



# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject CIP COST CRITERION FOR SPECIAL CAPITAL IMPROVEMENTS PROJECTS FY16	Executive Order No. 077-15	Subject Suffix
Department OFFICE OF MANAGEMENT AND BUDGET	Department No. 31	Effective Date 5/21/15

WHEREAS, Section 20-1 of the Montgomery County Code titled "Authorization of Special Capital Improvements Projects by Law," effective February 23, 1979, provides that non-emergency County Government capital improvement projects estimated to cost at least four million dollars must be approved by a law enacted by the County Council, prior to receiving further appropriation, and that the County Executive shall, by annual Executive Order revise the four million dollar cost criterion for all major facilities to reflect the annual change in the latest published composite construction cost index established by the United States Department of Commerce; and

WHEREAS, the original cost criterion utilized by the County was \$4,000,000 for Special Capital Improvements projects; and,

WHEREAS, the Office of Management and Budget has established the procedure utilized below to ensure consistency in the annual calculation of the cost criterion; and,

WHEREAS, the applicable composite construction cost index (2005=100) established by the U.S. Department of Commerce (U.S. Census Bureau) published in the "Price Deflator (Fisher) Index of New One-Family Houses Under Construction" (1964 to 2014), was 30.6 for June 1978 and 110.4 for June 2014; and,

WHEREAS, the increase in the applicable composite construction cost index of 73.6 since 1978 indicates that the cost criterion established for Special Capital Improvements projects for fiscal year 2016 (July 1, 2015 - June 30, 2016) should be \$10,431,380 greater than the original cost criterion;

NOW THEREFORE, the County Executive for Montgomery County, Maryland, hereby establishes the cost criterion at \$14,431,380 (rounded to \$14,431,000) in accordance with Section 20-1 of the County Code, for the FY16 Capital Budget and the Fiscal Years 15-20 Capital Improvements Program.

Approved:



Isiah Leggett, County Executive