

Testimony in Support of HB 161

I want to testify about the conflict of interest that exists with the Board of Directors at the Northeast Maryland Waste Disposal Authority (Authority).

My name is Bruce Holstein. I worked for the Federal Government for 36 years at the U.S. Government Printing Office. I spent 4 years as their Director of Audits and 11 years as the Agency Comptroller. I also spent about 10 years on the Carroll County Solid Waste Advisory Council.

I got involved with the Authority in 2010 when the governments of Carroll and Frederick announced they were forming a partnership to build a trash incinerator in Frederick County. The Authority acted as the contracting officer for the project. I lived in Carroll County and was concerned by the inability of the County Public Works Director to answer some straightforward questions about the incinerator finances.

Long story short, I analyzed the Authority's financial projections and found that the real cost of the incinerator greatly exceeded the projections announced by the Authority. Once Carroll County officials were provided with the financial data I developed, they voted to terminate their contracts for the incinerator.

The Public Works Directors of both Frederick and Carroll Counties served as members of the Board of Directors as do many of the other members on the Board. That may look good on paper, but the conflict of interest arises because the Board members also serve as subject matter experts for their respective county decision makers. The Authority is viewed as just that – the Authority on solid waste disposal. Consequently, the Public Works directors are in effect approving their own projects when they advise County decision makers.

On a personal note, when I met with Carroll County Public Works Director, he told me that the County Commissioners will do whatever he tells them to do. Fortunately for us county taxpayers, new Commissioners were elected and they were open to receiving input from the public which they from me and many other concerned citizens..

In 2015, several citizens worked with State legislative officials to change the Authority's mission by adding Zero Waste activities to their legislative mission in Senate Bill 509. We did not subtract incineration, we merely added zero waste initiatives. The Authority developed a form letter and sent it to their Board members i.e. County Public Works Directors asking them to write letters opposing our bill. The Board members then got their respective County decision makers to sign and submit letters in opposition.

With many things that need to be evaluated about this quasi-governmental agency, I strongly believe the conflict of interest that exists with the Authority's Board of Directors needs to be reviewed as suggested under HB 161.