

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2020 Legislative Session

Legislative Day No. 16

RESOLUTION NO. 57- 2020

Introduced By: The President of the Council at the request of the County Executive

A RESOLUTION TO AMEND THE FISCAL YEAR 2021 CAPITAL BUDGET AND FISCAL YEAR 2021-2025 CAPITAL IMPROVEMENTS PLAN TO ADD A PROJECT IN THE CAPITAL BUDGET DESCRIBED THEREIN AS “AIRPORT WATER MAIN EXTENSION”; APPROPRIATE FOR THE PROJECT FUNDING FROM THE MARYLAND WATER QUALITY FINANCING ADMINISTRATION (MWQFA) OF UP TO \$4,428,292, INCLUDING UP TO \$1,500,000 OF MWQFA GRANT FUNDS AND UP TO \$2,928,292 OF MWQFA LOAN FUNDS; APPROPRIATE OTHER PAY-GO FUNDS FOR SUCH PROJECT; TO RATIFY, CONFIRM AND APPROVE THE PRIOR EXECUTION OF CERTAIN AGREEMENTS RELATING TO THE MWQFA GRANTS; TO DELETE THE APPROPRIATION FOR SUCH PROJECT LISTED IN THE FY 2019 CAPITAL BUDGET; TO AUTHORIZE THE TEMPORARY USE OF UNASSIGNED GENERAL FUND MONEYS TO PAY PROJECT COSTS PRIOR TO RECEIPT OF MWQFA GRANT OR LOAN FUNDS FOR SUCH PROJECT; AND GENERALLY RELATING TO THE FUNDING FOR SUCH PROJECT.

WHEREAS, the Wicomico County Charter, Section 704.G authorizes the County Council, upon the recommendation of the County Executive, after public hearing, to amend the adopted Capital Budget, and Charter Section 709 also authorizes the Council upon the request of the County Executive to make an additional appropriation of funds; and

WHEREAS, based upon the attached Budget for the project dated September 13, 2019, prepared by the County’s consulting engineer, the Board of Public Works (the Board) on October 30, 2019, approved funding described on the Board’s Action Agenda summary attached hereto of up to \$4,428,292 by the Maryland Water Quality Financing Administration (MWQFA) of the Department of the Environment (MDE) for extension of a water main and related infrastructure to furnish water service from the City of Salisbury to the Salisbury-Ocean City Wicomico Regional Airport and facilities located on the premises occupied and operated by the County and by its tenants; and

WHEREAS, as specified in the Board’s Action Agenda summary attached hereto, the MWQFA funding approved by the Board consists of grants (“Water Supply Financial Assistance”) that total \$1,500,000 and a loan (“Drinking Water State Revolving Loan Fund”) of \$2,928,292, subject to payment of certain other project costs (“Local Share”) by the County of \$286,450, as itemized in the attached project Budget; and

WHEREAS, the County has paid for services listed as “Design” and “Bid” in the attached project budget in a total amount of \$159,450 that partially satisfies the “Local Share”, and the County will be required to pay an additional \$127,000 for services listed in the attached project Budget as “Construction Administration” as part of its “Local Share”; and

WHEREAS, the County’s FY2019 Capital Budget lists an appropriation of \$3,830,924 from a source described as “State/Federal/Other” for such project (and such funding is characterized as “State Grant (MDE Low Interest Loan)” in the County’s FY2019-2023 Capital Improvements Plan), but neither that amount, which has not been received, nor the project is listed in the FY2021 Capital Budget; and

WHEREAS, the Board approved MWQFA loan funds of \$2,928,292 will be evidenced by one or more general obligation (new money) bonds issued by the County to MWQFA; and

WHEREAS, the County's FY2021 Capital Budget does not list this project or any appropriation for it; and

WHEREAS, in connection with receiving MWQFA grant or loan funds, a local government frequently pays project costs from cash on hand and then reimburses itself from draws on MWQFA grant or loan funds for such previously paid project costs; and

WHEREAS, Section 708.B of the Wicomico County Charter provides that upon request of the County Executive, the County Council may authorize by resolution inter-fund borrowing to meet temporary cash requirements and may permit reimbursement among funds for services rendered; and

WHEREAS, the Council desires to authorize the temporary use of the unassigned portion of the General Fund to initially pay Airport Water Main Extension project costs that, if so used in such manner, will be reimbursed from proceeds of the MWQFA grants or loan; and

WHEREAS, the Council desires to approve the MWQFA grants, and the prior execution on behalf of the County of certain documents, identified below, relating to such grants, revise the FY2021-2025 Capital Improvements Plan and FY2021 Capital Budget to accurately include the grant and loan funding approved by the Board of Public Works, appropriate other funds to satisfy the Local Share of project costs, and authorize the temporary use of unassigned General Fund moneys to pay project costs to be reimbursed from advances of MWQFA grant or loan funds.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland, following a public hearing regarding these actions, that;

1. The FY2021 Capital Budget is hereby amended to (a) include this project, described as "Airport Water Main Extension" and categorized as "Public Works-Engineering" on page 163 of the budget document, (b) authorize pursuant to Charter section 708.B. temporary borrowing from the unassigned portion of the General Fund balance of an amount not to exceed \$4,428,292 as may be needed to pay project costs in order to obtain reimbursement under the MWQFA grants and loans, which reimbursement, upon receipt, shall be restored in the General Fund, and (c) appropriate from the unassigned balance of the General Fund (as "pay-go") \$127,000 to pay the outstanding balance of the "Local Share" of the project costs required by the approval by the Board of Public Works of the MWQFA grants and loan.
2. The appropriation for this project listed in the FY2019 Capital Budget is deleted as such, the funds having not been received, and shall be of no force and effect regarding the appropriation of funds for this project.
3. The MWQFA grants approved by the Board of Public Works in the total of \$1.5 million, subject to (a) the Conditions of MDE Grant Award dated May 7, 2018 and (b) the Cost-Share Agreement Between the Maryland Department of the Environment and Wicomico County dated November 6, 2019, are hereby approved, and appropriated in the FY 2021 portion of the current Capital Improvements Plan and the FY2021 Capital Budget for reimbursement of payment of the project costs listed in the "WSG Grant Participation" column of the attached project budget, including restoration in the General Fund in such amounts as may be temporarily borrowed from it and used to pay such costs.
4. Effective upon authorization by Council required by Charter section 705.F.2. in order to borrow the funds under the MWQFA loan approved by the Board of Public Works, the maximum proceeds of the loan, \$2,928,292, shall be appropriated in the FY 2021 portion of the current Capital Improvements Plan and the FY2021 Capital Budget for payment of the project costs listed in the "SRF Loan Participation"

column of the attached project budget, including restoration in the General Fund of such amounts as may be temporarily borrowed from it and used to pay such costs. As mentioned above, the MWQFA loan funds of \$2,928,292 will be evidenced by one or more general obligation (new money) bonds issued by the County to MWQFA.

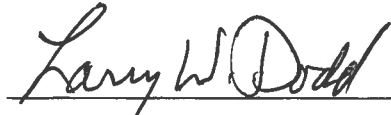
DONE at Salisbury, Maryland this 4TH day of August, 2020.

ATTEST:

COUNTY COUNCIL OF WICOMICO
COUNTY, MARYLAND




Laura Hurley, Council Administrator

 (SEAL)

Larry W. Dodd, Council President

CERTIFICATION

THIS RESOLUTION was Adopted  _____, Adopted with Amendments _____, Failed _____,
Withdrawn _____ by the County Council on August 4, 2020.

Certified by 

Laura Hurley, Council Administrator

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Laura Hurley, Council Administrator



Larry W. Dodd, Council President

(SEAL)

CERTIFICATION

THIS RESOLUTION was Adopted , Adopted with Amendments _____, Failed _____,
Withdrawn _____ by the County Council on August 4 , 2020.

Certified by 
Laura Hurley, Council Administrator

BOARD OF PUBLIC WORKS
SECRETARY'S
ACTION AGENDA
October 30, 2019



*Contacts: Terri Wilson (410) 537-4155
terria.wilson@maryland.gov/cheryl.reilly@maryland.gov*

13. MARYLAND DEPARTMENT OF THE ENVIRONMENT

***Drinking Water State Revolving Loan Fund
Water Supply Financial Assistance***

Recommendation: That the Board of Public Works approve new funding as described.

Authority: Maryland Water Quality Financing Administration Act
§§ 9-1601 – 9-1622 and §§ 9-420 – 9-426, Environment Article,
Annotated Code of Maryland

Project: Salisbury Regional Airport Water Main Extension

Recipient: Wicomico County

Location: Wicomico County/Legislative District 38C

Amount: Up to \$4,428,292

Project Description: This project entails connecting the existing water distribution system for the Salisbury Regional Airport to the water distribution system of the City of Salisbury. The airport water system has experienced water quality problems, such as high levels of lead, copper, and iron, and cannot provide sufficient quantity to serve the needs of existing structures. Moreover, unprotected wellhead areas in combination with substandard well construction make the system vulnerable to additional contamination problems from surface runoff. Connecting to the City of Salisbury public water system will ensure adequate potable water supply is provided to the airport.

Project Funding Sources:

Drinking Water State Revolving Loan Fund	\$ 2,928,292
Water Supply Financial Assistance WSG 13.23, MCCBL 2017-17197	\$ 1,388,634
Water Supply Financial Assistance WSG 13.23, MCCBL 2018-18265	\$ 111,366
Local Share	<u>\$ 286,450</u>
TOTAL ESTIMATED PROJECT COST	\$ 4,714,742

Funding may involve multiple sources which may include general obligation bond proceeds as the required 20% match to federal funds and other funds.

State Clearinghouse: MDE has determined that its recommendation is consistent with State Clearinghouse comments and recommendations.

Coast Smart: This project will be constructed in accordance with coastal and non-coastal resiliency guidelines developed as part of the Coast Smart Program to reduce climate change risks to such projects.

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED	DISAPPROVED	DEFERRED	WITHDRAWN
WITH DISCUSSION		WITHOUT DISCUSSION	

BUDGET
Salisbury Regional Airport Water Main Extension
WSG 13.23, DWBL-0912-23L
September 13, 2019

Item	Budget	Eligible	WSG Grant Participation	SRF Loan Participation	Local	Note
Construction						
David A. Bramble	3,705,465.00	3,705,465.00	1,500,000.00	2,205,465.00	0.00	
A/E						
Design	146,550.00	146,550.00	0.00	0.00	146,550.00	
Bid	12,900.00	12,900.00	0.00	0.00	12,900.00	
Construction Administration	127,000.00	127,000.00	0.00	0.00	127,000.00	
Inspection	277,910.00	277,910.00	0.00	277,910.00	0.00	1
Miscellaneous						
Connection Fees	148,487.00	148,487.00	0.00	148,487.00	0.00	2
Administration						
Legal/ Admin.	111,160.00	111,160.00	0.00	111,160.00	0.00	
Contingency	185,270.00	185,270.00	0.00	185,270.00	0.00	
Total	4,714,742.00	4,714,742.00	1,500,000.00	2,928,292.00	286,450.00	

- 1) County must submit AE inspection proposal which must be competitively bid.
- 2) County must submit documentation for connection fees.