



MONTGOMERY COUNTY EXECUTIVE ORDER

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

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| Subject CIP COST CRITERION FOR SPECIAL CAPITAL IMPROVEMENTS PROJECTS FY25 | Executive Order 001-24 | Subject Suffix |
| Department OFFICE OF MANAGEMENT AND BUDGET | Department No. 31 | Effective Date 1/16/2024 |

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 Single-Family Houses Under Construction" (1964 to 2020), was 30.6 for June 1978 and 186.0 for June 2023; and,

WHEREAS, the increase in the applicable composite construction cost index of 108 since 1978 indicates that the cost criterion established for Special Capital Improvements projects for fiscal year 2025 (July 1, 2024 - June 30, 2025) should be \$24,314,000 greater than the original cost criterion;

NOW THEREFORE, the County Executive for Montgomery County, Maryland, hereby establishes the cost criterion at \$24,314,000 in accordance with Section 20-1 of the County Code, for the FY25 Capital Budget and the Fiscal Years 25-30 Capital Improvements Program.

Approved:

Marc Elrich, County Executive

Approved as to form and legality
Benjamin Legum, Assistant County
Attorney 1/16/24