

# City of Rockville

City Hall  
111 Maryland Ave

Approved:   
Attest:   
Approved Meeting No. 08-26  
March 23, 2026



## Meeting Minutes

Monday, March 9, 2026

6:30 PM

Meeting No. 07-26

WebEx

## Mayor and Council

Attendee Name	Title	Status
Monique Ashton	Mayor	Present
Kate Fulton	Councilmember	Present
Barry Jackson	Councilmember	Present
David Myles	Councilmember	Present
Izola Shaw	Councilmember	Present
Marissa Valeri	Councilmember	Present
Adam Van Grack	Councilmember	Present

**1. Convene**

Mayor and Council convened in a Hybrid Open Meeting at 6:35 p.m. on Monday, March 9, 2026, in the Mayor and Council Chambers, City Hall, 111 Maryland Avenue, Rockville, Maryland, and via Webex.

Staff Present: City Manager Jeff Mihelich, City Attorney Robert E. Dawson, and Executive Assistant to the City Clerk/Director of Council Operations Judy Penny

**2. Pledge of Allegiance**

Mayor Monique Ashton led the Pledge of Allegiance.

**3. Proclamation and Recognition - NONE**

**4. Agenda Review**

Executive Assistant to the City Clerk/Director of Council Operations Judy Penny reported no changes to the agenda.

**5. City Manager's Report**

City Manager introduced the new Community Planning and Development Services Manager, Evan Johnson, to the Mayor and Council. City staff is monitoring the State Legislative sessions, the FY2027 Budget, and Capital Improvements planning, Zoning Ordinance update, and multiple code updates, including the Election Code and Landlord Tenant Code. City residents can track the progress of City projects on Results Rockville, and review the Six-Month Planning calendar on the City website.

**6. Boards and Commissions Appointments and Reappointments**

Councilmember Marissa Valeri moved to reappoint Eric Schneider to the Community Policing Advisory Board to serve an expiring three-year term until March 1, 2029.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVERS:</b>	Marissa Valeri, Councilmember
<b>SECONDER:</b>	Barry Jackson, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Barry Jackson moved to reappoint Elaine Koubek to the Commission on Aging to serve an unexpired three-year term until June 1, 2029.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVERS:</b>	Barry Jackson, Councilmember
<b>SECONDER:</b>	Kate Fulton, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Adam Van Grack moved to reappoint Clark Reed, William McClain, and Summer White to the Environment Commission to serve an expiring three-year term until February 1, 2029.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVERS:</b>	Adam Van Grack, Councilmember
<b>SECONDER:</b>	Marissa Valeri, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Barry Jackson moved to reappoint Darryl Parrish to the Retirement Board to serve an expiring three-year term until February 1, 2029.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVERS:</b>	Barry Jackson, Councilmember
<b>SECONDER:</b>	Izola Shaw, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Marissa Valeri moved to reappoint Jeffrey Ganz to the Transportation and Mobility Commission to serve an expiring three-year term until January 1, 2029.”

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVERS:</b>	Marissa Valeri, Councilmember
<b>SECONDER:</b>	Izola Shaw, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

**7. Community Forum**

<b>NAME</b>	<b>TOPIC</b>
<b>In-Person</b> Leslie Porter	Great sidewalk Contractors, Great Public Works Staff, Good Improvements
<b>In-Person</b> Jacob Loethan	Running for President of the United States
<b>In-Person</b> Drew Powell	Rockville Sister Cities, Gift
<b>In-Person</b> Nancy Picard	Need Additional Budget Hearings, Grant Reductions
<b>In-Person</b> Bob wright	Liked the rollout of the FY 2027 budget, New Pavilion at Wootton Village
<b>In-Person</b> Gabielle Zwi	PRIDE 6/7/2026
<b>In-Person</b> JD Kumar	Statements

**FURTHER DISCUSSION**

March 9, 2026, Agenda Item 7.

[Mayor and Council Meeting March 9, 2026 No. 07-26](#)

Timestamp 06:36

**8. Special Presentations - NONE**

**9. Consent Agenda**

- A.** Instrumental Nonprofit Grant Seeking Resource City of Rockville Agreement
- B.** Adoption of a Resolution in Support of HB 1142, Maryland Municipal League's Priority Legislation, Establishing the Task Force to Modernize County and Municipal Revenue Sources
- C.** Approval of Minutes  
February 23, 2026 (Meeting No. 05-26)

Councilmember Izola Shaw moved to approve consent agenda items A, B, and C.

	<b>RESULT: APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Izola Shaw, Councilmember
<b>SECONDER:</b>	Marissa Valeri, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

## 10. Public Hearing

### A. FY 2027 Budget Public Hearing #2

Management and Budget Analyst Daniel Chambers provided an overview of the FY2027 Budget.

The FY 2027 proposed operating budget totals \$187.1 million across 10 funds, a 6.6% increase over the current fiscal year. Budget appropriations are made by Governmental Funds and Enterprise Funds. Governmental funds are those through which most governmental functions of the City are financed constitute 67.1% or \$125.5 million of the total budget. Enterprise funds, including Water, Sewer, Refuse, Parking, and Stormwater Management, account for approximately 29% of total appropriations.

Staff recommends that the Mayor and Council conduct an additional public hearing and keep the record open until April 13, 2026.

The Mayor and Council held Budget Public Hearing #1, which included a Budget Timeline Presentation, on November 10, 2025. The Mayor and Council held a Priorities Discussion on January 5, 2026.

Budget Public Hearing #3, and the Mayor and Council Worksession #2, Operating Expenditures and Grants, will be held on March 23, 2026. The Mayor and Council worksession #3, CIP, Changes and Final balancing, the closing of the community budget priorities survey, and the public record will occur on April 13, 2026. Adoption of the FY 2027 Budget and Capital Improvements Program is scheduled on May 4, 2026.

The Public Hearing opened at 7:02 p.m.

<b>NAME</b>
<b>In-Person</b> Jake Jakubek Chair, Rockville Bicycle Advisory Committee
<b>In-Person</b> Sarah Basehart, Executive Director Community Reach of Montgomery County
<b>In-Person</b> David Hill President, Rockville Sister Cities, Corp.
<b>In-Person</b> Anne Herbster Village Support Network
<b>In-Person</b> Kyle Gallagher Carl Henn Millennium Bike Trail
<b>In-Person</b> Rick Mui Chair, Human Services Advisory Commission
<b>In-Person</b> Max Silverstone Member, Rockville Bicycle Advisory Committee
<b>In-Person</b> JD Kumar
<b>Written Comments</b> Marji Graf, President & CEO Greater Rockville Chamber of Commerce

The complete testimony of this evening's speakers can be found in the official Public Hearing records in the City Clerk/Director of Council Operations office. There being no additional speakers testifying, the Public Hearing closed at 7:41 p.m.

Questions from the Mayor and Council were addressed by staff. The Mayor and Council provided their thoughts and comments.

**FURTHER DISCUSSION**

March 9, 2026, Agenda Item 10A.

[Mayor and Council Meeting March 9, 2026 No. 07-26](#)

Timestamp 30:18

## 11. Action Items

- A. Introduction and Possible Adoption of an Ordinance to amend Ordinance No. 14-25 to appropriate funds and levy taxes for FY 2026 (Budget Amendment #3)

Senior Management and Budget Analyst Mary Sue Martin provided the Mayor and Council with the ordinance to amend Ordinance No. 14- 25 to appropriate funds and levy taxes for FY 2026 (Budget Amendment #3).

The budget ordinance is adopted at the fund level. A change in the appropriated amount of any fund requires action by the Mayor and Council. The vehicle for such action is an amendment to the budget ordinance. The proposed ordinance, Attachment 1, would amend the FY 2026 budget. The FY 2026 budget was adopted by the Mayor and Council on May 5, 2025, and amended on August 4, 2025, and on November 10, 2025.

The proposed ordinance would amend the FY 2026 Operating Budget, and the following categories:

1. Swim and Fitness Center program fees and temp wages - \$20,000 General Fund, \$20,000 revenue and expenditure increase.
2. Choice Hotels grant - Choice Hotels grant, \$156,000 - General Fund expenditure increase.
3. One-time initiatives - General Fund expenditure increased during the recent budget planning process, funded by a reduction in the planned addition to reserves.
4. Contracted water main repairs - \$275,000 - Water Fund expense increase: The city's water infrastructure has experienced a high volume of breaks this winter due to the extreme temperatures.
5. Water Treatment Plant emergency repairs and maintenance, Purchase of WSSC water – \$151,790.
6. Truck-mounted crash attenuator - \$42,000 - total, split \$14,000 Water Fund expense increase, \$14,000 Sewer Fund expense increase, and \$14,000 Stormwater Management Fund expense increase.
7. Mobile lift replacement - \$35,000 - Refuse Fund expense increase: One of the two mobile lifts used for the city's heavy-duty fleet has reached the end of its useful life and requires replacement.
8. Storm drain equipment trailer - \$32,000 - Stormwater Management Fund expense increase.
9. Replenish contingency - in several enterprise funds as follows to ensure these funds can address additional emergencies, should they arise: \$65,000 Water Fund expense increase, \$65,000 Sewer Fund expense increase, and \$31,000 Parking Fund expense increase.

Capital Improvements Program (CIP) Budget - RedGate Park Master Plan Implementation (RE23) - \$1,500,000 Capital Projects Fund revenue and expenditure increase: Recognize a \$1.5 million Land and Water Conservation Fund grant for RedGate Park from the State of Maryland Department of Natural Resources to fund the design and construction of community gardens, meadow restoration, playground, pathways, signage, equipment (picnic tables, benches, etc.), and the infrastructure to support these amenities. This grant requires a city match, which is already available with the project's appropriated budget.

This is the third budget amendment for FY 2026. The FY 2026 budget was adopted by the Mayor and Council on May 5, 2025, and amended on August 4, 2025, and November 10, 2025.

Councilmember Adam Van Grack introduced the ordinance to amend ordinance No. 14-25 to appropriate funds and levy taxes for FY 2026 (Budget Amendment #3).

Councilmember Marissa Valeri moved to waive the layover period.

<b>MOVER:</b>	<b>RESULT: APPROVED [UNANIMOUS]</b> Marissa Valeri, Councilmember
<b>SECONDER:</b>	Barry Jackson, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Barry Jackson moved to adopt ordinance No. 14-25 to appropriate funds and levy taxes for FY 2026 (Budget Amendment #3).

<b>MOVER:</b>	<b>RESULT: APPROVED [UNANIMOUS]</b> Barry Jackson, Councilmember
<b>SECONDER:</b>	Izola Shaw, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

#### **FURTHER DISCUSSION**

March 9, 2026, Agenda Item 11A.

[Mayor and Council Meeting March 9, 2026 No. 07-26](#)

Timestamp 1:05:23

#### **B. Introduction of an Ordinance to Appropriate Funds and Levy Taxes for Fiscal Year 2027**

City Manager Jeff Mihelich introduced the ordinance to appropriate funds and levy taxes for Fiscal Year 2027, and Deputy Chief Financial Officer Kimberly Francisco provided the Mayor and Council with an overview of the ordinance.

Staff recommended that the Mayor and Council introduce the Ordinance to Appropriate Funds and Levy Taxes for Fiscal Year 2027.

Adoption of the operating and capital improvements program (CIP) budgets will require passage of the standard budget ordinance. This budget ordinance is scheduled to be adopted on May 4, 2026.

This ordinance includes proposed real and personal property tax rates, as well as appropriated amounts by fund for the FY 2027 operating budget and Capital Improvement Projects (CIP). The Mayor and Council establish the tax rates each year to finance General Fund activities. For FY 2027, the city's real property tax rate is proposed to remain unchanged. The FY 2027 Parking District tax rate is proposed to remain flat.

General Fund Tax Rates - The Mayor and Council establish the tax rates each year to finance General Fund activities. For FY 2027, the city's real property tax rate is proposed to remain unchanged.

Parking District Tax Rate - In order to support the debt service costs of the three city-owned garages in Town Square, the Town Center Parking District was formed in 2007.

The FY 2027 Proposed Budget advances equity by supporting affordable housing initiatives, maintaining financial assistance for recreation programs and memberships, and investing in community safety and neighborhood services that benefit residents across all income levels.

The FY 2027 Proposed Budget supports environmental stewardship through continued implementation of the Climate Action Plan, investment in stormwater management and utility infrastructure, expansion of recycling in parks, the addition of electric vehicle fleet assets, and the introduction of a new building energy performance improvement project to the CIP.

Two public hearings for the FY 2027 budget are scheduled for the March 23 and April 13 Mayor and Council meetings. The record for the community budget priorities survey and public record will close on April 13, 2026. The Mayor and Council worksession on CIP, Changes, and Final Balances will be held on April 13, 2026. Adoption of the FY 2027 Budget and Capital Improvements Program is scheduled for May 4, 2026.

Councilmember Marissa Valeri introduced the ordinance to appropriate funds and levy taxes for Fiscal Year 2027.

#### **FURTHER DISCUSSION**

March 9, 2026, Agenda Item 11A.

[Mayor and Council Meeting March 9, 2026 No. 07-26](#)

Timestamp 1:11:46

**THE MAYOR AND COUNCIL WENT INTO A BRIEF RECESS AT 8:14 PM. THE MAYOR AND COUNCIL RECONVENED AT 8:35 PM.**

## 12. Worksession

### A. FY 2027 Budget Worksession #1 - Strategic Initiatives and Revenues

Deputy Chief Financial Officer Kimberly Francisco provided the Mayor and Council with an overview of the FY 2027 Budget Strategic Initiatives and Revenues.

Staff recommended the Mayor and Council review the FY 2027 Proposed Operating Budget and Capital Improvements Program and provide direction as needed.

This worksession provided a high-level overview of the FY 2027 budget, along with greater insight into the revenues, taxes, and fees that support the strategic initiatives for FY 2027.

#### FY 2027 Budget Summary

The proposed budget also advances effective and efficient service delivery through targeted staffing and organizational investments. The FY 2027 proposed operating budget totals \$187.1 million across all funds, representing a 6.6% increase from the FY 2026 adopted budget. The General Fund constitutes approximately 67% of total operating appropriations and remains the primary operating fund of the City.

Governmental funds are those through which most governmental functions of the city are financed. The acquisition and use of the city's expendable financial resources (except for those accounted for in the enterprise funds) are accounted for through governmental funds. The City's governmental operating funds are the General Fund, the Special Activities Fund, the Community Development Block Grant Fund, the Speed Camera Fund, and the Debt Service Fund. The City has one non-major blended component unit, Rockville Economic Development, Inc. (REDI), which is budgeted as a cost center within the General Fund for the city's annual contribution to REDI. The taxpayer-supported General Fund is the largest component, constituting 67.1% or \$125.5 million of the total budget. The proposed budget maintains the current property tax rate and assumes that the rate will remain flat throughout the forecast period.

Enterprise funds, including Water, Sewer, Refuse, Parking, and Stormwater Management, account for approximately 29% of total appropriations or \$54.5 million and operate like private business enterprises, with expenses recovered through user fees rather than general taxation.

Citywide Revenues for FY 2027 - Revenues across all funds are proposed to total \$184.6 million in FY 2027. This is an increase of 6.7% from FY 2026 Adopted revenues. Revenues by category are shown in Table 2 and provide a comparison of revenues in the FY 2026 Adopted Budget and FY 2027 Proposed Budget. The largest revenues for the city are charges for service, property taxes, revenue from other governments, and other revenue.

Charges for Service - This revenue source comes from charges to users who individually benefit from a particular city service. This revenue category increased from the FY 2026 adopted budget by 7.2%, or approximately \$3.8 million.

This budget prioritized the Mayor and Council's focus areas: public safety, economic development, and housing, and reinforced stewardship of the environment and infrastructure, and advancing effective and efficient service delivery. The FY 2027 proposed budget emphasized key initiatives to strengthen community safety, enhance long-term infrastructure resilience, expand housing opportunities, and sustain a vibrant local economy.

**Property Tax** - The property taxes category includes real property tax, personal property tax, interest on late payments, and includes the city's homeowners' tax credit program, and is projected to increase by \$2.1 million, or 4%.

**Revenues from Other Governments** – This revenue consists of revenues from the federal government, the State of Maryland, and Montgomery County. Nearly all of the revenue in this category supports the General Fund and comes from income tax, tax duplication, admission and amusement tax, highway user revenue, and police protection grant.

Tax duplication payments are received from Montgomery County as a partial reimbursement for services the County does not provide, but for which the County receives taxes from Rockville properties.

Admissions and amusement tax is a local tax collected by the State of Maryland Comptroller's Office for jurisdictions in Maryland. This tax is imposed on the gross receipts from admissions, the use or rental of recreational or sports equipment, and the sale of merchandise, refreshments, or services at a place where entertainment is provided.

Highway User Revenue is distributed by the State of Maryland based on a calculation that uses lane miles and vehicle registrations. This revenue source supports the construction, reconstruction, and maintenance of the city's roads and streets. For FY 2027, the city is projected to receive \$4.5 million in highway user revenue.

The city receives an annual police protection grant from the State of Maryland to assist with policing services. The FY 2027 budget estimated revenue for this grant is \$1.1 million.

**Other Revenue** - The other revenue category is made up of revenue sources that are not consistent with the other categories. This revenue source is primarily made up of hotel tax, community contributions, miscellaneous revenues, administrative charges, and revenues that reflect the latest requirements set by the Governmental Accounting Standards Board (GASB).

**Transfers** - General Fund transfers are made annually to the Refuse Fund to support refuse services for Rockville Housing Enterprises (RHE) properties, to the Parking Fund to support ongoing debt service associated with the construction of the parking garages, to the Special Activities Fund to support various arts and need-based programs, and to the Debt Service Fund for taxpayer-supported debt payments. In FY 2027, these transfer revenues cumulatively total \$5.9 million.

**Licenses and Permits** - The licenses and permits category includes building permits, rental licenses,

animal licenses, stormwater permits, and other types of licenses. This revenue category increased from the FY 2026 adopted budget by 3.6%, or approximately \$196,660. Approximately 88% of the revenue in this category comes from building permits and rental licenses, which provide resources to the General Fund.

The proposed changes to permitting/licensing, zoning, forestry, and public works fees are the result of a fee analysis intended to promote cost recovery for fee-funded services. Fees administered by CPDS and Public Works had not undergone a comprehensive fee analysis since 2011. Since its initial adoption, the Master Fee Resolution has been revised several times in order to make inflationary adjustments, but never based on determining the actual city costs to provide the underlying services. In an effort to bring the fees more in line with the city's cost recovery framework, staff worked with NewGen Strategies to evaluate the cost to provide most services covered by these fees.

Use of Money and Property - The use of money and property category includes land and building rentals, cable franchise fees, and interest earnings. The FY 2027 proposed budget includes \$2.5 million in interest earnings revenue. Cable Franchise Fees support the General Fund and the Special Activities Fund (Cable TV Equipment) and represent franchise fees and grants paid to the city by Comcast and Verizon. The FY 2027 estimate for this category equals \$1.4 million.

Fines and Forfeitures - This revenue category increased from the FY 2026 adopted budget by 20.75%, or \$678,900, up to approximately \$4 million for FY 2027. This category of revenue includes red-light camera citations, speed camera citations, parking violation citations, and other fines and charges.

The revenues proposed in the FY 2027 budget support the planned spending for the upcoming fiscal year. The Mayor and Council are responsible for approving property tax rates, utility rates, and the master fee resolution. Any direction to modify the proposed tax rates, fees, or charges will require that the following worksessions include focused discussions around adjustments to planned spending.

The proposed changes to utility rates, coupled with estimated increases in assessed property values, increase to \$170 per year (or approximately \$14 per month) for a single-family homeowner who pays Rockville water and sewer rates.

Two public hearings for the FY 2027 budget are scheduled for the March 23 and April 13 Mayor and Council meetings. The record for the community budget priorities survey and public record will close on April 13, 2026. The Mayor and Council worksession on CIP, Changes, and Final Balances will be held on April 13, 2026. Adoption of the FY 2027 Budget and Capital Improvements Program is scheduled for May 4, 2026.

The Mayor and Council provided their thoughts, comments, and feedback.

#### **FURTHER DISCUSSION**

March 9, 2026, Agenda Item 12A.

[Mayor and Council Meeting March 9, 2026 No. 07-26](#)

Timestamp 1:40:16

**13. Mock Agenda**

There were no changes to the Mock Agenda.

**14. Old / New Business**

The Mayor and Council requested staff draft a letter in support of the Washington Suburban Sanitation Commission (WSSC) letter requesting federal funding for the Potomac Interceptor.

The Mayor and Council noted that the Maryland Women's Business Center is seeking a letter of support for its Earmark submission.

**15. Adjournment**

There being no further business, the meeting adjourned at 10:43 p.m.

	<b>RESULT: APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Marissa Valeri, Councilmember
<b>SECONDER:</b>	Izola Shaw, Councilmember
<b>IN FAVOR:</b>	Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack