

AGENDA ITEM #3C  
May 19, 2016  
**Action**

**MEMORANDUM**

May 17, 2016

TO: County Council

FROM: Glenn Orlin, <sup>Go</sup>Deputy Council Administrator

SUBJECT: **Action**—supplemental appropriation to the County Government’s FY16 Capital Budget and amendment to the FY15-20 Capital Improvements Program: \$5,500,000 for Resurfacing: Residential/Rural Roads (G.O. Bonds)

**T&E Committee recommendation (3-0): Concur with the Executive.**

The Executive is recommending accelerating \$5,500,000 in the Resurfacing: Residential/Rural Roads project from FY17 to FY16. This action would result in some residential and rural road resurfacing to occur several months sooner and would help in reconciling the FY17-22 CIP’s expenditures to anticipated revenue. The Council has already assumed this action as part of its initial FY17-22 CIP Reconciliation.

The Executive’s transmittal memo is on ©1, a draft adoption resolution is on ©2-4, including the revised project description form on ©4.



OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

**MEMORANDUM**

April 21, 2016

TO: Nancy Floreen, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Amendment to the FY15-20 Capital Improvements Program and Supplemental Appropriation #23-S16-CMCG-9 to the FY16 Capital Budget  
Montgomery County Government  
Department of Transportation  
Resurfacing: Residential/Rural Roads (No. 500511), \$5,500,000

I am recommending a supplemental appropriation to the FY16 Capital Budget and an amendment to the FY15-20 Capital Improvements Program in the amount of \$5,500,000 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 supplemental is needed because of fiscal capacity reasons. The recommended amendment is consistent with the criteria for amending the CIP because the project resources have been shifted between fiscal years to provide fiscal capacity. The supplemental and amendment will also help avoid the need to fund significantly costlier road rehabilitation work on County roads by adding these funds to FY16.

I recommend that the County Council approve this supplemental appropriation and amendment to the FY15-20 Capital Improvements Program in the amount of \$5,500,000 and specify the source of funds as GO Bonds.

I appreciate your prompt consideration of this action.

IL:nm

Attachment: Amendment to the FY15-20 Capital Improvements Program and Supplemental Appropriation #23-S16-CMCG-9

cc: Al R. Roshdieh, Director, Department of Transportation  
Jennifer A. Hughes, Director, Office of Management and Budget

Resolution: \_\_\_\_\_  
Introduced: April 26, 2016  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY15-20 Capital Improvements Program and Supplemental Appropriation #23-S16-CMCG-9 to the FY16 Capital Budget Montgomery County Government, Department of Transportation Resurfacing: Residential/Rural Roads (No. 500511), \$5,500,000

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/<br>Rural Roads | 500511                | PDS                 | \$825,000          | GO Bonds               |
|  |                       | <u>Construction</u> | <u>\$4,675,000</u> | <u>GO Bonds</u>        |
|  |                       | TOTAL               | \$5,500,000        |                        |

4. This supplemental is needed because of fiscal capacity reasons. The recommended amendment is consistent with the criteria for amending the CIP because the project resources have been shifted between fiscal years to provide fiscal capacity. The supplemental and amendment will also help avoid the need to fund significantly costlier road rehabilitation work on County roads by adding these funds to FY16.
5. The County Executive recommends an amendment to the FY15-20 Capital Improvements Program and a supplemental appropriation in the amount of \$5,500,000 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 FY15-20 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/<br>Rural Roads | 500511                | PDS                 | \$825,000          | GO Bonds               |
|  |                       | <u>Construction</u> | <u>\$4,675,000</u> | <u>GO Bonds</u>        |
|  |                       | TOTAL               | \$5,500,000        |                        |

This is a correct copy of Council action.

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Linda M. Lauer, Clerk of the Council

## Resurfacing: Residential/Rural Roads (P500511)

**Category** Transportation  
**Sub Category** Highway Maintenance  
**Administering Agency** Transportation (AAGE30)  
**Planning Area** Countywide

**Date Last Modified** 4/21/16  
**Required Adequate Public Facility** No  
**Relocation Impact** None  
**Status** Ongoing

|                                      | Total          | Thru FY14     | Rem FY14     | Total 6 Years | FY 15         | FY 16         | FY 17          | FY 18        | FY 19        | FY 20        | Beyond 6 Yrs |
|--------------------------------------|----------------|---------------|--------------|---------------|---------------|---------------|----------------|--------------|--------------|--------------|--------------|
| <b>EXPENDITURE SCHEDULE (\$000s)</b> |                |               |              |               |               |               |                |              |              |              |              |
| Planning, Design and Supervision     | 9957           | 49,782        | 74           | 1,407         | 3,000         | 2,325         | 113,938        | 938          | 975          | 1,125        | 0            |
| Land                                 | 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            |
| Construction                         | 105662         | 416,337       | 56,722       | 916           | 17,000        | 13,175        | 637,634        | 5,312        | 5,525        | 6,375        | 0            |
| Other                                | 45             | 45            | 0            | 0             | 0             | 0             | 0              | 0            | 0            | 0            | 0            |
| <b>Total</b>                         | <b>121,164</b> | <b>56,841</b> | <b>2,323</b> | <b>56,841</b> | <b>20,000</b> | <b>15,500</b> | <b>750,625</b> | <b>6,250</b> | <b>6,500</b> | <b>7,500</b> | <b>0</b>     |

| <b>FUNDING SCHEDULE (\$000s)</b> |                |               |              |               |               |               |                |              |              |              |          |
|----------------------------------|----------------|---------------|--------------|---------------|---------------|---------------|----------------|--------------|--------------|--------------|----------|
| Current Revenue: General         | 309            | 309           | 0            | 0             | 0             | 0             | 0              | 0            | 0            | 0            | 0        |
| G.O. Bonds                       | 113738         | 419,238       | 54,915       | 2,323         | 20,000        | 15,500        | 750,625        | 6,250        | 6,500        | 7,500        | 0        |
| PAYGO                            | 1,617          | 1,617         | 0            | 0             | 0             | 0             | 0              | 0            | 0            | 0            | 0        |
| <b>Total</b>                     | <b>124,664</b> | <b>56,841</b> | <b>2,323</b> | <b>56,841</b> | <b>20,000</b> | <b>15,500</b> | <b>750,625</b> | <b>6,250</b> | <b>6,500</b> | <b>7,500</b> | <b>0</b> |

### APPROPRIATION AND EXPENDITURE DATA (000s)

|                                    |       |        |
|------------------------------------|-------|--------|
| Appropriation Request              | FY 16 | 10,000 |
| Supplemental Appropriation Request |       | 5,500  |
| Transfer                           |       | 0      |
| Cumulative Appropriation           |       | 79,164 |
| Expenditure / Encumbrances         |       | 57,147 |
| Unencumbered Balance               |       | 27,517 |

|                          |               |
|--------------------------|---------------|
| Date First Appropriation | FY 05         |
| First Cost Estimate      |               |
| Current Scope            | FY 16 115,664 |
| Last FY's Cost Estimate  | 115,664       |
| Partial Closeout Thru    | FY 15 0       |
| New Partial Closeout     | FY 16 0       |
| Total Partial Closeout   | 0             |

### 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 4,210 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.

### 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 2013 survey indicated that the current cost of the countywide backlog on road repairs is \$211.1 million. This represents 58 percent of total residential infrastructure pavement repair needs. 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.

### Fiscal Note

\$36 million is the annual cost required to maintain the current Countywide Pavement Condition Index of 68 on residential and rural roads. Related CIP projects include Permanent Patching: Residential/Rural Roads (#501106) and Residential and Rural Road Rehabilitation (#500914). In FY15, Council approved a \$1 million GO Bond supplemental. In FY16, Council approved a \$5.5M GO Bond supplemental.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

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