

**INTERGOVERNMENTAL AGREEMENT FOR SOLID WASTE SERVICES
BY AND BETWEEN
CAROLINE COUNTY, MARYLAND
AND
MARYLAND ENVIRONMENTAL SERVICE
(MES Contract No. 13-08-56)**

THIS INTERGOVERNMENTAL AGREEMENT FOR SOLID WASTE SERVICES ("Agreement") is made and entered into as of this 26 day of June, 2013 by and between the Maryland Environmental Service ("MES"), an agency and instrumentality of the State of Maryland constituted as a body politic and corporate and County Commissioners of Caroline County, Maryland ("County"), a body politic and corporate and political subdivision of the State of Maryland.

RECITALS

To assist with the preservation, improvement, and management of the quality of air, land, and water resources, and to promote the health and welfare of the citizens of Maryland, the General Assembly created the Maryland Environmental Service in 1970. The General Assembly directed the agency to provide dependable, effective and efficient disposal of solid waste, and to serve the political subdivisions of the State. MES has fulfilled its statutory mission by successfully undertaking a variety of solid waste projects throughout the State of Maryland. In particular, MES has designed, constructed, and is currently operating the Midshore 2 Regional Landfill near Ridgely, in Caroline County.

In order to take advantage of the solid waste experience of MES staff, the County requested MES to provide a proposal to operate three homeowner drop-off facilities ("Drop-Off Facilities") located within Caroline County. In May, 2013, MES submitted to the County a "Proposal to Staff and Operate Three Homeowner Drop-Off Facilities for Caroline County" ("Proposal").

On June 18, 2013, the County accepted the Proposal.

ARTICLE 1 – DEFINITIONS

"Acceptable Waste" means (a) household garbage, trash, rubbish, refuse and offal of the kinds now normally collected or disposed of, or caused to be collected or disposed of, by resident of Caroline County, including, without limitation,

- (i) oversized household items such as beds, mattresses, sofas, refrigerators and washing machines (which items may be delivered separately),
- (ii) leaves, twigs, grass and plant cuttings,
- (iii) branches, tree logs and wood,

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- (ii) leaves, twigs, grass and plant cuttings,
 - (iii) branches, tree logs and wood,
 - (iv) items of discarded tangible personal property such as bicycles, baby carriages or occasional tires; and
- (b) such types of commercial and light industrial waste as are now normally collected or disposed of, or caused to be collected or disposed of, by the County; and
- (c) non-burnable construction material or demolition debris.

In no event shall Acceptable Waste include any materials that are Unacceptable Waste. At any time, the County and the Service mutually may agree that any materials initially defined as Unacceptable Waste will be reclassified as Acceptable Waste or any materials initially defined as Acceptable Waste will be reclassified as Unacceptable Waste.

“Applicable Law” means any law, regulation, requirement or order of any federal, state or local agency, court or other governmental body applicable from time to time to the operation of the Drop-Off Facilities, or the performance of any obligations under this Agreement or any other agreement entered into in connection therewith.

“Change in Law” means any amendment to, or promulgation of, any federal, state, county, city, or local statute, regulation, or ordinance after July 1, 2013 that imposes, changes, modifies, and/or alters requirements upon the operation of the Drop-Off Facilities.

“County Payments” means the amounts to be paid, or required to be paid, by the County to MES under this Agreement.

“Effective Date” means July 1, 2013.

“Fiscal Year” means the period of twelve (12) calendar months ending with June 30th of each year.

“Drop-Off Facility” and **“Drop-Off Facilities”** means, individually and collectively, as the case may be, the Melville Collection Site in Henderson, the Old Denton Collection Site in Federalsburg, and the Preston Collection Site in Preston.

“Proposal” means the “Proposal to Staff and Operate Three Homeowner Drop-Off Facilities for Caroline County” prepared by MES and dated May, 2013. The Proposal is attached hereto as Attachment “A”, and made a part hereof.

“Recyclable Materials” means those items designated by the County, in consultation with MES that MES will accept at the Drop-Off Facilities and handle separately from Acceptable Waste.

“Unacceptable Waste” means:

(a) **Hazardous Waste; and**

(b) **that portion of solid waste the acceptance of which by MES pursuant to this Agreement (i) may present a substantial endangerment to public health or safety, or (ii) would cause Applicable Law to be violated, or (iii) is likely to materially adversely affect the operation of the Drop-Off Facilities or the Midshore 2 Regional Landfill; provided however, that if such Unacceptable Waste (other than Hazardous Waste) is delivered in quantities and concentrations as determined by MES and as part of normal collections so as not to have the effect described in clauses (i), (ii) or (iii) above it shall constitute Acceptable Waste unless otherwise directed by State, County or federal regulatory authorities. The Unacceptable Waste described in this paragraph (b) shall include (without limitation) explosives, pathological and biological waste, radioactive materials, friable asbestos, ashes, foundry sand, untreated sewage sludge or septage, cesspool and other human waste, “red bag” or other types of infectious medical waste, human remains, animal remains that result from testing on the animals, motor vehicles, including such major motor vehicles parts as automobile transmissions, engines and rear ends, agricultural and farm machinery and major equipment, marine vessels and major parts thereof, any other large type of machinery or equipment, and liquid wastes.**

“Uncontrollable Circumstances” means any act, event or condition having, or which may reasonably be expected to have, a material adverse effect on the ability of MES to perform its obligations hereunder, if such act, event or condition is beyond the reasonable control and not the result of willful or negligent action or a lack of reasonable diligence, of MES. Such acts, events or conditions shall include, but shall not be limited to, the following:

- A. An act of God, lightning, earthquake, fire, severe weather conditions, epidemic, landslide, drought, hurricane, tornado, storm, explosion, partial or entire failure of utilities, flood, nuclear radiation, act of a public enemy, war, blockade, insurrection, sabotage or similar occurrence;**
- B. The order, judgment, action or determination of any federal, state or local court, administrative agency, or governmental body which adversely affects the (i) the operation of any of the Drop-Off Facilities; (ii) the suspension, termination, interruption, denial, or failure of renewal or issuance of any permit, license, consent, authorization, or approval necessary to the operation of any of the Drop-Off Facilities, **unless, however,** it is shown that such order or judgment is the result of the grossly negligent, willful, or intentional action or inaction of the party relying thereon or is the result of grossly negligent or willful violation of Applicable Laws, and provided further that the contesting in good faith of any such order or judgment shall not constitute or be construed as a grossly negligent, willful, or intentional action or inaction of such party; or**
- C. Any Change in Law.**

ARTICLE 2 – TERM OF AGREEMENT

Section 201. Effective Date. This Agreement shall commence on July 1, 2013.

Section 202. Term. The term of this Agreement shall be for a period of five years from the Effective Date.

Section 203. Renewal. The parties may mutually agree to extend the term of the Agreement for two subsequent renewal periods of five years each. Notice under this Section 203 shall be given in writing not less than ninety (90) days before expiration of the initial term, or any renewal period.

ARTICLE 3 – DUTIES OF MES

Section 301. Operation of the Drop-Off Facilities.

- A. From and after the Effective Date MES will operate the Drop-Off Facilities in accordance with the Proposal, so that they are reasonably able to receive Acceptable Waste and Recyclable Materials in limited quantities from residents of the County who have been issued an appropriate permit by the County. MES may deny admission to or use of any of the Drop-Off Facilities to any individual who MES staff knows or reasonably suspects is violating, or is likely to violate any rules regarding use of the Drop-Off Facilities, or any Applicable Law.
- B. Under normal operating circumstances, the Drop-Off Facilities will be open from 10 AM to 6 PM, Monday through Friday, and from 8 AM to 4 PM on Saturday, except for major holidays as identified by the County. MES will use reasonable efforts to keep the Drop-Off Facilities open for additional hours to receive Acceptable Waste and Recyclable Materials in the event of emergency conditions or upon receipt of a request from the County. The County shall pay to MES all costs incurred in operating the Drop-Off Facilities outside of normal hours.
- C. MES will not be responsible for maintaining or servicing any County-owned equipment at the Facilities

Section 302. Inspection and Rejection of Certain Waste.

- A. In addition to any other provision in this Article 3, MES shall have the absolute right, without liability to the County, or to any person, to refuse acceptance of the following:
 - 1. Unacceptable Waste;
 - 2. Any waste materials delivered at other than the normal operating hours (unless otherwise authorized by the County);

3. Any waste materials delivered by, for or on behalf of the County in a manner or by a means not in conformity with the terms of this Agreement, or any waste that MES is not obligated to accept under the terms of this Agreement.

- B. MES shall have the right to inspect all vehicles delivering waste materials to the Drop-Off Facilities, and to require all persons to remove from their vehicles any waste material that is not Acceptable Waste before unloading. If MES determines that it is impractical or undesirable to separate the Acceptable Waste from the other waste material in any such vehicle, or if the driver of the vehicle refuses to make such separation, MES may reject all waste material on the vehicle. The County shall be solely responsible for removing any Unacceptable Waste that is inadvertently accepted at any of the Drop-Off Facilities.

Section 304. Property and Other Equipment. Legal and equitable title to the Drop-Off Facilities, and all other real and personal property appurtenant thereto, including all equipment, shall continue to be with the County.

ARTICLE 4. DUTIES OF THE COUNTY.

Section 401. Payment for Services. The County shall reimburse MES as provided in Article 5 of this Agreement for all documented costs incurred by MES in accordance with this Agreement and the costs set forth in the Annual Budget.

Section 402. Transportation of Acceptable Waste and Recyclable Materials. The County shall be solely and completely responsible for transporting and disposing Acceptable Waste and Recyclable Materials from the Drop-Off Facilities.

Section 4.03. County Permit System. The County shall establish a system to authorize, and identify to MES, those residents of Caroline County who will be permitted to dispose of Acceptable Waste at the Drop-Off Facilities. MES shall refuse access to the Drop-Off Facilities any individual who is not authorized by the County to dispose of Acceptable Waste there.

ARTICLE 5. BUDGET; CONTRACT PAYMENTS.

Section 501. Approval of Initial Annual Budget. The County approves the initial combined Annual Budget for Fiscal Year 2014, attached hereto as Attachment "B."

Section 502. Estimated Annual Budget for Subsequent Fiscal Years. MES shall advise the County of the expected costs of providing its services for subsequent fiscal years in accordance with the following procedure:

- A. **Approval Process.** For Fiscal Year 2015, and any subsequent fiscal years, MES shall, at least ninety (90) days prior to the beginning of such fiscal years, prepare and submit to the County a proposed Annual Budget. MES shall provide, in a timely manner, any other information the County reasonably deems necessary for its evaluation of the Annual

Budget. Upon receipt of the proposed Annual Budget by the County, and prior to its approval by the County, the County shall review and resolve with MES, in good faith, any items or amounts which the County questions.

- B. Renewal Period Budget Approval.** The proposed Annual Budget submitted by MES for the Renewal Period shall be considered approved upon the approval of Renewal Period by the County. In the event a proposed Annual Budget is not approved by the parties as of the first day of any fiscal year, MES will have no further obligation to continue its performance hereunder, and may immediately terminate, in its sole discretion, some or all of its activities hereunder.
- C. Budget Amendment.** MES shall provide a written budget amendment to the County whenever MES determines that the total amount specified in the approved Annual Budget is likely to be exceeded as a result of (i) an Uncontrollable Circumstance or (ii) MES reasonably anticipates that the actual amount staffing required to provide the services described in the Proposal exceed the estimates upon which the Annual Budget was based. The procedure for approval and resolution of a Budget Amendment shall be the same as provided in Section 502.A.

Section 503. Payment of Services. MES shall submit invoices to the County for all costs incurred within twenty-one (21) days after the end of each month. The County shall pay MES, within thirty (30) days of receipt of the invoices. The amount to be paid shall be as set forth in the Annual Budget and this Agreement. Any amounts payable under this Agreement that are not paid when due in accordance with this Agreement shall bear interest at an annual rate (compounded monthly at 1 percent per month) equal to 12 percent. The obligation of the County to pay any amounts due MES hereunder shall not be subject to diminution by reason of any set-off, abatement, counterclaim, existence of a dispute or any other reason, known or unknown, foreseeable or unforeseeable, which might otherwise constitute a legal or equitable defense or discharge of the liabilities of the County hereunder or limit recourse against the County.

ARTICLE 6. UNCONTROLLABLE CIRCUMSTANCES

Section 601. Effect of Uncontrollable Circumstances. MES shall not be in default under this Agreement or liable to the County for its failure to perform obligations under this Agreement, if such failure results from an Uncontrollable Circumstance. MES must diligently overcome or remove such Uncontrollable Circumstance as soon as reasonably possible. In order to claim the benefit of this Section 601 MES must give prompt written notice of such claim to the County, and must provide the County with reasonably requested information concerning the nature of such claim and the efforts to overcome or remove the Uncontrollable Circumstance. Any date by which any obligation under this Agreement must be performed shall be extended to the extent reasonably necessary to allow for delay due to an Uncontrollable Circumstance. In the event MES reasonably believes it will incur, or actually does incur additional costs in order to overcome or remove the Uncontrollable Circumstance, MES will, in accordance with Section

502.C submit to the County a budget amendment for estimated additional costs. If the County refuses to approve the budget amendment, MES may terminate this Agreement in accordance with Section 702.B.

ARTICLE 7: TERMINATION AND NON-RENEWAL

Section 701. Termination for Cause. Either party may terminate this Agreement for cause listed below if, within thirty (30) days' written notice of intent to terminate, the party alleged to be in violation hereof has not corrected, or substantially commenced to correct, the violation.

A. Cause sufficient for termination by County shall be:

1. Grossly inefficient performance of its obligations by MES.
2. Material breach of the terms of this Agreement by MES.

B. Cause sufficient for termination by MES shall be:

1. Failure of the County to make any payment within sixty days of the date when due; provided, however, that MES shall not so terminate this Agreement until it has provided the County with notice of a non-payment and a period including thirty days in which to cure such non-payment.
2. Material breach of the terms of this Agreement by the County.

Section 702. Other Termination.

- A. This Agreement may be terminated by mutual consent of the County and MES.
- B. This Agreement may be terminated by the County or MES if an Uncontrollable Circumstance prevents the other party's performance under this Agreement for a period of three consecutive months.

Section 703. Termination Costs. Except in the event of a termination for cause pursuant to Section 701, or the expiration of the term of this Agreement without renewal, the County shall, in any and all events, pay MES the following amounts without set-off or recoupment:

- A. All outstanding County Payments accrued as of the effective date of termination;
- B. An amount sufficient, to satisfy all current obligations of MES, including, without limitation, any amounts owed for salaries, services, materials, supplies, utilities, insurance, outstanding lease payments on leased vehicles or equipment, or installment purchase agreements; and
- C. An amount sufficient to compensate MES for any of the reasonable costs of terminating this Agreement and closing down its operations and support activities, including normal

costs related to termination of employees or subcontractor relationships directly related to its obligations hereunder.

In the event this Agreement is terminated for cause pursuant to Section 701, the County shall pay MES the amounts specified in paragraphs (1) and (2), but shall not be obligated to pay the costs specified in paragraph (3). The payment of such costs to MES following a termination of this Agreement for cause shall not be a waiver of any claims the County may have against MES for damages arising from MES' alleged breach of this Agreement.

Within ninety (90) days after the effective date of termination of this Agreement, MES shall send the County a final invoice itemizing the costs incurred by MES from the date of its last invoice to the effective date of termination. The County shall remit any outstanding balance to MES within sixty (60) days of receipt of the final invoice. In the event the amount of County Payments made to MES exceeds the amount due MES under this Section 703, MES shall remit the balance to the County within ninety (90) days following the effective date of termination of this Agreement.

ARTICLE 8. INDEMNIFICATION

Section 801. Indemnification by the Parties. In accordance with applicable law and MES insurance, as provided in Article 10, the parties (each an "Indemnitor") agrees for itself to indemnify and hold the other party (an "Indemnitee") harmless from and against any and all losses or liabilities incurred by the Indemnitee which arise out of or are in consequence of the performance or nonperformance of this Agreement to the extent such losses or liabilities are due to the fault or negligence of the Indemnitor. As used in this Section 801, the phrase, "losses or liabilities" shall include but not be limited to, actual expenditures or legal liability in connection with bodily injury (including death) to any person, damage (including loss of use) to any property (public or private), actionable contamination of the environment under applicable law, or alleged violation of permits, statutes, rules or regulations, or orders (including fines or penalties) of any governmental entity with appropriate jurisdiction for purposes of enforcement of applicable law. The term "Indemnitee" shall include elected officials, directors, officers, employees, and agents of the Indemnitee, provided that no such elected official, director, officer, employee, or agent of any Indemnitee hereunder shall be or become personally liable for any such losses or liabilities.

Section 802. County's Obligations Limited. The County's obligation under this Article is expressly limited for the County, its elected officials, officers, officials, employees and agents pursuant to Section 5-301 et seq. of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland and in no event in excess of coverage pursuant to the Applicable Law, as from time to time amended, and such additional amounts as may be specifically appropriated by the Caroline County Commissioners in discharge of the County's obligations under this Section.

Section 803. MES' Obligations Limited. MES' obligations under this Article are expressly limited to the amounts of liability coverage provided for MES, its officers, officials, employees and agents under Sections 9-101 and 9-108 of the State Finance and Procurement Article of the

Annotated Code of Maryland, as from time to time amended, and such additional amounts as may be specifically appropriated by the Maryland General Assembly in discharge of MES' obligations under this Section.

Section 804. No Joint or Several Liability. The parties agree that nothing in this Agreement is intended to imply or create any joint and several liability between the parties for the wrongful acts, omissions or negligence of any single party.

ARTICLE 9. LIMITATION OF LIABILITY

The parties hereto expressly agree and understand that the indemnity obligations of the parties under this Agreement shall be limited to those direct and provable liabilities and losses which arise out of or are in consequence of the performance or nonperformance of each party under this Agreement, to the extent such losses or liabilities are due, in whole or in part, to the fault or negligence of the party. In no event, whether based upon contract, tort or otherwise, arising out of the performance or nonperformance of MES or the County of their respective obligations under this Agreement, shall a party to this Agreement be liable or obligated in any manner to pay special, consequential or indirect damages to the other party. The execution and delivery of this Agreement shall not impose any personal liability on the members, officers, elected or appointed officials, employees or agents of MES or the County. No recourse shall be had for any claims based upon this Agreement against a member, officer, elected or appointed official, employee or other agent of MES or the County in his or her individual capacity, all such liability, if any, being expressly waived by the parties through execution of this Agreement. NOTHING IN THIS AGREEMENT IS INTENDED TO OR SHALL BE CONSTRUED TO WAIVE ANY IMMUNITY POSSESSED BY MES OR THE COUNTY, OR THEIR RESPECTIVE ELECTED OR APPOINTED OFFICIALS, OFFICERS, DIRECTORS AND EMPLOYEES, WHICH HAS NOT BEEN WAIVED BY EXISTING LAW.

ARTICLE 10. INSURANCE

MES shall obtain and keep in force, during the term of this Agreement, insurance as it deems prudent, to the extent it is available and can be obtained for an amount which is reasonable, and which shall not be less than the maximum self-insurance provided by the Treasurer of Maryland pursuant to the State Finance and Procurement Article, Sections 9-105(a) and (c), Annotated Code of Maryland. MES may provide any such insurance through a self-insurance program of MES or of the State of Maryland. MES shall not be obligated to provide property insurance on the Facilities, or any portion thereof.

The County recognizes that MES, as an instrumentality of the State of Maryland, possesses sovereign immunity to the extent it has not been waived by statute. Nothing in this Agreement shall be deemed a waiver of any immunity possessed by MES, which has not been waived by statute.

ARTICLE 11: GENERAL PROVISIONS

Section 1101. Binding Effect. This Agreement shall inure to the benefit of the parties hereto and their respective affiliates, successors and assigns and shall be binding upon the parties hereto and their respective successors and assigns.

Section 1102. Further Assurances. The County and MES shall each execute and deliver any instruments and perform any acts necessary and reasonably requested by the other party in order to give full effect to this Agreement. The County and MES will each amend this Agreement, and the parties will otherwise cooperate with the other, if the County or MES, in their respective discretion, deem it necessary to permit the issuance of debt to finance all or a portion of the costs of equipment or vehicles required under this Agreement.

Section 1103. Relationship of the Parties; No Third Party Beneficiaries. Except as otherwise explicitly provided herein, no party to this Agreement shall have any responsibility whatsoever with respect to services provided or contractual obligations assumed by the other party. Nothing in this Agreement shall be deemed to constitute either party as a partner, agent or legal representative of the other party or to create any fiduciary relationship between the parties. Nothing in this Agreement shall be deemed to create any rights for the benefit of any third parties, or to impose any obligations on the County and MES for the benefit of any third parties.

Section 1104. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the transactions contemplated herein, and supersedes all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 1105. Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 1106. Execution in Multiple Originals. This Agreement may be executed in multiple originals, each of which shall be deemed an original.

Section 1107. Severability. If any provision of this Agreement is determined to be illegal or unenforceable, such provision will be deemed amended to the extent necessary to conform to applicable law or, if it cannot be amended without materially altering the intention of the parties, it will be deemed stricken and the remainder of the Agreement will remain in full force and effect. This Section 1107 "Severability" shall not affect or impair the provisions of Article 6 "Uncontrollable Circumstance" or Article 7 "Termination and Non-Renewal."

Section 1108. Waiver. No delay or failure to exercise a right resulting from any breach of this Agreement shall impair such right or shall be construed to be a waiver thereof.

Section 1109. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, and the parties hereby expressly agree that

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the courts of the State of Maryland should have exclusive jurisdiction to decide any question arising hereunder.

Section 1110. Authorization: Binding Obligation. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action of all parties, and this Agreement is a valid and binding obligation of the parties, enforceable in accordance with its terms.

Section 1111. Non-Discrimination in Employment. The provisions of Title VII of the Civil Rights Act of 1964 are hereby included in this Agreement to the end that no person in the United States shall, on the grounds of race, color, sex, religion, national origin, or disability, be excluded from participation in, be denied the benefits of or otherwise subjected to discrimination under this Agreement. The provisions of Article 49B, Sections 14 to 18 (Discrimination in Employment) of the Annotated Code of Maryland are incorporated by reference and are made a part hereof.

Section 1112. Parties' Contract Officers and Notice. Each party shall designate a Contract Officer and, on the date of execution of this Agreement, shall provide the other party with the Contract Officer's name and address, and with phone numbers by which the Contract Officer can be contacted at any hour of the day or night for duration of this Agreement. The County's Contract Officer shall have full and complete authority to issue written and oral approvals for MES to expend costs not anticipated in the approved Annual Budget.

All notices, consents, invoices and other communications required, permitted or otherwise delivered under this Agreement shall be in writing and may be sent by facsimile, delivered by hand or mailed by first class certified mail, return receipt requested, postage prepaid, or sent by a nationally recognized delivery service, and in any case shall be addressed as follows:

If to the County:

With a copy to:

If to MES:

Maryland Environmental Service
259 Najoles Road
Millersville, Maryland 21108-2515
FAX: (410) 729-8220
Attention: Director

Changes in the respective addresses to which such notices, consents, invoices or other communications may be directed and may be made from time to time by any party by notice to the other party. Notices and consents shall be deemed to have been given when received.

Section 1113. Subcontracting, Assignment, or Transfer. The benefits and obligations hereunder shall inure to, and be binding upon, the parties hereto and their respective successors. No right or duty hereunder shall be subcontracted, assigned, delegated, or otherwise disposed of, by either party hereto, except with the prior written consent of the other party. Any subcontract, assignment, delegation, or other disposal in violation of this Section shall be null and void.

Section 1114. General Compliance with Laws. Each party shall comply with all federal, State, and local laws and regulations that affect performance or payment hereunder, or any materials, equipment, or employees connected in any manner whatsoever with such performance or payment.

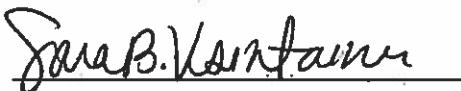
Section 1115. Disputes. If, in any instance, MES and the County fail to reach agreement on fees, charges or budgetary items within the first 30 days of a Fiscal Year, they shall immediately submit the matter to arbitration in the following manner:


The County shall appoint one arbitrator and MES shall appoint one arbitrator. The two arbitrators shall select a third, who shall be chairman of the arbitration panel. If the two arbitrators are unable to agree upon the third arbitrator, the American Arbitration Association shall be requested to designate the third arbitrator. The arbitration shall be governed by the Maryland Uniform Arbitration Act, Title 3, Subtitle 2 of the Maryland Courts and Judicial Proceeding Article, Annotated Code of Maryland. An award in an arbitration under this section may not exceed the amount requested by MES in the disputed budget. Each party shall bear its own costs and expenses, and an equal share of the arbitrators' and administrative fees of arbitration.

IN WITNESS WHEREOF, the parties have executed this Agreement, as of the date first written above.

**COUNTY COMMISSIONERS OF CAROLINE
COUNTY, MARYLAND**

ATTEST:



By: 
Wilbur Levengood, Jr.,
President of the Board of
County Commissioners

Recommended for Approval By:


Approved for Form & Legal Sufficiency:
Caroline County Office of Law:




MARYLAND ENVIRONMENTAL SERVICE

WITNESS:




James M. Harkins, Jr.
Director

Approved for Form & Legal Sufficiency:


Sean L. Coleman
Assistant Attorney General