

Resolution No.:	<u>19-26</u>
Introduced:	<u>January 15, 2019</u>
Adopted:	<u>January 29, 2019</u>

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: Council President at the Request of the County Executive

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**SUBJECT:** Supplemental Appropriation #4 S19 CMCG-5 to the FY19 Capital Budget  
Montgomery County Government  
Department of General Services  
Rockville Core (CIP No. 361702), \$20,990,000

**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>
Rockville Core	361702	Construction	\$20,990,000	
TOTAL			<u>\$20,990,000</u>	Long Term Financing

3. This increase is needed to provide sufficient appropriation to enter into a construction contract to begin in the summer of 2019. Timely completion of this project is needed to meet deadlines to vacate leased space.

4. The County Executive recommends a supplemental appropriation in the amount of \$20,990,000 for Rockville Core, Project # 361702, and specifies that the source of funds will be Long Term Financing.
5. Notice of public hearing was given and a public hearing was held.


**Action**

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

A supplemental appropriation to the FY19 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>
Rockville Core	361702	Construction	\$20,990,000	
TOTAL			<u>\$20,990,000</u>	Long Term Financing

This is a correct copy of Council action.

  
Megan Davey Limarzi, Esq.  
Clerk of the Council



## Rockville Core

(P361702)

Category	General Government	Date Last Modified	02/01/18
SubCategory	County Offices and Other Improvements	Administering Agency	General Services
Planning Area	Rockville	Status	Preliminary Design Stage

### EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY19	FY20	FY21	FY22	FY23	FY24	Beyond 6 Years
Planning, Design and Supervision	3,361	41	541	2,779	803	734	734	608			
Site Improvements and Utilities	100			100	4	48	48				
Construction	20,890	5		20,885	836	10,026	10,026				
Other	1,168			1,168	47	561	560				
<b>TOTAL EXPENDITURES</b>	<b>25,519</b>	<b>46</b>	<b>541</b>	<b>24,932</b>	<b>1,689</b>	<b>11,368</b>	<b>11,367</b>	<b>508</b>			

### FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY19	FY20	FY21	FY22	FY23	FY24	Beyond 6 Years
Long-Term Financing	25,519	46	541	24,932	1,689	11,368	11,367	508			
<b>TOTAL FUNDING SOURCES</b>	<b>25,519</b>	<b>46</b>	<b>541</b>	<b>24,932</b>	<b>1,689</b>	<b>11,368</b>	<b>11,367</b>	<b>508</b>			

### OPERATING BUDGET IMPACT (\$000s)

Impact Type	Total 6 Years	FY19	FY20	FY21	FY22	FY23	FY24
Maintenance							
Energy							
Program-Other	928	558	37	111	111	111	
Cost Savings	(11,423)	(1,352)	(1,392)	(2,893)	(2,893)	(2,893)	
<b>NET IMPACT</b>	<b>(10,495)</b>	<b>(794)</b>	<b>(1,355)</b>	<b>(2,782)</b>	<b>(2,782)</b>	<b>(2,782)</b>	

### APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	830	Year First Appropriation	FY18
Appropriation FY 20 Request	1,343	Last FY's Cost Estimate	23,119
Cumulative Appropriation	1,446	Supplemental	20,990
Expenditure / Encumbrances	57		
Unencumbered Balance	1,389		

## PROJECT DESCRIPTION

This project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes

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renovation of approximately 91,000 GSF (56,000 net square feet) of office space for occupancy by various County departments currently in leased space.

## **LOCATION**

27 Courthouse Square

## **ESTIMATED SCHEDULE**

Design began in Summer 2017. Construction will be completed Summer 2021.

## **COST CHANGE**

Increase is based on updated project cost estimates.

## **PROJECT JUSTIFICATION**

Montgomery County Strategic Space Planning Study for the Grey Courthouse was completed in November 2012. The study confirmed that various departments could be relocated from leased space into the facility. The Government Core Facilities Optimization Master Plan Study (funded under Project:500721) analyzed short and long-term growth needs, speed and ease of implementation, cost effectiveness, creation of a suitable government complex, as well as improvement of government services and accessibility. The Government Core Facilities Optimization Master Plan Study noted that additional parking would need to be provided upon occupancy of the Grey Courthouse. This project came about as a part of a comprehensive analysis of maximizing the use of County versus leased space.

## **OTHER**

Special Capital Projects Legislation will be proposed by the County Executive.

## **FISCAL NOTE**

This project will be financed with appropriation backed debt funded through lease savings. An FY19 supplemental added appropriation in FY19 in order to enter into a construction contract.

## **DISCLOSURES**

A pedestrian impact analysis will be performed during design or is in progress.

## **COORDINATION**

PEPCO, Department of Transportation, Maryland Department of Transportation, and the City of Rockville. Departments which may be moving into the renovated Grey Courthouse include the Department of Technology Services (ERP offices), Department of Health and Human Services, Office of Procurement, CountyStat Office of Human Resources (Training), Office of Medical Services, Department of Finance, Community Use of Public Facilities. Special Projects Legislation (Expedited Bill No. 21-18) was adopted by Council June 19, 2018.