



CECIL COUNTY, MARYLAND

DEPARTMENT OF FINANCE

FISCAL IMPACT NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President at the request of the County Executive

RESOLUTION NO. 50-2022 – Supplemental Appropriation – Fund Balance – Public Works Department – Public Schools Stormwater Retrofit Project

SYNOPSIS: A Resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland, for the fiscal year ending June 30, 2023, to move expenditure authority from the fund balance to the Stormwater Management Division – Department of Public Works, Special Projects Budget in the amount of \$580,000. The additional funding is needed to permit award of the construction contract and to cover associated support costs for the Cecil County Public Schools Administrative Services Stormwater Retrofit Project.

FISCAL IMPACT SUMMARY: The approval of this resolution will have a net fiscal impact on the fund balance of \$580,000.

FISCAL ANALYSIS:

The Stormwater Management Division of the Department of Public Works (“DPW”) submitted a grant application to the Maryland Department of Natural Resources (“DNR”) requesting \$2,480,425 to cover the anticipated construction cost of the CCPS Administrative Services Stormwater Retrofit project. DPW was notified that it will receive \$2,000,000 in DNR grant funding for the project. Bids were recently opened on the project, with the apparent low bid being \$2,417,568.10. The grant funding is not sufficient to permit award of the construction contract and cover the associated support costs (Construction Phase Services; Construction Management and Inspection). The additional funding is needed to avoid losing the \$2,000,000 in grant funding and to allow the project to proceed. In a letter dated July 26, 2022, a DNR representative stated that DNR will try to provide an additional \$250,000 in grant funding, but that they will not know if the additional funding will, in fact, be made available until late 2022 or early 2023. It is also possible that the County could recoup some or perhaps all its investment thru the future sale of the nutrient credits which will be generated by the project. The value of the nutrient credits will depend on market conditions at the time of the sale.