

T&E COMMITTEE #2
September 9, 2013

MEMORANDUM

September 5, 2013

TO: Transportation, Infrastructure, Energy and Environment Committee

FROM: ^{GO} Glenn Orlin, Deputy Council Administrator

SUBJECT: Supplemental appropriation to the FY14 Capital Budget and Amendment to the FY13-18 Capital Improvements Program, Resurfacing: Residential/Rural Roads, \$2,000,000 (G.O. Bonds)

The Executive recommends \$2,000,000 more for this project in FY14, which would raise the total in FY14 from \$1,588,000 to \$3,588,000. The work would allow for the resurfacing this summer and fall of 15 additional lane-miles of neighborhood streets and/or rural roads. The Executive's cover memo is on ©1 and a draft adoption resolution (with an amended project description form) is on ©2-4. The Council's public hearing and action are scheduled for September 10. Because this is a supplemental appropriation request in the first half of the fiscal year, and because it is also a CIP amendment, this measure requires six affirmative votes for passage.

The funding of this and most other roadway infrastructure maintenance projects have always been well below the need. In the past several years the Council has approved substantial funding for this particular project, much of which was added towards the end of the fiscal year as part of reconciling expenditures to resources in the CIP. For example, in January 2012 the Executive had recommended \$7,300,000 for FY13. In May 2012, as part of that year's CIP Reconciliation, the Council increased the amount to \$9,300,000. Finally, in May 2013, as part of the following year's CIP Reconciliation, the Council increased the FY13 total again to \$13,614,000. Yet this is still less than the annual funding need, which is in excess of \$20 million according to the Infrastructure Maintenance Task Force.

The starting G.O. Bond reserve for FY14 is \$18,909,000, much higher than the starting reserve in most years. Given this fact, it is understandable that the Executive would wish to devote more resources in FY14 than the \$1,588,000 currently programmed. Normally, Council staff would recommend against approving such a supplemental early in the fiscal year, and rather postpone action until next spring when the full range of alternative uses for the \$18,909,000 would be known. Also, much of this reserve could be used for forward funding to free up fiscal capacity in the early years of the FY15-20 CIP. In fact, the Resurfacing: Residential/Rural Roads project has been the primary recipient of such forward funding in the past, and it likely will be again next spring.

However, given the need for this resurfacing work, and the fact that by approving it now means the work can be completed before the winter arrives (and the further pavement deterioration it will cause), argues for approving this supplemental appropriation and CIP amendment now. **Council staff recommendation: Approve the Executive's request.**



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

July 17, 2013

TO: Nancy Navarro, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Amendment to the FY13-18 Capital Improvements Program and Supplemental Appropriation #6-S14-CMCG-4 to the FY14 Capital Budget
Montgomery County Government
Department of Transportation
Resurfacing: Residential/Rural Roads (No. 500511), \$2,000,000

I am recommending a supplemental appropriation to the FY14 Capital Budget and an amendment to the FY13-18 Capital Improvements Program in the amount of \$2,000,000 for Resurfacing: Residential/Rural Roads (No. 500511). Appropriation for this project will fund road resurfacing improvements to support County roads in residential and rural areas.

This increase is needed to maintain core transportation infrastructure and to help avoid the need to fund significantly more costly road rehabilitation work on 15 lane miles of County roads. The poor condition of a number of the County's roads is one of the most common complaints that we all hear as we meet with residents. Recent weather events and storms have exacerbated the already difficult situation and have further highlighted the need for greater funding to this project. The recommended amendment is consistent with the criteria for amending the CIP because the project provides an opportunity to achieve significant cost avoidance.

I recommend that the County Council approve this supplemental appropriation and amendment to the FY13-18 Capital Improvements Program in the amount of \$2,000,000 and specify the source of funds as GO Bonds.

I appreciate your prompt consideration of this action.

IL:brg

Attachment: Amendment to the FY13-18 Capital Improvements Program and Supplemental Appropriation #6-S14-CMCG-4

cc: Arthur Holmes, Director, Department of Transportation
Jennifer Hughes, Director, Office of Management and Budget

Resolution: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY13-18 Capital Improvements Program and
Supplemental Appropriation #6-S14-CMCG-4 to the FY14 Capital Budget
Montgomery County Government
Department of Transportation
Resurfacing: Residential/Rural Roads (No. 500511), \$2,000,000

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. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. 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>
Resurfacing: Residential/ Rural Roads	500511	PDS	\$258,000	GO Bonds
		<u>Construction</u>	<u>\$1,742,000</u>	<u>GO Bonds</u>
		TOTAL	\$2,000,000	

4. This increase is needed to maintain core transportation infrastructure and to help avoid the need to fund significantly more costly road rehabilitation work on 15 lane miles of County roads. The recommended amendment is consistent with the criteria for amending the CIP because the project provides an opportunity to achieve significant cost avoidance.
5. The County Executive recommends an amendment to the FY13-18 Capital Improvements Program and a supplemental appropriation in the amount of \$2,000,000 for Resurfacing: Residential/Rural Roads (No. 500511), and specifies that the source of funds will be GO Bonds.
6. Notice of public hearing was given and a public hearing was held.

Action

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

The FY13-18 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Resurfacing: Residential/ Rural Roads	500511	PDS	\$258,000	GO Bonds
		<u>Construction</u>	<u>\$1,742,000</u>	<u>GO Bonds</u>
		TOTAL	\$2,000,000	

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Resurfacing: Residential/Rural Roads (P500511)

Category	Transportation	Date Last Modified	5/3/13
Sub Category	Highway Maintenance	Required Adequate Public Facility	No
Administering Agency	Transportation (AAGE30)	Relocation Impact	None
Planning Area	Countywide	Status	Ongoing

	Total	Thru FY11	Rem FY12	Total 6 Years	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Beyond 6 Yrs			
EXPENDITURE SCHEDULE (\$000s)														
Planning, Design and Supervision	6573	6,935	58	899	568	5,328	2,042	638	280	706	1,275	225	850	0
Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction	70228	68,466	38,995	0	31,233	11,572	3050	1,308	3,294	7,225	1,275	4,817	0	0
Other	45	45	45	0	0	0	0	0	0	0	0	0	0	0
Total	74,866	39,098	899	36,865	13,614	35,880	4,000	8,500	1,500	5,667	0	0	0	0
FUNDING SCHEDULE (\$000s)														
Current Revenue: General	309	309	0	0	0	0	0	0	0	0	0	0	0	0
G.O. Bonds	74940	120,311	37,172	899	36,865	13,614	5588	4,000	8,500	1,500	5,667	0	0	0
PAYGO	1617,224	1,817	0	0	0	0	0	0	0	0	0	0	0	0
Total	124,483	39,098	899	36,865	13,614	35,880	4,000	8,500	1,500	5,667	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 14	1,588
Supplemental Appropriation Request	2,000	0
Transfer		0
Cumulative Appropriation		49,297
Expenditure / Encumbrances		39,100
Unencumbered Balance		14,511

Date First Appropriation	FY 05
First Cost Estimate	
Current Scope	FY 14
Last FY's Cost Estimate	72,485
Partial Closeout Thru	0
New Partial Closeout	0
Total Partial Closeout	0

74,866 76,866
74,866

Description

This project provides for the permanent patching and resurfacing of rural and residential roadways using durable hot mix asphalt to restore long-term structural integrity to the aging rural and residential roadway infrastructure. The County maintains a combined total of 4,143 lane miles of rural and residential roads. Preventative maintenance includes full-depth patching of distressed areas of pavement in combination with a new hot mix asphalt wearing surface of 1-inch to 2-inches depending on the levels of observed distress. A portion of this work will be performed by the county in-house paving crew.

Cost Change

\$2,681,000 added to allocate funds to a core transportation project. This addresses a portion of the \$27 million annual backlog in residential/rural resurfacing and will prevent the need for 20.5 lane miles of road rehabilitation work, which is three times more costly than road resurfacing. *Costs have been increased to reflect an FY14 supplemental appropriation of \$2 million*

Justification

In FY09, the Department of Transportation instituted a contemporary pavement management system. This system provides for systematic physical condition surveys. The surveys note the type, level, and extent of residential pavement deterioration combined with average daily traffic and other usage characteristics. This information is used to calculate specific pavement ratings, types of repair strategies needed, and associated repair cost, as well as the overall Pavement Condition Index (PCI) of the entire residential network. The system also provides for budget optimization and a systematic approach to maintaining a healthy residential pavement inventory. The latest 2011 survey indicated that 2,480 lane miles (60 percent) require significant levels of rehabilitation. Physical condition inspections of residential pavements will occur on a 2-3 year cycle.

Other

The design and planning stages, as well as project construction, will comply with the Department of Transportation (DOT), Maryland State Highway Administration (MSHA), Manual on Uniform Traffic Control Devices (MUTCD), American Association of State Highway and Transportation Officials (AASHTO), and American with Disabilities Act (ADA). Rural/residential road mileage has been adjusted to conform with the State inventory of road mileage maintained by the State Highway Administration (SHA). This inventory is updated annually.

Disclosures

Expenditures will continue indefinitely.

Coordination

Washington Suburban Sanitary Commission, Washington Gas Light Company, PEPCO, Cable TV, Verizon, United States Post Office

4