

MEMORANDUM

March 31, 2011

TO: Planning, Housing, and Economic Development Committee

FROM: Jeff Zyontz, ^{JZ} Legislative Attorney

SUBJECT: Supplemental appropriation to the County Government's FY11 Capital Budget, Revenue Authority - \$710,000 for Germantown Indoor Swim Center (Source: G.O. Bonds)

On March 23, 2011, the County Executive submitted a supplemental capital budget request. The Executive recommended increasing the appropriation for painting the ceiling of the Germantown Indoor Swim Center. Due to higher than expected bids, the supplemental appropriation is necessary to complete the work. The work is part of project description form number 003901.

The Council will hold a public hearing and take action on April 12, 2011 at 1:30 p.m.

The Swim Center is owned by the Revenue Authority; however, the Office of Management and Budget determined that the painting qualifies for general obligation bonds. These bonds command a lower interest rate than revenue bonds. The Revenue Authority Staff supports the recommendation of the Executive. Staff was informed that this supplement can fit within the Council's fiscal restraints for the CIP.

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MEMORANDUM

March 22, 2011

TO: Valerie Ervin, President, County Council

FROM: Isiah Leggett, County Executive

SUBJECT: Supplemental Appropriation #13-S11-CMCG-6 to the FY11 Capital Budget
Montgomery County Revenue Authority
Germantown Indoor Swim Center (No. 003901), \$710,000

I am recommending a supplemental appropriation to the FY11 Capital Budget in the amount of \$710,000 for the Germantown Indoor Swim Center project (No. 003901). Appropriation will fund improvements to the Germantown Indoor Swim Center that will properly complete the project.

This increase is needed to adequately fund completion of the project. Although the facility has been open and operational there is a paint deficiency on the underside (ceiling) of the roof deck. Additional paint work is required to properly complete the project scope. Actual bids received for this work are higher than budgeted. The facility is expected to be closed from May to September to accomplish the required work. Funds will be used to ensure that the necessary improvements are completed to coincide with the demands of the fall schedule for the swim center.

I recommend that the County Council approve this supplemental appropriation in the amount of \$710,000 and specify the source of funds as G.O. Bonds.

I appreciate your prompt consideration of this action.

IL:jb

Attachment: Supplemental Appropriation #13-S11-CMCG-6

c: Gabriel Albornoz, Director, Department of Recreation
David Dise, Director, Department of General Services
Keith Miller, Executive Director, Revenue Authority
Joseph F. Beach, Director, Office of Management and Budget
Angela Dizelos, CIP Manager, Office of Management and Budget
Jennifer R. Bryant, Office of Management and Budget

Resolution No.: _____
Introduced: March 29, 2011
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #13-S11-CMCG-6 to the FY11 Capital Budget
Montgomery County Revenue Authority
Germantown Indoor Swim Center (No. 003901), \$710,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive, who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive recommends the following capital project appropriation increases:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Germantown Indoor Swim Center	003901	Construction	\$710,000	G.O. Bonds
TOTAL			\$710,000	G.O. Bonds

- 3. This increase is needed to adequately fund completion of the project. Although the facility has been open and operational, there is a paint deficiency on the underside (ceiling) of the roof deck; as a result, the paint is peeling and falling into the pool. Additional paint work is required to properly complete the project scope. Actual bids received for this work are higher than budget. The facility is expected to be closed from May to September to accomplish the required work. Funds will be used to ensure that the necessary improvements are completed to coincide with the demands of the fall schedule for the swim center.
- 4. The County Executive recommends a supplemental appropriation in the amount of \$710,000 for Germantown Indoor Swim Center (No. 003901), and specifies that the source of funds will be G.O. Bonds.
- 5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY11 Capital Budget is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Germantown Indoor Swim Center	003901	Construction	\$710,000	G.O. Bonds
TOTAL			\$710,000	G.O. Bonds

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council