

Resolution No.: 16-932
 Introduced: March 31, 2009
 Adopted: April 21, 2009

**COUNTY COUNCIL
 FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #15-S09-CMCG-4 to the FY09 Capital Budget
Montgomery County Government
Department of Transportation
Resurfacing: Rural/Residential Roads (No. 500511), \$1,058,400
Resurfacing: Primary/Arterial Roads (No. 508527), \$1,344,480
Rural & Residential Road Rehabilitation (No. 500914), \$197,120

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>
Resurfacing: Rural/Residential Roads	500511	Construction	\$1,058,400	G.O. Bonds
Resurfacing: Primary/Arterial Roads	508527	Construction	\$1,344,480	G.O. Bonds
Rural & Residential Road Rehabilitation	500914	Construction	<u>\$197,120</u>	G.O. Bonds
TOTAL			\$2,600,000	G.O. Bonds

3. This increase is needed because of the significant escalation in the cost of hot mix asphalt driven by the Liquid Asphalt Price Index due to market volatility. Over the past year, the Liquid Asphalt Price Index, referenced and used in our contracts, has risen from \$313 per liquid ton to over \$800 per liquid ton. This, in turn, has resulted in a corresponding adverse affect on the Department of Transportation's (DOT) resurfacing programs. Specifically, targeted lane mileage outputs will be reduced by roughly 20-percent as a direct result of material cost escalation.
4. The County Executive recommends a supplemental appropriation in the amount of \$2,600,000 for the following projects: Resurfacing Rural/Residential Roads (No. 500511) \$1,058,400; Resurfacing Primary/Arterial Roads (No. 508527), \$1,344,480; and Rural & Residential Road Rehabilitation (No. 500914), \$197,120, 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.

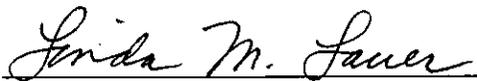
Action

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

A supplemental appropriation to the FY09 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>
Resurfacing: Rural/Residential Roads	500511	Construction	\$1,058,400	G.O. Bonds
Resurfacing: Primary/Arterial Roads	508527	Construction	\$1,344,480	G.O. Bonds
Rural & Residential Road Rehabilitation	500914	Construction	<u>\$197,120</u>	G.O. Bonds
TOTAL			\$2,600,000	G.O. Bonds

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council