



Committee: Directly to Council
Committee Review: N/A
Staff: Keith Levchenko, Senior Legislative Analyst
Purpose: To receive testimony/final action - vote expected
Keywords: #Stormdrains

AGENDA ITEMS #14,15
February 8, 2022
Public Hearing/Action

SUBJECT

14: Amendment to the FY21-26 Capital Improvements Program (CIP): Conservation of Natural Resources: Storm Drain General (CIP No. 500320) – Funding Switch from Long-Term Loans to Water Quality Protection Bonds

15: Amendment to the FY21-26 Capital Improvements Program: Conservation of Natural Resources: Storm Drain Culvert Replacement (CIP No. 501470) – Funding Switch from Long-Term Loans to Water Quality Protection Bonds

EXPECTED ATTENDEES

Patty Bubar, Deputy Director, Department of Environmental Protection (DEP)
Vicky Wan, Chief, Strategic Services Division, DEP
Melissa Garner, Division of Highway Services, Department of Transportation (DOT)
Brady Goldsmith, Chief, Management Services, DOT
Veronica Jaua, Fiscal and Policy Analyst, Office of Management and Budget (OMB)
Rich Harris, Fiscal and Policy Analyst, OMB

DESCRIPTION/ISSUE

- On January 18, 2022, the County Council received two FY21-26 CIP amendments from the County Executive for the Storm Drain General and Storm Drain Culvert Replacement projects to switch the funding source for both projects from long-term financing (from the Maryland Water Quality Revolving Loan Fund, (WQRLF)) to Water Quality Protection Bonds.
- According to the County Executive staff, while the storm drain work in these projects was originally assumed to be eligible for long-term financing, based on further discussions with Maryland Department of the Environment (MDE) over previously submitted requests, the loans are being limited to projects which provide documented water quality improvements. While storm drain projects can provide some water quality improvement, the work also often involves street paving and sidewalk repair which is ineligible. Storm drain projects also tend to be done on a reactive basis which creates timing problems since project drawings need to be pre-approved by MDE for long-term financing.
- DEP and Montgomery Parks will continue to utilize long-term financing for their stormwater management projects; which continue to be eligible for this funding.
- Public hearing/Action for both amendments is scheduled for February 8, 2022, at 1:30 PM.

COUNCIL STAFF RECOMMENDATION

- Council Staff recommends approval of the funding switches from long-term financing to Water Quality Protection bonds for both the Storm Drain General and Storm Drain Culvert Replacement projects.

This report contains:

Page

Resolutions

- Storm Drain General Amendment
- Storm Drain Culvert Replacement

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County Executive Transmittal Packages dated January 18, 2022

- Storm Drain General Transmittal
- Storm Drain Culvert Replacement

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Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program
Montgomery County Government
Department of Transportation
Storm Drain General (No. 500320)

Background

1. 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.
2. The County Executive recommends an amendment to the Storm Drain General project to switch Long-Term Financing to Water Quality Protection bonds in FY22.
3. This amendment is needed because work in this project is ineligible for funding under the Long-Term Financing. Since a significant amount of critical work must be completed under this project, another funding must be used. This amendment replaces Long Term Financing with Water Quality Protection bonds, and it is consistent with the criteria for amending the CIP because it is a technical adjustment.
4. A public hearing was held on February 8, 2022.

Action

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

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as described above and as reflected on the attached project description form:

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program
Montgomery County Government
Department of Transportation
Storm Drain Culvert Replacement (No. 501470)

Background

1. 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.
2. The County Executive recommends an amendment to the Storm Drain Culvert Replacement project to switch Long-Term Financing to Water Quality Protection bonds in FY22.
3. This amendment is needed because work in this project is ineligible for funding under the Long-Term Financing. Since a significant amount of critical work must be completed under this project, another funding must be used. This amendment replaces Long Term Financing with Water Quality Protection bonds, and it is consistent with the criteria for amending the CIP because it is a technical adjustment.
4. A public hearing was held on February 8, 2022.

Action

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

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as described above and as reflected on the attached project description form:

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

M E M O R A N D U M

January 18, 2022

TO: Gabe Albornoz, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendment FY21-26 Capital Improvements Program #22-51
Montgomery County Government
Department of Transportation
Storm Drain General (No. 500320)

I am recommending an amendment to the FY21-26 Capital Improvement program for Storm Drain General (No. 500320). The requested project changes will permit the replacement of Long-Term Financing in FY22 with Water Quality Protection bonds.

This amendment is needed because work in this project is ineligible for funding under the Long-Term Financing funding from the Maryland Water Quality Revolving Loan Fund from the State. Since a significant amount of critical work must be completed under this project, another funding source must be used. The recommended amendment is consistent with the criteria for amending the CIP because it is for technical reasons.

I recommend that the County Council approve this amendment to the FY21-26 Capital Improvements Program.

I appreciate your prompt consideration of this action.

ME:vj

Enclosure: Amendment to the Amended FY21-26 Capital Improvements Program #22 – 51.

cc: Jennifer Bryant, Director, Office of Management and Budget
Chris Conklin, Director, Department of Transportation
Adriana Hochberg, Acting Director, Department of Environmental Protection
Mary Beck, Capital Budget Manager, Office of Management and Budget
Veronica Jaua, Analyst, Office of Management and Budget
Richard Harris, Analyst, Office of Management and Budget

Resolution: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program #22-51
Montgomery County Government
Department of Transportation
Storm Drain General (No. 500320)

Background

1. 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.
2. The County Executive recommends this amendment to the FY21-26 Capital Improvements Program as shown on the attached project description form.
3. This amendment is needed because work in this project is ineligible for funding under the Long-Term Financing. Since a significant amount of critical work must be completed under this project, another funding must be used. This amendment replaces Long Term Financing with Water Quality Protection bonds, and it is consistent with the criteria for amending the CIP because it is a technical adjustment.
4. The County Executive recommends an amendment to Storm Drain General (No. 500320).

Action

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

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as described above and as reflected on the attached project description form:

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council



Storm Drain General

(P500320)

Category	Conservation of Natural Resources	Date Last Modified	11/09/20
SubCategory	Storm Drains	Administering Agency	Transportation
Planning Area	Countywide	Status	Ongoing

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Planning, Design and Supervision	4,497	2,293	426	1,778	288	298	298	298	298	298	-
Land	103	103	-	-	-	-	-	-	-	-	-
Construction	15,914	11,752	-	4,162	652	702	702	702	702	702	-
Other	1	1	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	20,515	14,149	426	5,940	940	1,000	1,000	1,000	1,000	1,000	-

FUNDING SCHEDULE (\$000s)

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Current Revenue: Water Quality Protection	2,996	1,778	270	948	158	158	158	158	158	158	-
G.O. Bonds	9,169	9,169	-	-	-	-	-	-	-	-	-
Intergovernmental	223	223	-	-	-	-	-	-	-	-	-
Long-Term Financing	6,291	1,143	156	4,992	782	0 - 842	842	842	842	842	-
State Aid	162	162	-	-	-	-	-	-	-	-	-
Water Quality Protection Bonds	1,674	1,674	-	-	-	842	-	-	-	-	-
TOTAL FUNDING SOURCES	20,515	14,149	426	5,940	940	1,000	1,000	1,000	1,000	1,000	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	-	Year First Appropriation	FY03
Cumulative Appropriation	16,515	Last FY's Cost Estimate	20,515
Expenditure / Encumbrances	14,340		
Unencumbered Balance	2,175		

PROJECT DESCRIPTION

This project provides the flexibility to construct various sub-projects that might otherwise be delayed for lack of funds or difficulty in acquiring right-of-way. This project provides for right-of-way acquisition and construction for storm drain projects resulting from the Drainage Assistance Request Program. Individual projects range from retrofitting existing storm drainage systems to developing new drainage systems required to upgrade the existing systems in older subdivisions. Projects formerly handled through the Neighborhood Storm Drain Improvements Project are usually small, unanticipated projects initiated by requests from citizens whose homes and properties are subject to severe flooding or erosion and where there is a demonstrated need for early relief. Potential new storm drain projects are studied under the Facility Planning: Storm Drain project. Concept studies are evaluated based on the following factors: public safety, damage to private property and frequency of event, damage to public right-of-way, environmental factors such as erosion, general public benefit, availability of right-of-way and 5:1 cost benefit damage prevented ratio. After the completion of facility planning, projects with construction estimated to cost less than \$500,000 are included in this project. Prompt relief is frequently achieved by the use of Department of Transportation (DOT) personnel to construct and provide construction management. The project also facilitates financial participation with developers up to 50 percent share of construction cost for storm drainage projects where such construction would yield a public benefit to properties other than that of homeowner or developers. Right-of-way is acquired under the Advanced Land Acquisition Revolving Fund (ALARF).

CAPACITY

Projects will be designed to accommodate the ten-year storm frequency interval.

COST CHANGE

Increase due to the addition of FY25 & FY26 to this on-going level of effort project. Cost increase in FY21 for \$86,000 and \$146,000 in each year from FY22 through FY26 to address more projects.

OTHER

On Participation projects, cost sharing between the County and either homeowners or developers varies and is based upon a signed Letter of Understanding. Some funds from this project will go to support the Renew Montgomery program. Completed Projects in FY18 and FY19: Crown Street, Grafton Street, Lanier Drive, Ogden Court, Ashburton Lane, Mintwood Street, Woodland Drive, Charred Oak Drive, and Stable Lane. Potential Future projects: Tranford Road, Windmill Lane and Conway Road.

FISCAL NOTE **Mid-FY22 amendment removed Long-Term Financing and replaced it with Water Quality Protection Bonds in FY22 only.**

In FY19, Water Quality Protection Bonds were replaced with long-term financing based on the Maryland Water Quality Revolving Loan Fund (WQRLF) to finance water quality improvement projects with low-interest loans which are less costly than bond sales. Funding schedule reflects MDE's cost eligibility rules.

The FY21 appropriation has been programmed to cover both FY21 and FY22 project expenditures; consistent with past practice for this project.

DISCLOSURES

A pedestrian impact analysis will be performed during design or is in progress. Expenditures will continue indefinitely. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

COORDINATION

Montgomery County Department of Environmental Protection, Maryland-National Capital Park & Planning Commission, Maryland Department of the Environment, United States Army Corps of Engineers, Montgomery County Department of Permitting Services, Utility Companies, and Sidewalk Program - Minor Projects (CIP No. 506747).




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

M E M O R A N D U M

January 18, 2022

TO: Gabe Albornoz, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendment to the FY21-26 Capital Improvements Program # 22-52
Montgomery County Government
Department of Transportation
Storm Drain Culvert Replacement (No. 501470)

I am recommending an amendment to the FY21-26 Capital Improvement Program for Storm Drain Culvert Replacement project (No. 501470). The requested project changes will permit the replacement of Long-Term Financing in FY22 with Water Quality Protection bonds.

This amendment is needed because work in this project is ineligible for funding under the Long-Term Financing funding from the Maryland Water Quality Revolving Loan Fund from the State. Since a significant amount of critical work must be completed under this project, another funding source must be used. The recommended amendment is consistent with the criteria for amending the CIP because it is for technical reasons.

I recommend that the County Council approve this amendment to the FY21-26 Capital Improvements Program.

I appreciate your prompt consideration of this action.

ME:vj

Enclosure: Amendment to the FY21-26 Capital Improvements Program #22 – 52

cc: Jennifer Bryant, Director, Office of Management and Budget
Chris Conklin, Director, Department of Transportation
Adriana Hochberg, Acting Director, Department of Environmental Protection
Mary Beck, Capital Budget Manager, Office of Management and Budget
Veronica Jaua, Analyst, Office of Management and Budget
Richard Harris, Analyst, Office of Management and Budget

Resolution: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program #22-52
Montgomery County Government
Department of Transportation
Storm Drain Culvert Replacement (No. 501470)

Background

1. 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.
2. The County Executive recommends this amendment to the **FY21-26** Capital Improvements Program as shown on the attached project description form.
3. This amendment is needed because work in this project is ineligible for funding under the Long-Term Financing. Since a significant amount of critical work must be completed under this project, another funding must be used. This amendment replaces Long Term Financing with Water Quality Protection bonds, and it is consistent with the criteria for amending the CIP because it is a technical adjustment.
4. The County Executive recommends an amendment to Storm Drain Culvert Replacement (No. 501470).

Action

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

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as described above and as reflected on the attached project description form:

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council



Storm Drain Culvert Replacement (P501470)

Category	Conservation of Natural Resources	Date Last Modified	11/25/20
SubCategory	Storm Drains	Administering Agency	Transportation
Planning Area	Countywide	Status	Ongoing

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Planning, Design and Supervision	2,786	1,203	128	1,455	180	255	255	255	255	255	-
Construction	17,212	8,967	-	8,245	1,020	1,445	1,445	1,445	1,445	1,445	-
Other	2	2	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	20,000	10,172	128	9,700	1,200	1,700	1,700	1,700	1,700	1,700	-

FUNDING SCHEDULE (\$000s)

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Current Revenue: Water Quality Protection	4,000	4,000	-	-	-	-	-	-	-	-	-
G.O. Bonds	1,500	1,500	-	-	-	-	-	-	-	-	-
Long-Term Financing	12,100	2,272	128	9,700	1,200	1,700	1,700	1,700	1,700	1,700	-
Water Quality Protection Bonds	2,400	2,400	-	-	-	1,700	-	-	-	-	-
TOTAL FUNDING SOURCES	20,000	10,172	128	9,700	1,200	1,700	1,700	1,700	1,700	1,700	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	1,700	Year First Appropriation	FY14
Cumulative Appropriation	11,500	Last FY's Cost Estimate	20,000
Expenditure / Encumbrances	10,383		
Unencumbered Balance	1,117		

PROJECT DESCRIPTION

This program will provide for the replacement of failed storm drain pipes and culverts. The County's storm drain infrastructure is aging and many of the metal pipe culverts installed from 1960 through the 1990's have reached the end of their service life. An asset inventory with condition assessments has been developed to better forecast future replacement needs. Going forward, funding will be programmed for both systematic and emergency replacement of these pipes and culverts. Program scope includes: storm water pipe and culvert replacement of both metal and concrete less than six (6) feet in roadway longitudinal length; headwalls, end sections, replacement, or extension of culverts to assure positive flow of stormwater and channeling of stormwater into existing ditch lines or structures. Repairs also include roadside pipe and culvert end treatment safety improvements to eliminate safety hazards. This project will not make major changes to the location or size of existing storm drainage facilities. Structures greater than six-foot-roadway-longitudinal length are repaired under the Bridge Renovation Program, (CIP No. 509753).

COST CHANGE

Cost increase due to the addition of FY25-26 to this ongoing level of effort project. FY22-26 increase of \$500,000 per year to increase the level of effort and to provide flexibility to deal with emergencies.

PROJECT JUSTIFICATION

This program will address emergency pipe replacements of aging metal and concrete pipes that have reached the end-of-their-service life. The result of these pipe failures has been deep depressions, sinkholes, sediment build-up, open pipe joints, and metal pipe inverts to an unacceptable levels. Existing storm drain conditions are extremely poor. Repairs are needed to improve safety and reduce the potential for hazards and associated public inconvenience. Failure of a storm drain pipe will precipitate emergency repairs at much higher prices. Furthermore, this program provided funding towards developing an asset inventory of the storm drain system including pipe and culvert conditions that helps forecast future funding requirements.

FISCAL NOTE **Mid-FY22 amendment removed Long-Term Financing and replaced it with Water Quality Protection Bonds in FY22 only.**

In FY19, Water Quality Protection Bonds were replaced with long-term financing based on the Maryland Water Quality Revolving Loan Fund (WQRLF) to finance water quality improvement projects with low-interest loans which are less costly than bond sales.

DISCLOSURES

Expenditures will continue indefinitely.

COORDINATION

Washington Suburban Sanitary Commission, Washington Gas Company, Montgomery County Department of Permitting Services, Pepco, Cable TV, Verizon, Montgomery County Public Schools, Regional Service Centers, Community Association's, Commission on People With Disabilities, Maryland Department of Environment, Montgomery County Department of Environmental Protection, and United States Army Corps of Engineers.