

**D90U00**  
**Canal Place Preservation and Development Authority**

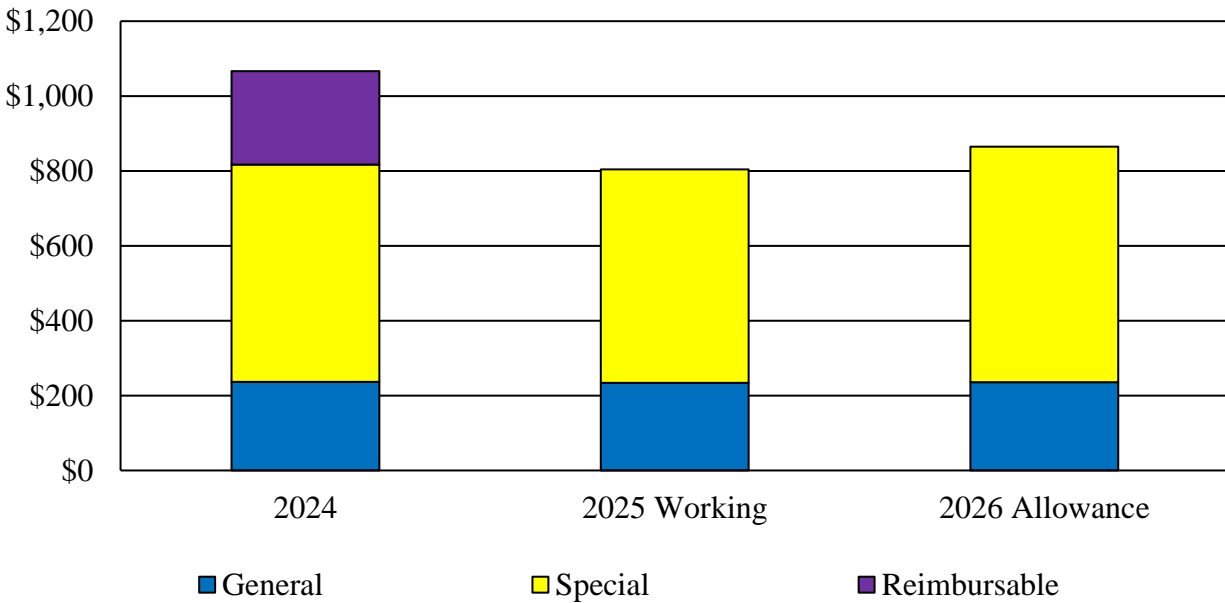
**Program Description**

The Canal Place Preservation and Development Authority (CPPDA) is responsible for the historic preservation, development, and management of the Passages of the Western Potomac Heritage Area (formerly Canal Place Heritage Area). The Heritage Area is 1.67 square miles and is comprised of over 1,000 acres located in the cities of Cumberland and Frostburg. Canal Place is the 11-acre State-owned property in Cumberland comprised of lands adjacent to the western terminus of the Chesapeake and Ohio (C&O) Canal. Through historic preservation, CPPDA seeks to enhance recreation, commerce, civic life, transportation, education, and the ecology. The CPPDA Board consists of nine members, including six appointed by the Governor, one federal representative, one representative of the City of Cumberland, and one representative of the Maryland Historical Trust (MHT).

***Operating Budget Summary***

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**Fiscal 2026 Budget Increases \$60,829, or 7.6%, to \$864,871**  
 (\$ in Thousands)



Note: The fiscal 2025 impacts of statewide salary adjustments are centrally budgeted in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2026 impacts of the fiscal 2025 statewide salary adjustments appear in this agency’s budget. The fiscal 2026 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

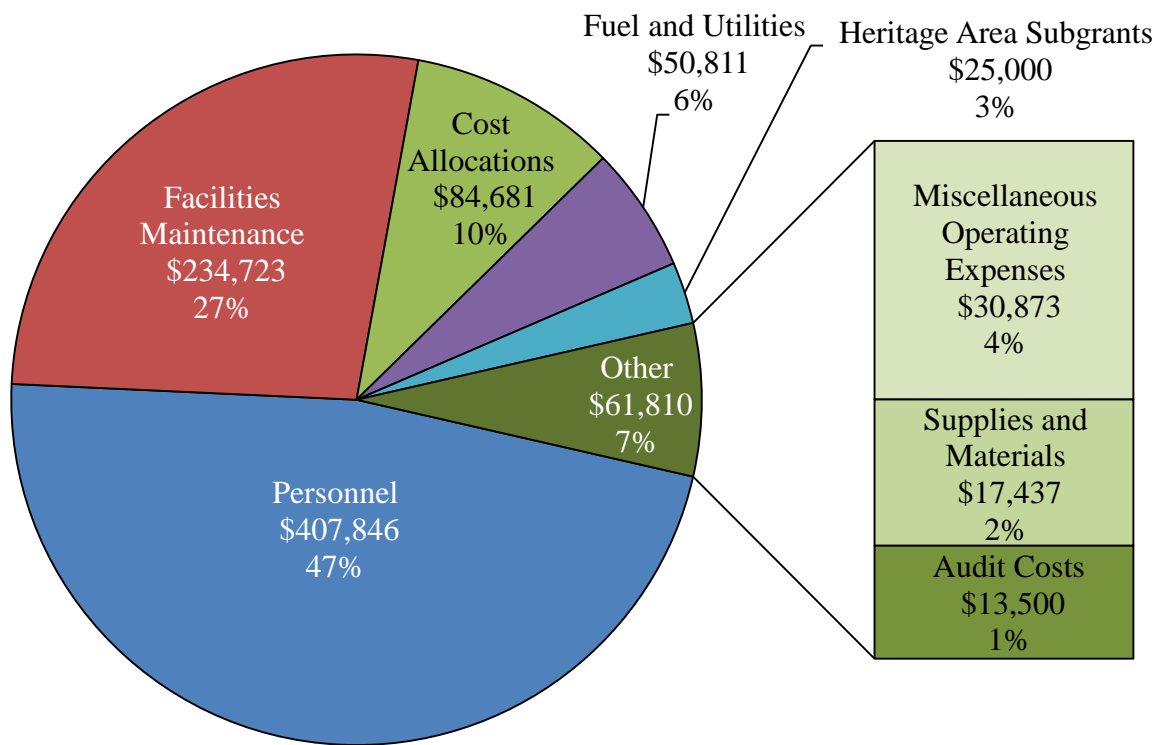
For further information contact: Samuel M. Quist

samuel.quist@mlis.state.md.us

## Fiscal 2026 Overview of Agency Spending

The fiscal 2026 allowance totals \$864,871. As shown in **Exhibit 1**, approximately 47% of the fiscal 2026 allowance supports personnel expenses for the agency’s 4 regular positions. The remaining 53% supports the agency’s operating expenses, of which the largest category is contractual services for general facilities maintenance.

**Exhibit 1**  
**Overview of Agency Spending**  
**Fiscal 2026 Allowance**



Note: The fiscal 2026 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

Source: Governor’s Fiscal 2026 Budget Books

## Proposed Budget Change

As shown in **Exhibit 2**, the fiscal 2026 allowance for CPPDA increases by approximately \$61,000 (7.6%) compared to the fiscal 2025 working appropriation. Personnel expenses increase by \$38,000 due to salary increases and growth in health insurance premiums. Operating expenses increase by \$23,000 primarily due to increases in contractual services costs for facilities maintenance.

**Exhibit 2**  
**Proposed Budget**  
**Canal Place Preservation and Development Authority**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
Fiscal 2024 Actual	\$237	\$580	\$250	\$1,067
Fiscal 2025 Working Appropriation	234	570	0	804
Fiscal 2026 Allowance	<u>235</u>	<u>629</u>	<u>0</u>	<u>865</u>
Fiscal 2025-2026 Amount Change	\$1	\$59	\$0	\$61
Fiscal 2025-2026 Percent Change	0.6%	10.4%		7.6%
<b>Where It Goes:</b>				<b><u>Change</u></b>
<b>Personnel Expenses</b>				
Employee and retiree health insurance .....				\$24
Salary increases and associated fringe benefits, including fiscal 2025 cost-of-living adjustment and increments .....				14
<b>Other Changes</b>				
Contractual services for facilities maintenance .....				25
Cost allocations .....				1
Miscellaneous information technology and communications expenses .....				-3
<b>Total</b>				<b>\$61</b>

Note: Numbers may not sum to total due to rounding. The fiscal 2025 impacts of statewide salary adjustments are centrally budgeted in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency's budget. The fiscal 2026 impacts of the fiscal 2025 statewide salary adjustments appear in this agency's budget. The fiscal 2026 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency's budget.

***Personnel Data***

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	<b><u>FY 24 Actual</u></b>	<b><u>FY 25 Working</u></b>	<b><u>FY 26 Allowance</u></b>	<b><u>FY 25-26 Change</u></b>
Regular Positions	3.00	4.00	4.00	0.00
Contractual FTEs	<u>0.75</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Personnel</b>	<b>3.75</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	0.00	0.00%
Positions and Percentage Vacant as of 12/31/24	0.00	0.00%
Vacancies Above Turnover	0.00	

## ***Key Observations***

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### **1. River Park at Canal Place Project Design Advances**

The design phase of the River Park at Canal Place project continues to progress and achieved notable milestones during calendar 2024, including completion of a 30% preliminary engineering study and the selection of a project management firm to oversee the project. Additionally, a request for proposals (RFP) for architectural and engineering services for design of the trail system portion of the project was issued in January 2025.

In early 2024, a draft of the 30% preliminary engineering report was delivered to CPPDA, which was finalized later in the year. The report includes a summary of preliminary design activities completed, identifies next steps for the project, and includes updated project cost estimates. To develop the 30% preliminary engineering report, the following items were completed:

- existing site analysis, including topographic mapping, bathymetry of upstream of the Potomac Industrial Dam (also known as the Blue Bridge Dam) including preliminary sediment analysis, and three-dimensional modeling of the dam and other in-water and manmade features;
- a hydrology analysis of the North Branch of the Potomac River to determine variation in river flows during different seasons;
- a hydraulic model review and floodplain feasibility analysis to determine if proposed project improvements can be made to the project area without causing adverse impacts to the floodplains of the North Branch of the Potomac River;
- collection of other pertinent project site analysis and surrounding area trail and river access connections data; and
- preliminary meeting/coordination with the U.S. Army Corps of Engineers, the City of Cumberland, CPPDA, and Allegany County.

### **Next Steps**

The 30% preliminary engineering report identifies additional data collection that is necessary for project design to progress to the 60% design stage, including:

- additional topographic and bathymetric surveying;

*D90U00 – Canal Place Preservation and Development Authority*

- additional hydrologic analysis, including installation of water level loggers in multiple areas in the project vicinity to record actual water surface elevations and variations in water levels during the low flow and high flow seasons; and
- additional sediment assessment of the impounded sediment upstream of the dam and sediment below the dam to estimate sediment depths, sediment type, and underlying material characteristics including the presence of contaminants.

During development of the 60% design, coordination with the various regulatory agencies governing the scope of work involved in the project will occur to work toward completion and submission of all necessary permit applications and supporting information. Anticipated regulatory agencies involved in the project include but are not limited to:

- City of Cumberland;
- City of Ridgely, West Virginia;
- U.S. Army Corps of Engineers;
- National Park Service (NPS);
- Maryland Department of the Environment (MDE);
- U.S. Fish and Wildlife Service;
- Maryland Department of Transportation (MDOT) State Highway Administration (SHA); and
- MHT.

Additional regulatory permitting may be required after initial application submittals to complete the final project design.

Following the final design completion, bid documents would be developed and the bid phase for project construction would begin. The project's construction is anticipated to include three main project phases, as follows:

- **Phase 1:** removal of the Potomac Industrial Dam, including sediment removal and disposal;
- **Phase 2:** construction of whitewater and other in-river features, including access points for boating; and

- **Phase 3:** construction of a trail system and related components that will encircle the park along the North Branch of the Potomac River.

According to the 30% preliminary engineering study, the estimated total project cost is \$28.5 million. Over \$8 million in project funding from various federal, State, and local sources has been secured so far. Of this amount, \$7.5 million was allocated toward the project through the State capital program in fiscal 2024, including \$1.5 million in general funds and \$6.0 million in federal funds. Federal funds were awarded as an earmark through the federal Transportation Alternatives program via MDOT SHA, which required a \$1.5 million State match. Additional project funding has been secured from other State and local sources.

### **Other Recent Project Milestones**

In July 2024, the EcoLogix Group of Parkton, Maryland was selected as the project management firm to oversee the River Park project. According to the RFP issued by CPPDA, the project management firm will be responsible for reviewing and commenting on engineering and construction plans, preparing bidding and contract documents for any engineering or construction-related procurements, participating in the evaluation of any such bids received, and monitoring and inspecting any construction activities undertaken pursuant to any such procurement. The project management firm will initially base its work off of the 30% preliminary engineering report.

In January 2025, an RFP for architectural and engineering design services for the trail system portion of the project was issued. This component of the project is planned to include a minimum eight-foot wide, on-grade, shared-use path extending approximately 3.9 miles along the North Branch of the Potomac River. The path would include a wetland trail, a trail overlook, passive seating areas, a small pedestrian bridge, railing, landscaping, interpretive and wayfinding signage, and a parking area. Trail connections will connect the park's trail system with other trails in the area including the C&O Canal Towpath and the Great Allegany Passage and will connect the park with the downtown Cumberland business district. The selected firm will be responsible for designing the trails and trail connections in compliance with applicable standards and regulations and obtaining all necessary federal, State, and local approvals and regulatory permits. The deadline for proposals to be submitted is February 19, 2025. According to the RFP, the selected firm will be required to complete all design activities by September 13, 2025.

On February 7, 2025, the Department of Budget and Management (DBM) Office of Capital Budgeting approved the Part I/II facility program plan submitted by CPPDA for the trails and parking lot portion of the River Park project. A separate Part I/II facility program plan for the in-river features of the project and the removal of the Cumberland Industrial Dam will be prepared and submitted to DBM for review at a later date. As provided by statute, projects receiving State capital funding must be designed and constructed as specified in the approved Part I/II facility program plan and may not be changed without prior program approval.

## **U.S. Army Corps of Engineers C&O Canal Rewatering Project**

In early 2024, the U.S. Army Corps of Engineers executed an agreement with the City of Cumberland to complete design and engineering work for the C&O Canal rewatering project (also referred to as the Cumberland, Maryland Flood Mitigation project). This separate, primarily federally funded project would excavate, reconstruct, and rewater 1.2 miles of the C&O Canal terminus adjacent to Canal Place for historic preservation and flood control purposes. As part of this project, the City of Cumberland has taken steps to relocate and upgrade vicinity sewer lines using State and federal grants. Other project partners include CPPDA, NPS, MHT, MDOT SHA, MDE, the U.S. Environmental Protection Agency, and Allegany County.



## ***Operating Budget Recommended Actions***

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1. Concur with Governor's allowance.

**Appendix 1  
Object/Fund Difference Report  
Canal Place Preservation and Development Authority**

<u>Object/Fund</u>	<u>FY 24 Actual</u>	<u>FY 25 Working Appropriation</u>	<u>FY 26 Allowance</u>	<u>FY 25 - FY 26 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	3.00	4.00	4.00	0.00	0%
02 Contractual	0.75	0.00	0.00	0.00	0.0%
<b>Total Positions</b>	<b>3.75</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 312,026	\$ 369,867	\$ 407,846	\$ 37,979	10.3%
02 Technical and Special Fees	34,468	0	0	0	0.0%
03 Communication	9,166	11,050	11,050	0	0%
04 Travel	2,922	4,600	4,600	0	0%
06 Fuel and Utilities	75,942	50,811	50,811	0	0%
07 Motor Vehicles	2,355	1,530	1,530	0	0%
08 Contractual Services	573,807	315,995	338,617	22,622	7.2%
09 Supplies and Materials	21,620	17,437	17,437	0	0%
12 Grants, Subsidies, and Contributions	29,846	25,000	25,000	0	0%
13 Fixed Charges	4,746	7,752	7,980	228	2.9%
<b>Total Objects</b>	<b>\$ 1,066,898</b>	<b>\$ 804,042</b>	<b>\$ 864,871</b>	<b>\$ 60,829</b>	<b>7.6%</b>
<b>Funds</b>					
01 General Fund	\$ 236,570	\$ 233,944	\$ 235,407	\$ 1,463	0.6%
03 Special Fund	580,328	570,098	629,464	59,366	10.4%
09 Reimbursable Fund	250,000	0	0	0	0.0%
<b>Total Funds</b>	<b>\$ 1,066,898</b>	<b>\$ 804,042</b>	<b>\$ 864,871</b>	<b>\$ 60,829</b>	<b>7.6%</b>

Note: The fiscal 2026 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.