



# OFFICE OF MANAGEMENT & BUDGET

## State Budget Office


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### MEMORANDUM

**To:** The Honorable Marvin L. Abney, Chairman, House Finance Committee  
The Honorable Louis P. DiPalma, Chairman, Senate Finance Committee

**From:** Joseph Codega Jr., Budget Officer 

**Date:** March 29, 2024

**Subject:** Amendments to the FY 2024 and FY 2025 Appropriations Acts (24-H-7224 and 24-H-7225)

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#### Governor's Budget Amendment #6

The Governor requests that amendments be made to the FY 2024 Revised and FY 2025 Appropriations Acts. The amendments reflect updated cost estimates for the design and construction of a new Southern Barracks in West Greenwich, Rhode Island. This project was included in the Governor's FY 2025 - FY 2029 Capital Budget at a projected cost of \$38.2 million, financed via the Rhode Island Capital Plan Fund (RICAP). More recent cost projections received from the Department's Architecture and Engineering team reflect new schematic design estimates that were unavailable at the time of budget submission. These estimates now reflect a total project cost of \$41.3 million.

This increase of \$3.1 million results from a variety of factors affecting project cost, including: redesign fees to reduce the building size, construction start delay from 2023 to 2025 (due to redesign) and general price escalation in materials and labor markets. These increases were tempered by significant efforts toward value management in direct construction costs related to HVAC control, stormwater management, septic system sizing and lighting fixtures. These reductions in direct construction costs, in turn result in lower indirect costs (mark-ups), such as construction bonds, insurance and fees.

The amendments contained herein adjust RICAP financing within the Governor's FY 2024 Revised and FY 2025 Appropriations Acts in accordance with this upward revision to total projected project cost. Please note that there is no change to FY 2025 recommended RICAP appropriations for this project; however, because multi-outyear RICAP appropriations are contained in Article 1, Section 13 of the FY 2025 Appropriations Act, an increase to FY 2026 is included within that section.

A description of each amendment requested is provided below.

If you have any questions regarding these amendments, please feel free to call me or my staff at 222-6300.

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cc: Sharon Reynolds Ferland, House Fiscal Advisor  
Stephen Whitney, Senate Fiscal Advisor  
Jonathan Womer, Director of Administration  
Brian Daniels, Director, Office of Management and Budget

**2024-H-7224: ARTICLE 1, RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT  
OF FY 2024**

**SECTION 1, REVISED APPROPRIATIONS IN SUPPORT OF FY 2024**

Decrease Other Funds for the Southern Barracks project, Page 38, Line 31, by \$1,000,000 from \$4,000,000 to \$3,000,000. This amendment reflects the shift of \$1.0 million in Rhode Island Capital Plan Funds to FY 2026.

**2024-H-2025: ARTICLE 1, RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2025**

**SECTION 13. FY 2026 – FY 2029 RICAP APPROPRIATIONS**

Rhode Island Capital Plan Funds for the DPS – Southern Barracks project: Page 42, Line 13. Increase funding for FY Ending 06/30/2026 by \$4,050,000 from \$12,700,000 to \$16,750,000. This increase reflects: (1) A shift of \$1.0 million from FY 2024 to FY 2026 and (2) An increase of \$3,050,000 to accommodate revisions to the anticipated project cost as discussed in the memorandum above.