



## *Internal Memorandum*

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**Subject:** Testimony in support of Council Bill No. 72-2018

**Date:** October 2, 2018

**To:** Lonnie R. Robbins, Chief Administrative Officer  
Department of County Administration

**From:** Jim Caldwell, Administrator  
Office of Community Sustainability

The Capital Budget for Fiscal Year 2019 includes Capital Project D1158 (the “capital project”), Watershed Management Construction, for the design and construction of stormwater facility improvements including stream restoration projects. The capital project includes the construction of the Maple Dell Farm (aka the Patrick Farm) stream restoration project (the “Project”) during Fiscal Year 2019.

The County is seeking funding for the Project through the Maryland Water Quality Financing Administration Linked Deposit Loan program. Through this Loan program, the Maryland Department of the Environment will subsidize the interest rate on the loan, typically by 1%.

The capital project includes authority for a \$4,125,000 loan. Due to the unique nature of the Project, our diligence in securing partnerships, and the Project’s many positive community impacts, the County was able to receive 60% of the Project’s funding from other sources, thereby greatly reducing our Loan needs. Other funding for the Project is being provided by a Chesapeake and Atlantic Coastal Bays Trust Fund Grant (\$1,825,000) and from the Washington Suburban Sanitary Commission (\$654,000). The total Project cost is \$4,125,000, leaving the County with a loan request of \$1,646,000. Finance is working with Sandy Spring Bank through the Linked Deposit Loan Program. Sandy Spring Bank is excited to partner with the County on a local project to improve water quality and has approved the County’s loan request.

The fiscal impact of this legislation to the capital budget is the repayment amount of the loan in the amount of \$1,646,000. In the operating budget, the Office of Community Sustainability is paying for additional water quality monitoring to be done at this site at the cost of approximately \$55,000/year paid from the Watershed Protection and Restoration Fund.