

Resolution: 20-329
Introduced: October 24, 2023
Adopted: November 28, 2023

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

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

SUBJECT: Amendment to the FY23-28 Capital Improvements Program and Supplemental Appropriation #24-12 to the FY24 Capital Budget Montgomery County Government Department of General Services Exelon-Pepco Merger Fund (No. P362105), \$504,662 (Source of Funds: Utility Incentives)

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 six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven 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. 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.
3. 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> |
|-------------------------|---------------------------|-------------------------|---------------|----------------------------|
| Exelon-Pepco Merger | P362105 | Construction | \$504,662 | Utility Incentives |

4. Due to the implementation of prior year energy savings projects, the County received incentives of \$504,662 from the Pepco Commercial and Industrial Energy Savings for Business Program. According to the terms and conditions of the merger, all incentives received are to be allocated back to the Exelon-Pepco Merger Fund and the funds are to be revolved in future energy savings projects. The Department of General Services is requesting a supplemental appropriation to plan, design and implement additional energy saving projects in various County facilities and locations using the received incentives. The recommended amendment is consistent with the criteria for amending the CIP because the project offers the opportunity to achieve significant savings.
5. The County Executive recommends an amendment to the FY24-29 Capital Improvements Program and a supplemental appropriation in the amount of \$504,662 for Exelon-Pepco Merger Fund (No. P362105), and specifies that the source of funds will be Utility Incentives.
6. Notice of public hearing was given and a public hearing was held on November 14, 2023.

Action

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

The FY24 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

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|------------------------|--------------------------|------------------------|---------------|---------------------------|
| Project <u>Name</u> | Project <u>Number</u> | Cost <u>Element</u> | <u>Amount</u> | Source <u>of Funds</u> |
| Exelon-Pepco Merger | P362105 | Construction | \$504,662 | Utility Incentives |

This is a correct copy of Council action.



Sara R. Tenenbaum
Clerk of the Council