

**Testimony Supporting HB161
The Northeast Maryland Waste Disposal Authority Sunset Act**

House Environment & Transportation Committee

February 8th, 2023

Position: Support

As president of Sugarloaf Citizens' Association, located in Dickerson Maryland, I am writing to express our support for HB 161, the Northeast Maryland Waste Disposal Authority Sunset Act, sponsored by delegates, Korman and Szeliga.

As the county incinerator is located just steps from our headquarters, we have closely observed the work of the Authority for the last 27 years.

When the County decided to build a trash incinerator, they partnered with the Authority in order to get financing and to build this industrial facility.

From the start, we have questioned whether this was the best mechanism for the County for its waste management. Every year for the past 27 years, our tax dollars have supported the Authority with approximately half a million dollars in membership, fees. Having used the Authority as a purchasing agent, we needed to maintain this relationship until 2016. But after that time, our bonds were paid off and we no longer needed them. And yet, for the past six years, we have continued to pay that membership fee, and use them for oversight of the facility. In 2022, their fees exceeded \$1,000,000 when consultant expenses and litigation fees were added to their management fee.

Overtime, we have seen the Authority, exert more and more control over county government decisions. This has been especially evident in areas where there is clearly a conflict of interest, and they have made choices on behalf of the County that keep their contract going.

Four years ago, we participated in the County Executive's Zero Waste Advisory Group. After reviewing the County's waste management practices and looking at programs in other jurisdictions around the state, and around the country, the Advisory Group concluded that, with better practices, the county could significantly reduce the waste they were sending to the incinerator, and increase their recycling rate from the 42% at which it had been stagnating for a number of years.

Unfortunately, rather than hire the best cutting-edge Zero Waste experts in the country to develop a strategic plan for the County, the County turned the choice of consultants over to the Authority to pick one to do this work for us. Rather than look for Zero Waste experts, the Authority chose from their pre-approved short list of engineering firms. The group they chose, was the same consulting group, HDR, that already had a contract to provide technical assistance in the management and operation of the county incinerator.

Not surprisingly, after completing a nearly \$500,000 contract, this consulting group presented data that indicated that continuing to incinerate as far into the future as 2046 would be the most cost effective and environmentally sound choice for the county. The report also gave a list of commonly known recycling recommendations, but even these, they recommended implementing over many years into the future with no details as to an implementation plan. Clearly, this was not the strategic plan with operational directives that the County was hoping for. It was, however, by far the best choice for the Northeast Maryland Waste Disposal Authority. As long as that incinerator kept running, the Authority would have a very lucrative contract, all funded by Montgomery County taxpayers.

After the debt was retired on the bonds for this facility, the cost for incineration went down to \$23 million in 2017. Rather than stay at that rate, the cost has increased by several million dollars each year. In 2022, the Authority budgeted \$62 million for its operation. Meanwhile, the revenue from electricity generation has gone from \$20 million for the year 2016 to \$8 million for the year 2022.

Precisely because of exorbitant costs and environmental concerns, no new incinerator has been built in the United States since ours, and yet the Authority continues to fervently defend it.

For these reasons, we fully support HB161, so that the Department of Legislative Services can conduct a thorough evaluation of the Authority and, with all the facts at their disposal, determine whether this quasi-governmental agency is acting in the best interest of Montgomery County, and other jurisdictions in the state, and whether there may be a better agency, that actually serves the needs of the County and operates with transparency and accountability with regards to both its financial choices and environmental practices.

Thank you,

Steven Findlay
President, Sugarloaf Citizens' Association