



Date: January 24, 2024

To: Brandee Ganz
Chief Administrative Officer

From: Mark DeLuca
Chief Bureau of Environmental Services

Subject: Testimony for Emergency Appropriation for C0337
Receive Water Quality State Revolving Loan Funds in FY24

The Department of Public Works request approval of the emergency appropriation of \$23,500,000 in loan funds to Capital Project C0337, Ellicott City Improvements and Enhancements to account for a Water Quality State Revolving Loan (WQSRF), which was awarded after the approval of the FY24 Capital Budget (CB21).

The County was awarded the \$23,500,000 revolving loan from the Maryland Department of the Environment in order to underwrite costs of the Ellicott City Extended North Tunnel. This project is a focal point of the Ellicott City Safe and Sound Flood Mitigation Plan that will minimize the impact of future storms to Historic Ellicott City, including its businesses, residents, and the public at large who visit this area. The 18-foot diameter subterranean tunnel will collect stormwater from upland areas west of Main Street and convey it safely one-mile to the Patapsco River.

The County is ready to execute a purchase order to begin the Extended North Tunnel project, which will lock in the 'guaranteed maximum price' with the selected contractor.

Fiscal Impact

This emergency appropriation will allow the County to issue a purchase order to lock in the guaranteed maximum price. It will also allow the contractor to mobilize subcontractors and reserve equipment necessary to begin project construction. If the recognition of this funding in the County's budget is delayed, the price of the work will continue to increase as a result of inflationary market pressures.

The low-interest WQSRF loan is offered at a more favorable interest rate by comparison to County general obligation bonds.

cc: Jen Sager