozer r model 1998 Full rebuilds	\$ 385,000	\$ -	\$ -	\$ 385,000	\$ -
13	Tipping floor concrete Pit	\$ 450,000	\$ -	\$ 300,000	\$ 150,000	\$ -
14	Fire system over haul / auto water guns ?	\$ 500,000	\$ 100,000	\$ 400,000	\$ -	\$ -
15	M3 2022 over hauls	\$ 386,345	\$ -	\$ -	\$ -	\$ 386,345
16	DOT M4 2022 over hauls	\$ 386,345	\$ -	\$ -	\$ -	\$ 386,345
17	Com #2 overhaul	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
18	Sewage pump injection	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -
Total		\$ 8,637,690	\$ 800,000	\$ 4,860,000	\$ 835,000	\$ 2,142,690

DRAFT

November XX, 2024

**VIA HAND DELIVERY AND
CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

The Honorable Marc Elrich, County Executive
Office of the County Executive
101 Monroe Street, 2nd Floor, Rockville MD 20850

Ms. Sara Tenenbaum, Clerk of the Council
County Council
Council Office Building
100 Maryland Avenue, 6th Floor
Rockville, MD 20850

Re: Notice of Intent – Emergency Procurement in accordance with COMAR 14.13.01.12, extension of service with Reworld Montgomery, Inc.

Dear County Executive Elrich and Clerk of the Council Tenenbaum:

The Northeast Maryland Waste Disposal Authority (the “Authority”), in accordance with Section 3-920 of the Northeast Maryland Waste Disposal Authority Act hereby formally notifies Montgomery County, Maryland (the “County”) of its intention to undertake an extension of the Service Agreement with Reworld Montgomery, Inc. for the Project, as set forth below, under an emergency procurement in accordance with COMAR 14.13.01.12. After consultation with County staff, the Authority has determined to forward this Notice of Intent at this time. This extension will allow the County the flexibility and time to implement the desired alternate waste disposal plans via competitive procurement(s).

This Notice of Intent is made pursuant to Section 3-920 of the Northeast Maryland Waste Disposal Authority Act (Section 3-901 *et. seq.* of the Natural Resources Article of the annotated Code of Maryland) which provides that the Authority may not install or materially extend a project located in the County without filing a formal Notice of Intent (Exhibit A).

The Project is located at 21204 Martinsburg Rd. Dickerson, MD 20842 for the Resource Recovery Facility (RRF) and certain operations at the Shady Grove Transfer Station at 16101 Frederick Road, Derwood, MD 20855. The property boundary for the RRF is presented in Figure 1, found in Exhibit B.

The Honorable Marc Elrich
Ms. Sara Tenenbaum
<DATE>
Page 2

The negotiation to extend the termination date of the project has been developed in cooperation with the County. The extension of services will be to no later than April 1, 2031. The County will retain the right to termination for convenience per the Service Agreement.

Approval of this Notice of Intent can be accomplished by an affirmative vote of the County Council. Alternatively, the Notice of Intent will be considered approved if no action is taken for 120 days after receipt by the County of this Notice of Intent.

If I can answer any questions or be of assistance regarding this matter, please contact me.

Sincerely,

Andrew Kays
Executive Director

Attachments

cc:

The Honorable Andrew Friedson (Chief of Staff: Cindy Gibson)
The Honorable Kate Stewart (Chief of Staff: Cicely Thorne)
The Honorable Evan Glass (Chief of Staff: Valeria Carranza)
The Honorable Gabe Albornoz (Chief of Staff: Beth Shuman)
The Honorable Marilyn Balcombe (Chief of Staff: Lisa Mandel-Trupp)
The Honorable Natali Fani-González (Chief of Staff: Thomas Heyboer)
The Honorable Will Jawando (Chief of Staff: Michelle Whittaker)
The Honorable Sidney Katz (Chief of Staff: Sharon Ledner)
The Honorable Dawn Ludtke (Confidential Aide: Aaron Kraut)
The Honorable Kristin Mink (Chief of Staff: Chris Wilhelm)
The Honorable Laurie-Anne Sayles (Chief of Staff: Victoria Tajzai)
Council Executive Director Craig Howard
Richard Madaleno, Chief Administrative Officer
Fariba Kassiri, Deputy Chief Administrative Officer
Ken Hartman, Assistant Chief Administrative Officer
Jon Monger, Director, Department of Environmental Protection
Jeffrey Seltzer, Deputy Director, Department of Environmental Protection
Willie Wainer, Division Chief, Recycling and Resource Management, Department of Environmental Protection
Trevor Ashbarry, Esq., Office of the County Attorney
Terrilyn Books, Esq., Office of the County Attorney

Maryland Code- Natural Resources

§ 3-920. Notice of intention to undertake project; adverse finding by subdivision.

Prior to the acquisition, construction, leasing or installation of a project or the material extension of an existing project, the Authority shall deliver or mail by certified mail a notice of its intention to undertake such project or extension of a project to the chief executive officer of the county in which such project is or is to be located and to the secretary or clerk of the board of county commissioners or the legislative body of such county (as the case may be). The Authority shall not acquire, construct, lease, or install a project or materially extend any existing project if the board of county commissioners, the city council, or the county council (as the case may be) of the county in which such project is or is to be located advises the Authority, within 120 days following the date of the notice required in this section, that it has found that, after a public hearing which has been advertised in a newspaper of general circulation in the affected county at least 14 days prior to such hearing and after considering the recommendations of the chief executive officer of the county and such other facts as it deemed relevant and material, such acquisition, construction, leasing, installation, or extension would be contrary to the best interests of the residents of such county because it would be contrary to the health, safety and welfare of the citizens of such county by reason of (i) the impact of such project on the environment, or (ii) a conflict of such project with the master plan of the county, or (iii) such other facts concerning such project or effects of such project as such legislative body shall find would have an adverse effect on such health, safety and welfare. (1980, ch. 871)

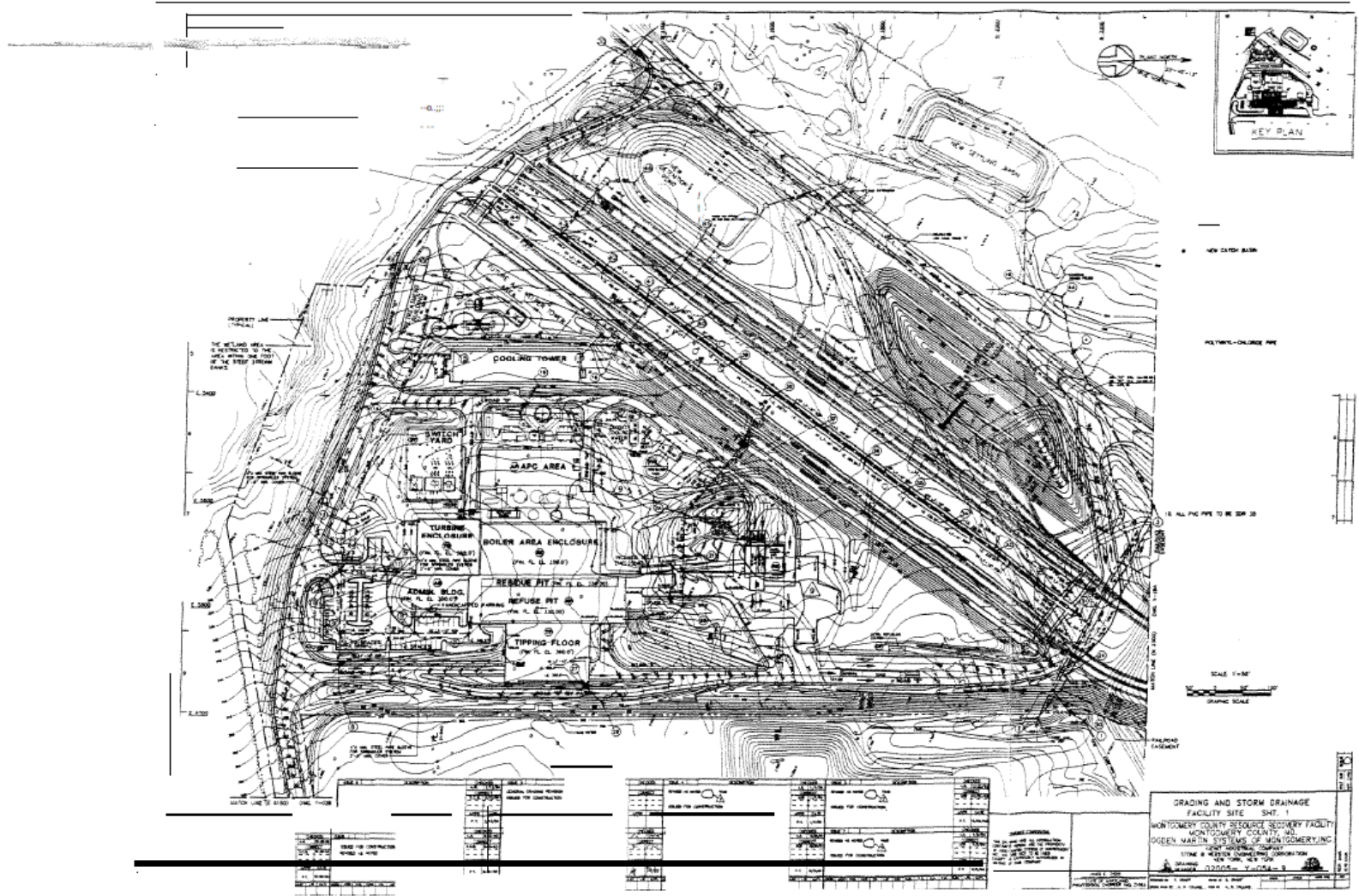
**Montgomery County Resource Recovery Facility Project Notice to Intent
Project Description** (noted on the County website)

“Since 1995, the Resource Recovery Facility has processed approximately 600,000 tons per year of the County’s waste. At the transfer station, processible waste is compacted into intermodal rail containers for transport by rail to the Resource Recovery Facility.

Three water wall furnaces, each capable of processing 600 tons of waste per day, capture and concentrate the heat of combustion to generate steam to spin a turbine generator capable of producing up to 67 megawatts of electricity, 24 hours per day, 7 days per week, 365 days per year. That is enough electricity to power 27,000 homes or charge 82,000 electric vehicles for one year. The Resource Recovery Facility also captures and recycles 13,500 tons of metal annually - enough to build 11,000 cars.

The Resource Recovery Facility’s emission control system was upgraded to an LN™ (Low NOx) system, earning the facility a 2014 US EPA (United States Environmental Protection Agency) Clean Air Technology Award. The LN™ (Low NOx) system significantly reduces nitrogen oxide emissions.”

Site Map



107-1-50070



NOTES

1. THE SITE IS ZONED PL-101
2. INFORMATION FOR SITE USE WITHIN 100 FEET OF THE PROPERTY BOUNDARY IS SHOWN ON SHEET 107-1-50070-01
3. FACILITY ADDRESS IS 107-1-50070-01

Site Boundary

<p>PROPERTY AND ADJACENT AREA PLAN</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p>		<p>PROPERTY AND ADJACENT AREA PLAN</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p>		<p>PROPERTY AND ADJACENT AREA PLAN</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p>		<p>PROPERTY AND ADJACENT AREA PLAN</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p>		<p>PROPERTY AND ADJACENT AREA PLAN</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p>		<p>PROPERTY AND ADJACENT AREA PLAN</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p> <p>107-1-50070-01</p>	
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FACILITY AND ADJACENT AREA PLAN

107-1-50070-01

107-1-50070-01

107-1-50070-01



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

November 20, 2024

Mr. Andrew Kays, Executive Director
Northeast Maryland Waste Disposal Authority
Tower II, Suite 402
100 South Charles Street
Baltimore, Maryland 21201

Dear Mr. Kays:

Montgomery County, Maryland ("County") is in the process of undertaking a long-term Master Planning effort to determine the changes and improvements necessary to provide for further reduction in waste generation, waste diversion and increased recycling in the County. This effort will identify opportunities to move towards zero waste. Program design and implementation, including funding, will follow in the years after completion of the plan.

The County continues to make great progress in meeting the goal of diverting larger portions of municipal solid waste before its final disposition. Additional efforts are planned related to food scraps and other organics materials that will bring us closer to meeting that goal.

On May 31, 2024, I sent a letter to direct the Authority to extend the Service Agreement between the Authority and Reworld, Inc., from April 1, 2026, through April 1, 2031, under an Emergency Procurement in accordance with COMAR 14.13.01.12. This effort was undertaken in order to provide for stable operations and pursue efficiencies at the Transfer Station and the Resource Recovery Facility ("RRF"), and to mitigate damage to the public health, safety, welfare and to the environment.

As noted in your transmittal memorandum of November 1, 2024, the County, the Authority, the Authority's engineer and Reworld Montgomery, Inc. ("Company") engaged in meaningful good faith negotiations to reach an agreement that is satisfactory to all parties. These discussions were in regard to investments to address maintenance issues and increased labor costs to ensure the continued, safe, and efficient operations of the Transfer Station, and RRF, in accordance with the terms of the Service Agreement.

I have reviewed the files in your transmittal memorandum of November 1, 2024, and the draft Change Order 141, with staff and am satisfied that the terms and projects as identified meet the requirements set forth in my letter of May 31, 2024. This extension will allow the County the necessary time to conduct a competitive procurement and enter into contract(s) to implement the desired alternate waste disposal plans while avoiding serious damage to the public health, safety, and welfare of the citizens of the County.

The County again acknowledges emergency conditions exist as the County's planning and implementation of zero waste policies and programs were inhibited by events outside of the control of the County (as set forth in my May 31, 2024, letter), and that this requested extension of the Service Agreement was conducted by the Authority under the emergency procurement regulations found at COMAR 14.13.01.12. I further request that the Authority add the Emergency Procurement to its agenda to be considered by the Authority Board at its next meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Marc Elrich". The signature is fluid and cursive, with a large, stylized initial "M" and "E".

Marc Elrich
County Executive, Montgomery