

MEMORANDUM

March 5, 2009

TO: Planning, Housing, and Economic Development Committee

FROM: Craig Howard, ^{CH}Legislative Analyst
Richard Romer, ^{RR}Legislative Analyst
Office of Legislative Oversight

SUBJECT: **Follow-up on OLO Report 2009-7: *Organization of Recreation Programs across the Department of Parks and Department of Recreation***

On March 9th, the PHED Committee will continue its discussion of OLO Report 2009-7. This worksession was rescheduled from March 2nd due to inclement weather.

OLO's report, which was formally released by the Council in January, responds to the Council's request to review the organization of recreation programs across the Maryland-National Capital Park and Planning Commission's (M-NCPPC) Montgomery County Department of Parks and Montgomery County's Department of Recreation.

As requested by the PHED Committee, the primary purpose of the March 9th worksession is to provide agency representatives from County Government and M-NCPPC the opportunity to respond to specific questions posed by the Committee regarding the consolidation of all recreation programs in one department. These questions were outlined in memos sent from the Committee Chair to the agencies on February 10th (at ©1-4). Following the agency presentations and Committee discussion, the Committee's goal is to develop a recommendation for full Council consideration.

M-NCPPC will be represented by:

- Royce Hanson, Chair, Montgomery County Planning Board and Vice-Chair, M-NCPPC
- Mary Bradford, Director, Montgomery County Department of Parks
- Mike Riley, Deputy Director for Administration, Department of Parks
- Kate Stookey, Chief, Division of Park Information and Customer Service, Department of Parks
- Mary Ellen Venzke, Chief, Management Services Division, Department of Parks

The County Government will be represented by:

- Kathleen Boucher, Assistant Chief Administrative Officer
- Gabriel Albornoz, Director, Department of Recreation
- Joseph Beach, Director, Office of Management and Budget
- Marc Hanson, County Attorney

A. SUMMARY OF FEBRUARY 9TH WORKSESSION

At the February 9th worksession, OLO staff presented a summary of the report's findings and recommendations. Representatives from the County Government and M-NCPPC also presented comments on the OLO report.

The PHED Committee discussed the question of whether to consolidate recreation programs into one department. The overwhelming sentiment voiced by all parties at the worksession was to support consolidating recreation programs into one department. Different views were expressed about whether the consolidation should occur in the Department of Parks or the Department of Recreation.

Consolidating recreation programs in the Department of Parks would result in a consolidated department of parks and recreation under the authority of the Montgomery County Planning Board. In addition to consolidating recreation programs, the Committee discussed the question (introduced by County Government staff) of merging the Department of Parks and Department of Recreation under the authority of County Government, which is a restructuring option beyond the scope of OLO's report.

The Committee decided to hold a follow-up worksession to provide agency representatives from M-NCPPC and the County Government the opportunity to respond to specific questions posed by the Committee regarding the consolidation of all recreation programs in one department.

B. REQUEST FOR FOLLOW-UP INFORMATION

The Chair of the PHED Committee sent memorandums to the Chair of the Planning Board (at ©1) and the Chief Administrative Officer (at ©3) to clarify the request for additional information. The Committee requested that M-NCPPC and County Government provide an overview of their respective approaches to consolidation of all recreation programs. In particular, the Committee asked:

- M-NCPPC staff to provide an overview of how M-NCPPC would approach the consolidation of all recreation programs into the Department of Parks; and
- Executive Branch staff to provide an overview of how County Government would approach the consolidation of all recreation programs into the Department of Recreation.

The memo from the PHED Chair requested that each agency address the same set of questions. (See list of questions and page references to the agency responses on the next page).

- **Written materials provided by the M-NCPPC are attached beginning at ©5.** The Montgomery County Planning Board held a worksession on February 23rd to discuss the M-NCPPC response to the PHED Committee's request.
- **Written materials provided by the County Government are attached beginning at ©78.**

The table below lists the six questions the Committee asked each agency to address, along with the circle number where each agency's response to that question begins.

PHED Committee Question	Response from:	
	M-NCPPC	County Government
1. What would be the major programming benefits achieved from consolidation?	©12	©84
2. What efficiencies would you propose to achieve from a consolidation?	©14	©85
3. What major logistical issues must be resolved to implement the consolidation?	©16, ©33	©86
4. What laws, if any, must be changed?	©17	©90
5. How would a consolidated department be structured (both interim and long-term)?	©19, ©41	©92
6. What is your proposed timeline for a consolidation and in what stages should consolidation activities occur?	©19, ©44	©94

The Committee also invited staff from both agencies to offer any further thoughts at the follow-up worksession on the broader question of merging the Department of Parks and the Department of Recreation in County Government.

LIST OF ATTACHMENTS

Item	Begins at:
Memorandum from the Chair of the PHED Committee to the Chair of the Montgomery County Planning Board, dated February 10, 2009	©1
Memorandum from the Chair of the PHED Committee to the Chief Administrative Officer, dated February 10, 2009	©3
Written materials submitted by M-NCPPC, dated February 24, 2009	©5
February 9, 2009 PHED Committee Worksession Packet on OLO Report 2009-7	©54
Written materials submitted by County Government, dated March 2, 2009	©78



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

MICHAEL KNAPP

MEMORANDUM

February 10, 2009

TO: Royce Hanson, Chair
Montgomery County Planning Board

FROM: Michael J. Knapp, Chair, 
Planning, Housing, and Economic Development Committee

SUBJECT: Follow-up to PHED Committee's February 9th Worksession on
Office of Legislative Oversight (OLO) Report 2009-7

The purpose of this memorandum is to clarify the PHED Committee's request for additional input on the question of whether to consolidate recreation programs into one department. The Committee discussed this question at yesterday's worksession on OLO's report concerning the organization of recreation programs. The Committee also discussed the broader issue of merging the Department of Parks and the Department of Recreation into a single consolidated department.

At the worksession, the overwhelming sentiment voiced by all parties was to support consolidating recreation programs into one department. Different views were expressed about whether the consolidation should occur in the Department of Recreation or the Department of Parks. In addition, staff from both agencies discussed exploring a full merger of the Department of Parks and Department of Recreation.

The Committee will hold a follow-up worksession on March 2nd for the purpose of continuing to discuss these issues and develop a recommendation for full Council consideration. The Committee requests that, on March 2nd, Planning Board staff provide an overview of how the Planning Board would approach the consolidation of all recreation programs into the Department of Parks. Specific questions to address include:

1. What would be the major programming benefits achieved from consolidation?
2. What efficiencies would you propose to achieve from a consolidation?
3. What major logistical issues must be resolved to implement the consolidation?
4. What laws, if any, must be changed?
5. How would a consolidated department be structured (both interim and long-term)?
6. What is your proposed timeline for a consolidation and in what stages should consolidation activities occur?

At yesterday's worksession, the Committee also voiced an interest in considering the broader question of merging the Department of Parks and the Department of Recreation in County Government. While recognizing that this matter raises issues outside the scope of OLO's report, the Committee invites Planning Board staff to offer any further thoughts on this topic for the Committee's consideration on March 2nd.

In closing, the Committee acknowledges the short timeframe associated with this request, and recognizes that the information provided on March 2nd will represent the Planning Board's initial views on these complex issues.

Please provide any written material for the worksession packet to Craig Howard of OLO by close-of-business on February 24th. Thank you.

Copy: Councilmembers

Mary Bradford, Director, Department of Parks

Tim Firestine, Chief Administrative Officer

Kathleen Boucher, Assistant Chief Administrative Officer

Gabe Albornoz, Director, Department of Recreation

Karen Orlansky, Director, Office of Legislative Oversight



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

MICHAEL KNAPP

MEMORANDUM

February 10, 2009

TO: Tim Firestine, Chief Administrative Officer
Montgomery County Government

FROM: Michael J. Knapp, Chair, 
Planning, Housing, and Economic Development Committee

SUBJECT: Follow-up to PHED Committee's February 9th Worksession on
Office of Legislative Oversight (OLO) Report 2009-7

The purpose of this memorandum is to clarify the PHED Committee's request for additional input on the question of whether to consolidate recreation programs into one department. The Committee discussed this question at yesterday's worksession on OLO's report concerning the organization of recreation programs. The Committee also discussed the broader issue of merging the Department of Parks and the Department of Recreation into a single consolidated department.

At the worksession, the overwhelming sentiment voiced by all parties was to support consolidating recreation programs into one department. Different views were expressed about whether the consolidation should occur in the Department of Recreation or the Department of Parks. In addition, staff from both agencies discussed exploring a full merger of the Department of Parks and Department of Recreation.

The Committee will hold a follow-up worksession on March 2nd for the purpose of continuing to discuss these issues and develop a recommendation for full Council consideration. The Committee requests that, on March 2nd, Executive Branch staff provide an overview of how the County Government would approach the consolidation of all recreation programs into the Department of Recreation. Specific questions to address include:

1. What would be the major programming benefits achieved from consolidation?
2. What efficiencies would you propose to achieve from a consolidation?
3. What major logistical issues must be resolved to implement the consolidation?
4. What laws, if any, must be changed?
5. How would a consolidated department be structured (both interim and long-term)?
6. What is your proposed timeline for a consolidation and in what stages should consolidation activities occur?

At yesterday's worksession, the Committee also voiced an interest in considering the broader question of merging the Department of Parks and the Department of Recreation in County Government. While recognizing that this matter raises issues outside the scope of OLO's report, the Committee invites Executive Branch staff to offer any further thoughts on this topic for the Committee's consideration on March 2nd.

In closing, the Committee acknowledges the short timeframe associated with this request, and recognizes that the information provided on March 2nd will represent the County Government's initial thoughts on these complex issues.

Please provide any written material for the worksession packet to Craig Howard of OLO by close-of-business on February 24th. Thank you.

Copy: Councilmembers

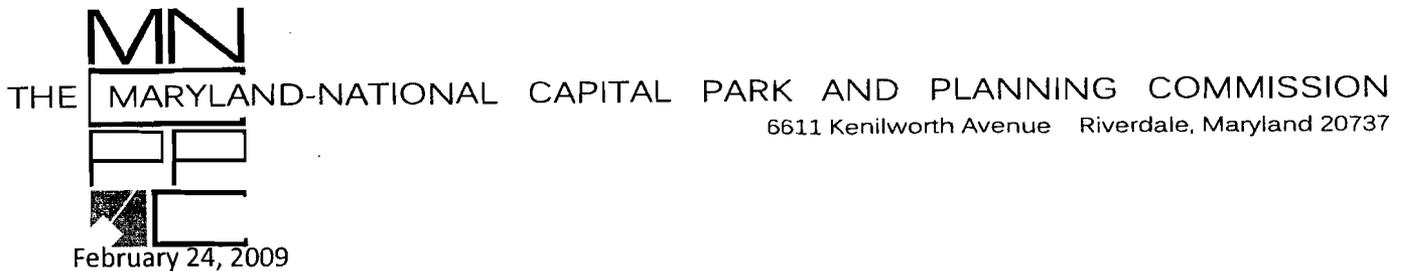
Kathleen Boucher, Assistant Chief Administrative Officer

Gabe Albornoz, Director, Department of Recreation

Royce Hanson, Planning Board Chair

Mary Bradford, Director, Department of Parks

Karen Orlansky, Director, Office of Legislative Oversight



The Honorable Michael J. Knapp
Chair, Planning, Housing and Economic Development Committee
Montgomery County Council
100 Maryland Avenue, 6th Floor
Rockville, Maryland 20850

Dear Mike:

The attached document provides our response to the questions contained within your memo dated February 10, 2009. Specifically, you requested we provide an overview of how the Planning Board would approach the consolidation of all recreation programs into the Department of Parks, and listed six questions to be addressed. Your memo further invited us to offer thoughts on the possible merger of the Department of Parks within County Government.

It is important to recognize the Office of Legislative Oversight (OLO) Report 2009-7: ORGANIZATION OF RECREATION PROGRAMS ACROSS THE DEPARTMENT OF PARKS AND DEPARTMENT OF RECREATION did not study a full merger of the Department of Parks into the County Government, while it did to some extent study a merger under the M-NCPPC (the OLO report states a consolidation of recreation programs within the Department of Parks would effectively dissolve the Department of Recreation).

We have done our best to answer each of the six questions as comprehensively as possible given the short timeframe. The information contained in the attached document is representative of our initial thoughts, but these are complex issues and it is clear additional follow up actions and information will be required before a fully informed decision can be made regarding a consolidation or merger.

A few critical points need to be made as we enter into further discussion of these options:

- **The existing connection between parks and planning has enabled this county to build one of the greatest park systems in the country.** The relationship of Parks to Planning has greatly affected how the Planning Board has approached the acquisition of land, including its approach to the conservation of natural resources. Montgomery County residents enjoy more than 34,000 acres of parkland and 410 parks. In counties with comparable land mass that lack this connection, parkland is significantly diminished in size. For example, the larger Baltimore County has 7,000 acres and 200 parks and Anne Arundel County has 8,000 acres and 140 parks. Our planning agency has a charge to look at what needs to be done in terms of the environment and can coordinate directly with the park system. That relationship and its resulting direction has created this county's development and growth "culture" that so successfully attracts and retains residents and businesses. As a result, the M-NCPPC is the only agency in the entire country to have won the Gold Medal for Excellence in Parks and Recreation five times.

- **Because the Department of Parks is governed by a bipartisan, independent Board, park management is not subject to the disruptions common in the leadership of political, executive agencies.** This permits long-range planning and programming, consistency in program delivery, development of a strategic, non-political approach to public service, and a stronger, direct relationship with the County Council.
- **Under the Executive Branch, pressures to use the parkland to support other public policy objectives such as transportation and housing could overwhelm public use and access.** If the Department of Parks were merged into county government, the approval of park facility plans would be subject only to mandatory referrals. The Executive Branch would not be required to follow the direction of the Planning Board, which reviews facility plans extensively and recommends beneficial modifications. The stewardship of the 10% of our county's land acquired as parkland is strengthened by its association with a plural, independent body that reports directly to the County Council.
- **Park programs and services are already cost effective and highly valued by the public they serve.** A 2003 Park User Survey and the 2007 County Residents Survey both show high levels of satisfaction with the Department of Parks. Our ongoing customer satisfaction data further supports this. Our operational cost recovery numbers are solid and show Parks' ability to develop, manage and maintain successful programs. There is no problem or overlap identified in the OLO report that warrants a massive shift of responsibility.
- **Some level of competition in program offerings forces each provider to operate more efficiently and ensure programming is fresh and responsive to public demand.** This is a significant benefit for the taxpayers and our customers. Limited programming overlap was found by the OLO report, and even in those areas where some overlap exists, if the classes are full and in demand, what's the harm in more than one agency offering the program? We have almost one million people to serve, and we're never going to be able to completely stop competition in recreation programs anyway – there are many other public agencies and private entities offering programs that are similar or the same.

The OLO Report studied recreation programming offered by two public organizations out of the many public agencies offering similar programs that serve a county of one million people with varying program preferences. The findings of the OLO report showed little actual duplication in the programming offered by parks and recreation. The main justification for action cited at the first committee meeting was the avoidance of confusion for the public in accessing recreational programs from two Departments. Consolidation of some of the programs offered by the Department of Parks into the Department of Recreation maintains the two department structure for the delivery of park and recreation services and perpetuates customer confusion. Consolidation of recreation programs into the Department of Parks, on the other hand, aligns recreation programming, permitting, facility ownership, and facility operation functions into one agency¹, parallels the more common combined parks and recreation structure², and resolves the issue of customer confusion.

The OLO did not study or recommend a full departmental merger. However, the merger study conducted by the OLO in 1993 found that a departmental merger has both one-time and ongoing costs, and was not guaranteed to realize net cost savings over time. Though we are at a different place in time,

¹ OLO Report 2009-07, Page 79

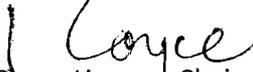
² IBID

the facts remain essentially the same, and significant cost-savings from this option have yet to be substantiated.

In short, what we really have is a situation, not a problem. While we agree the parks and recreation functions should be merged, we are skeptical that now is the right time to do so, in any direction. The diversion of scarce resources to support the implementation of a non-critical merger at a time of severe budget cuts and a hiring freeze would have a significantly negative impact on both organizations' ability to provide an acceptable level of service to our residents.

The recommendation of the Planning Board at this time is to pursue Option 4, contained in the attached document, which would provide immediate improvement of service to the public. It is consistent with OLO options B, C, and D, and we recommend its adoption by the Council. We further recommend that any decision to pursue the merger discussion be made with all facts in hand, after a thorough analysis, and in the context of a public forum to ensure the right questions are being asked and the right decisions are being made for the right reasons.

Sincerely,



Royce Hanson, Chairman

Montgomery County Planning Board/Parks Commission

**M-NCPPC Response to
PHED Committee Request on OLO Report
February 24, 2009**



Background

On February 9, 2009, the PHED committee hosted a work session to review OLO Report 2009-7: ORGANIZATION OF RECREATION PROGRAMS ACROSS THE DEPARTMENT OF PARKS AND DEPARTMENT OF RECREATION. The next day, the Chair of the PHED committee sent two memoranda clarifying next steps; one to Chairman Hanson and one to the County's Chief Administrative Officer, Tim Firestine, asking for information on specific consolidation options. Each memo states: "At the work session, the overwhelming sentiment voiced by all parties was to support consolidating recreation programs in one Department". The Planning Board was asked to provide an overview of how it would approach the consolidation of recreation programs into the Department of Parks. The County was asked how it would approach consolidation of all recreation programs in the Department of Recreation. Specifically, we were asked to answer the following questions:

1. What would be the major programming benefits achieved from consolidation?
2. What efficiencies would you propose to achieve from a consolidation?
3. What major logistical issues must be resolved to implement the consolidation?
4. What laws, if any, must be changed?
5. How would a consolidated department be structured (both interim and long-term)?
6. What is your proposed timeline for a consolidation and in what stages should consolidation activities occur?

In addition, we were also invited to offer our thoughts on the broader question of merging the entire Department of Parks and the Department of Recreation in County Government. It is important to recognize the OLO report did not study a full merger of the Department of Parks into the County Government, while it did to some extent study a full merger under the Commission (a merger of recreation programs into the Department of Parks would effectively dissolve the Department of Recreation).

We were given nine (9) business days to pull together our response. We have done our best to answer each of the above questions as comprehensively as possible given the short timeframe. The information contained in this memo and the packet that will be sent to OLO on February 24 are representative of our initial thoughts, but these are complex issues and it is clear additional follow up actions and information will be required before a fully informed final decision can be made.

OLO Report Clarifications and Comments

In general, we are grateful for the conscientious effort by OLO staff to summarize and understand the recreation and related programming offered by both the Department of Parks and the County's Department of Recreation. This was certainly a complex task, and we found the OLO report to be well-balanced and ultimately fair. There are, however, two clarifications worth noting:

- **The overall operational cost recovery for programs provided by the Department of Parks is actually 123%.** To allow a true apples-to-apples comparison of operational program cost recovery, Park costs for debt service, CIP, utilities, and some administrative and management functions were removed as they were not factored into the Department of Recreation's numbers.

The costs and revenues associated with the categories “Recreational Amenities” and “Athletic Field Maintenance” were also removed because these are not related to programming provided by the Department of Parks. “Recreational Amenities” include the Enterprise seasonal facilities, such as the miniature trains, the splash park, the miniature golf course, and our boating facilities. The Department of Parks does not offer any programming at these facilities, with the exception of the Haunted Train rides offered at our miniature trains for one week in October. Nor does the Department offer any programs on the park athletic fields; we simply maintain and permit them for use by other groups, including the Department of Recreation. The Department of Recreation provides programming on our fields, as well as other users who apply for and receive a permit from the Department of Parks. These facilities are programmable, certainly, but they are not currently programmed by the Department of Parks.

The chart below provides a better comparison of actual operating cost recovery for the Department of Parks. The chart showing the Department of Recreation’s relative cost recovery as compiled by the OLO report is included for comparison purposes, though the Department of Recreation may also have found some discrepancies in their numbers.

Department of RECREATION FY09 Recreation Programming Budget Data (\$in 000s)

Programming Category	Workyears			Budgeted Expenditures & Revenue				Profit	Operating Cost Recovery %
	Career	Seasonal	Total Wys	Personnel	Operating	Total Exp	Revenue		
Programs Division									
Camps Program	5.5	30.8	36.3	\$1,149	\$516	\$1,665	\$1,319	(\$346)	79%
Classes Program	7.3	0.9	8.2	\$657	\$19	\$676	\$520	(\$156)	77%
Sports Program	11.0	20.8	31.8	\$1,648	\$549	\$2,198	\$855	(\$1,342)	39%
Seniors Team	12.7	14.0	26.7	\$1,420	\$334	\$1,754	\$304	(\$1,450)	17%
Teen Team	24.4	35.8	60.2	\$3,021	\$1,695	\$4,716	\$546	(\$4,170)	12%
Therapeutic Recreation Team	6.7	7.7	14.4	\$769	\$240	\$1,009	\$101	(\$908)	10%
Facilities Division									
Aquatics	25.4	115.0	140.4	\$4,661	\$1,303	\$5,964	\$6,065	\$101	102%
Regions and Community Centers	42.6	53.2	95.8	\$5,153	\$743	\$5,897	\$1,244	(\$4,652)	21%
Total	135.6	278.2	413.8	\$18,478	\$5,399	\$23,879	\$10,954	(\$12,923)	46%

Department of PARKS FY09 Recreation Programming Budget Data (\$ in 000s)

All Categories From OLO Report except Recreational Amenities & Athletic Field Permits/Maint

Programming Category	Workyears			Budgeted Expenditures & Revenue				Profit	Operating Cost Recovery %
	Career	Seasonal	Total Wys	Personnel	Operating	Total Exp	Revenue		
Camps, Classes and Trips									
Nature Centers	10.5	3.6	14.1	\$964	\$61	\$1,024	\$203	(\$821)	20%
Public Gardens	2.0	2.9	4.9	\$263	\$110	\$373	\$180	(\$193)	48%
Enterprise Division	1.0	2.9	3.9	\$159	\$33	\$192	\$180	(\$12)	94%
Other Categories									
Sports Programs	14.0	34.5	48.5	\$1,873	\$1,551	\$3,424	\$5,611	\$2,187	164%
Total	27.5	43.9	71.4	\$3,259	\$1,755	\$5,013	\$6,174	\$1,161	123%

Expenses do not include utilities, management costs, risk management, capital improvement costs, printing costs for the Guide, or Police

Revenues do not include tax-fund transfers or interest earned

→ **The OLO report discovered virtually no overlap or duplication in programming offered by the two departments.** Though both departments offer over a thousand programs annually, there is virtually no redundancy in the programs offered by both departments. The OLO staff categorized the programming as “unique” or “similar” and pointed out that “similar” does not mean “the same.” The OLO report describes many of the “similar” programs in detail

specifically to show they are, in fact, different or targeting different audiences. For example, both departments offer yoga programs, but the Department of Recreation offers indoor yoga in a community center while the Department of Parks provides yoga in an outdoor, park setting. The Department of Recreation offers ethnic cooking classes, while the Department of Parks offers classes that show how to cook with organic, natural ingredients.

The Options

Four possible options are listed below. The first three were mentioned in the Memorandum from Michael J. Knapp dated February 10, 2009, and the last one is derived from the recommendations contained within the OLO Report:

1. **Consolidate recreation programming within the Department of Parks.** (OLO option A2)
2. **Merge the Department of Parks into County Government.** (No OLO recommendation)
3. **Consolidate recreation programming within the Department of Recreation.** (OLO option A1)
4. **Maximize efficiencies and coordination within existing organizations to improve service to the public.** (Variation of OLO options B-D)

The following pages provide an overview summary of all four possible options and outline the related pros and cons. Option 1 also includes our detailed response to the six questions posed by Council.

Option 1: Consolidate recreation programming within the Department of Parks. (OLO option A2)

As requested, our responses to the questions below address the transfer of recreation programming from the Department of Recreation to the Department of Parks. As referenced above, it should be noted that this option effectively constitutes a departmental merger, as stated in the OLO report, *"This consolidation model would almost certainly result in the abolishment of the Department of Recreation, with its non-recreation functions (e.g., the Gilchrist Center) moved to another County Government department."*¹

1. What would be the major programming benefits achieved from consolidation into the Department of Parks?

The Department of Parks concurs with the OLO report conclusion that all recreation programs should be consolidated into one department. The OLO report further states that *"...a consolidation of recreation programs could be worked out in either direction."*² and cites the advantages of consolidation into M-NCPPC as:

- *"It would align recreation programming, permitting, facility ownership, and facility operations functions within one agency;"* and

¹ OLO Report 2009-7, page 79

² IBID, page 78

- *"A single department providing both parks and recreation functions is the model most commonly used in other jurisdictions, and would parallel the structure already operating in Prince George's County."³*

It is important to note that OLO option A2 (the consolidation of recreation programs within the Department of Parks) would effectively constitute a full merger option under the M-NCPPC and result in the transfer of most of the Department of Recreation functions, while OLO option A1 (the consolidation of recreation programs within the County Government) represents a reallocation of some resources from Parks into the Recreation Department that leaves the two department structure intact. OLO option A2 (the consolidation of recreation programs within the Department of Parks) removes the confusion and coordination difficulties produced by such an artificial separation.

A full merger of parks and recreation under the M-NCPPC achieves significant programming benefits:

- **The M-NCPPC, as a bi-county agency, already provides outstanding park and recreation programs in sports and leisure, therapeutic recreation, interpretation, and education** that are uniquely linked to the parkland it manages. This includes award-winning programs targeted to seniors, teens and persons with disabilities.
- **M-NCPPC programming follows a facility-based education model.** This approach produces high-quality programming focused on lifetime learning and education, ensures proper use of parkland and amenities, and fosters loyalty to an area of interest or activity. Our customer retention and satisfaction numbers attest to its success.
- **Recreation program planning and delivery benefits tremendously from a direct link to the professionals who manage the land, facilities, and resources where the programs are offered.** Stewardship of the resources in the parks system requires specialized positions, such as historians, archeologists, naturalists, and horticulturalists, whose primary responsibility is care of the land and resources under Park's management, who are also uniquely qualified to plan and deliver programs to citizens.
- **Program quality, variety and customer satisfaction will be improved.** Survey data from a 2003 Park User Survey and the County Executive's 2007 Resident Survey show the growing popularity of and satisfaction with Park services and programs. Here are a few highlights:
 - o In 2003, 96% of users (roughly 68% of residents) felt that Montgomery Parks facilities were meeting their recreational needs.⁴
 - o In 2007, 86% of residents had visited a park in the past 12 months, with more than 60% visiting more than twice. Over 25% visited monthly or weekly.⁵
 - o In 2003, 97% of users (roughly 69% of residents) were satisfied or very satisfied with Montgomery Parks.⁶

³ IBID, page 79

⁴ Park User Satisfaction Survey, October 2003, page 3

⁵ Montgomery County Resident Survey, December 2007, Table 3

⁶ Park User Satisfaction Survey, October 2003, page 7

- In 2007, 85% of residents gave Parks services a rating of “excellent” or “good.” Fire services, ambulance or emergency medical services, recycling, and public library services were the only other services to score so high.⁷
 - Current satisfaction data shows 96% of Park users would recommend Park programs and facilities to others.⁸
- **Planning for recreational facilities will be significantly improved by closer integration with park, community, and regional planning.** Our Park Planning & Stewardship Division works closely with the Planning Department during the development of area master plans on the acquisition and development of parks, based on opportunities and needs expressed in the Land Preservation, Parks, and Recreation Plan. An integrated approach for planning parks and recreation facilities translate into improved program delivery and ensure all recreational facilities and amenities built consider environmental factors and requirements.
 - **The merger of Recreation into M-NCPPC provides a broader range of amenities and facilities available for programming purposes.** Surveys show that the most common activities in parks are the enjoyment of nature and use of trails, playgrounds, and picnicking. These are by and large unprogrammed activities that provide for passive interpretation and recreation. There is untapped opportunity to increase the level of recreational programming on park trails and other amenities.
 - **Customer service would be improved.** Montgomery Parks provides residents with more convenient options for registration and facility booking. Our ParkPASS system provides 24/7 online registration for classes, programs and facility rentals, and residents can walk into any Montgomery Parks facility and register for a class or program at any other Montgomery Parks facility. This option is not currently fully available with the Department of Recreation. As referenced in the bullet above, a consolidation into M-NCPPC would eliminate the need for two separate registration systems. Residents would also benefit from improved access to information through the already successful marketing and information program established by the Department of Parks, another area the Department of Recreation has said they would like to establish and grow.

2. What efficiencies would you propose to achieve from a consolidation?

As determined by the OLO report in its findings, there are few actual programming overlaps between the two Departments. This reduces the anticipated efficiency of eliminating significant duplication and redundancy in program offerings.

There are other efficiencies to be achieved, however:

- **Park programs appear to be more cost effective.** A true apples-to-apples comparison of operational cost recovery (removing Park costs for debt service, CIP, utilities, and some administrative and management functions as they were not factored into the Department of Recreation’s numbers) shows Park programs recover 123% of costs compared to the 46% recovered by Recreation programs⁹. Our business model is successful because it is based on programs developed

⁷ Montgomery County Resident Survey, December 2007, Table 7 and page 2

⁸ Montgomery Parks How Are We Doing? Survey Results, 2007-2008

⁹ OLO Report 2009-07, Page 70-71

through customer input, managed by programmers located on-site, regularly evaluated for instructor quality and customer satisfaction, and adapted or dropped as appropriate. If you remove debt service and CIP costs (which Department of Recreation facilities do not have to cover) our Enterprise facilities have consistently operated at a profit of \$1-\$2 million annually over the past five (5) years.

- **Associated staff reductions will produce a projected cost savings of \$820,000.** The equivalent of 10 career positions would be eliminated with a consolidation into the M-NCPPC. This number will be increased by additional seasonal work years that have not yet been calculated.
- **The M-NCPPC has the organizational capacity to absorb the Department of Recreation today.** The transfer of Recreation staff, programs and facilities into the much larger Department of Parks would simply expand the existing structure, resulting in a shorter timeline for transition than a consolidation in the other direction. The M-NCPPC already has the needed systems in place to quickly and easily support the addition of another Recreation function.
- **The work order management system administered by the Department of Parks would improve the planning and maintenance of recreation facilities as well.** Economies of scale could certainly be realized if our standardized system is used to measure, monitor, and evaluate these functions. A capital planning module is also being implemented.
- **The merger within the M-NCPPC eliminates the need for duplicative systems necessary to run various programs.** If recreation programming goes to the County, Parks would still have to maintain the infrastructure necessary to run various interpretive and educational programs or events inherent to park land and facilities. Examples include Brookside Gardens' Butterfly Show and Garden of Lights, the Harvest Festival and Arbor Day Celebration at the Agricultural History Farm Park, gardening and horticultural programs, nature center and outdoor education programs, archaeology camps, campfire programs, among others, that would continue under Parks as core park functions.
- **Less staff and administrative time will be required to address customer confusion related to programs and registration.** Park and Recreation staff regularly encounter customers confused about which agency is responsible for which program, service or activity. As stated above, we see no scenario where program offerings are completely eliminated from the Department of Parks if recreation programming goes to the County. Customer confusion is likely to continue.
- **The M-NCPPC provides a "one-stop shop" for strategic planning, facility planning, development, maintenance, operations, and policing.** All of these services are performed within the Department of Parks and support the successful programs we offer. The Recreation Department currently relies on other Departments within the Executive branch for most of these services.
- **A consolidated system of marketing and evaluating program offerings would improve program participation and increase revenue.** As stated above, recreation programs run by Parks appear to be more cost effective and highly popular. A strategic approach to program and activity promotion in combination with a stricter approach to program accountability and performance would increase awareness and use of recreation programs and services. Parks has a strong marketing function; the Department of Recreation has expressed interest in creating a marketing

function of their own. Consolidation in Parks would avoid the creation of another parallel marketing unit.

- **A consolidated Parks and Recreation Department would reduce the amount of staff time spent in coordination meetings.** Because of the sometimes blurry division between the two organizations, a considerable amount of time can be spent determining which agency is responsible for repairs, maintenance or other functions needed to maintain parks and the facilities contained within. In a consolidated department, using the Department of Parks' SmartParks work order management system, this process would be automated.
- **The permitting, programming and maintenance of athletic fields would be consolidated.** Right now, Parks manages the permitting and maintenance. It does not do programming. The Department of Recreation and many other entities provide programming on the fields. Consolidation of the Recreation Department programming within Parks has several advantages: it avoids the "rob Peter to pay Paul" situation that currently exists given the significant discounts provided to Recreation by the Department of Parks, where both departments are required to maximize revenue and it turns into a zero-sum game for both; eliminates the administrative back-and-forth necessary to negotiate and process those payments; maintains the balance of recreation programming on park fields for all users and groups; eliminates the need for a separate permitting fee to provide recreation programming, saving tax payer dollars and possibly reducing user fees; and ensures the best care and maintenance of our highly used fields.
- **Fully integrating strategic planning efforts within M-NCPPC would produce a more uniform and comprehensive strategic planning product.** An improved Land Preservation, Parks and Recreation Plan, or LPPRP (formerly known as the "PROS" Plan) would result, providing critical guidance on recreation needs, environmental, historic and archaeological management, and how to balance the competing objectives of stewardship and recreation. Policy language in area master plans and sector plans would support both future parks and recreation facilities, improve formulation of CIP priorities and implementation strategies (including funding mechanisms), and result in a more environmentally sensitive site selection process for recreation facilities such as community centers and pools.
- **Consolidated procurement would produce cost savings.** The M-NCPPC manages thousands of recreation programs and hundreds of recreation facilities through both Montgomery Parks and the Prince George's Department of Parks and Recreation. Significant economies of scale would be achieved through combined purchasing efforts.
- **Cost savings through combining resources.** The M-NCPPC has a variety of resources available including the Park Tax, user fees, donations, a variety of grants, private-public partnerships and thousands of volunteer man-hours. Combining all of the resources of both departments (including the Recreation Tax) would provide a more efficient use of resources and reduce the burden on the taxpayers.

3. What major logistical issues must be resolved to implement the consolidation?

The OLO report acknowledges *"The major drawbacks related to a consolidation of recreation programs in a single department are the costs and logistics associated with the transition*

from the current structure.”¹⁰ It goes on to recommend against “...allowing these relatively short-term challenges to outweigh the potential longer-term benefits from consolidation.”¹¹

Certainly there are logistical issues to be addressed whichever way the consolidation goes, and some are the same on both sides. This is a difficult question to answer accurately. Without the ability to first review and analyze detailed information from the other organization, we are unable to compare their systems, plans or agreements with ours and make credible recommendations on how to proceed.

If the decision is made to consolidate, a bi-agency task force would need to be created as soon as possible to study in-depth the following issues, among others:

- Classification and compensation systems (M-NCPPC already)
- Retirement systems
- Benefit plans
- Unions/collective bargaining
- Office space
- Merger of common systems
- Debt service and CIP implications

Memoranda on some of these logistical issues are included in the appendices .

4. What laws, if any, must be changed?

I. Merger of Department of Recreation Functions into the Department of Parks

Based on a literal reading of MD. ANN. CODE, Article 28, § 5-101 and its very general grant of authority, the Department of Parks (Department) enjoys the legal authority to operate most, if not all of the recreation programs offered today by the Montgomery County Department of Recreation (MCRD). The authority to operate recreation programs is inherent in the authority to purchase and “operate” facilities. Therefore, the Department does not need additional statutory authority to absorb the facilities or programs currently operated by MCRD.

II. Merger of Department of Parks into Department of Recreation

A. Law Changes required:

Although there has not been sufficient time to exhaustively identify all the laws that would need to be changed, at a minimum the following statutory provisions would need to be modified to accommodate a merger of the Department of Parks into MCRD:

- MD. ANN. CODE, Article 28, §§ 5-101(acquisition of property within metropolitan district); 5-104(acquisition of property outside metropolitan district); 5-106(perpetual maintenance of Jessup Blair Park); 5-107 (title of parkland held by Commission); 5-110(leases, permits and concessions); 5-111(conveyance of unneeded property); 5-

¹⁰ OLO Report 2009-7, page 78

¹¹ IBID, page 78

113(rules and regulations on park property); 5-114(park police functions); 5-114.1(collective bargaining for park police); 6-101(bonds, notes and other obligations); 6-102(payment of principal and interest on bonds); 6-106(park taxes); 6-107 (administrative taxes); 7-106(acquisition and transfer of land); and 7-111(d)(Planning Board authority concerning parks and park land)

B. Ratification:

The full Commission must formally approve a plan to merge the Department of Parks into MCRD because of the impact on various Commission operations – including, for example, its retirement system and other resources shared with the park system and operations in Prince George’s County. This would include formal approval by the full Commission to transfer any “unneeded property” to MCRD. An additional complication with the merger of the Department into MCRD is the treatment of property that is subject to the Capper Cramton Act.

C. Bond Issues:

The Commission issues Park Acquisition and Development Bonds and Advance Land Acquisition Bonds under the authority of Article 28. The merger of the Department of Parks into MCRD raises various questions and issues as summarized below.

- A merger of the Department of Parks into County Government would likely mean the loss of the distinct authority to issue bonds that are not currently subject to the County debt issuance requirements.
- Bonds issued by the Commission for Montgomery County park projects are guaranteed by the full faith and credit of both the Commission and the County. This double pledge would be replaced by single pledge of the County and possibly seen as a reduction in security.
- Currently the mandatory portion of the Metropolitan District tax supports the Park Bond debt service as does a separate tax for the Advance Land Acquisition Bond debt service. Merger into County Government would raise questions about the revenue stream and the deposits on hand and how they would flow between the Commission and the County to support outstanding and future debt.
- The current outstanding bondholders would need to be unharmed and continue to have the security of the full faith and credit of both the County and the Commission. In addition they currently have the right to force the levy and collection of taxes. It is also unclear what level of assets would need to be retained by the Commission in the event of a default. A possible solution would be to refund all outstanding bonds.
- The County’s taxing limitations which require the vote of nine council members does not apply to taxes levied for debt service on Commission bonds authorized under Article 28. It is unclear how the taxing structure under the merger would be set up to avoid this requirement for outstanding and future bonds.
- The reaction of rating agencies and the impact on cost of future borrowing is difficult to predict, but questions noted above would need to be resolved.

III. Merger of Department of Parks Recreation Programming into Department of Recreation

The option of merging the Department of Parks recreation programs into MCRD would require many of the same law changes as required for a merger of the Department of Parks into MCRD as discussed in Section II above.

IV. 2004 Memorandum of Understanding

In 2004, the Departments entered into an MOU to improve service delivery and coordination of recreation programs. Minor adjustments may be a viable alternative to the merging of recreation programs or departments and would likely not require any law changes.

V. Montgomery County Charter Section 305

Montgomery County Charter, Section 305 requires the Council to achieve a unanimous vote to elevate the rate of county property taxes above a certain level. Section 305 does not apply to Commission taxes, so this works in favor of merging MCRD into the Department of Parks or at least preserving the current structure. The same argument would apply concerning the countywide recreation tax if MCRD were merged into the Department.

5. **How would a consolidated department be structured (both interim and long-term)?**

Because the M-NCPPC has existing capacity in virtually every functional area needed to administer the operations of the Department of Recreation, we could absorb the Department of Recreation today. The scope of the Department of Parks' current work program would simply expand, resulting in a shorter timeline for transition than a consolidation in the other direction.

The proposed organizational chart for the M-NCPPC Montgomery County Department of Parks and Recreation is attached. This chart can be considered interim and some additional streamlining would be likely within the first 2-3 years.

Efficiencies gained: Some internal reassignment of duties; a reduction in the overall number of divisions; one director for both departments; fewer cross-agency processing costs; shared technology; and equivalent savings of 10 career positions and an unknown number of seasonal jobs by bringing in the Recreation Department.

Attached are five separate organizational charts:

1. The current organizational chart for the Montgomery County Department of Parks;
2. The current division breakdown for the Montgomery County Department of Recreation;
3. Our proposed structure for a combined Montgomery County Department of Parks and Recreation under M-NCPPC;
4. A sample organizational chart showing the organization of the Fairfax County Park Authority; and,
5. The current organizational chart for the Prince George's Department of Parks and Recreation.

6. **What is your proposed timeline for a consolidation and in what stages should consolidation activities occur?**

Recognizing that any required legal amendments or related legislation will have to wait until the next legislative session begins in January 2010, we have prepared an operational timeline that shows the steps and tasks needed to fully merge the administration of the Montgomery County Department of Parks – M-NCPPC Response to PHED Request - 2-24-09

Department of Recreation into the M-NCPPC by July 15, 2009. Consolidation into the M-NCPPC is likely to move more quickly to achieve the larger goals than any other option under consideration. Please see the attached timeline.

Option 1: Consolidate recreation programming within the Department of Parks. (OLO option A2)

PROS	CONS
Achieves a full merger of Parks & Recreation in one Department	One-time merger costs are incurred
Replicates governance model of Parks & Recreation under a plural, independent Board common in other prominent regional jurisdictions	The OLO report does not evaluate, validate, or quantify the improvements or efficiencies to be gained by any major restructuring as a basis for a decision on any option.
M-NCPPC already provides outstanding park and recreation programs in sports and leisure, therapeutic recreation, interpretation, and education	Some issues in moving employees among different merit and retirement systems.
M-NCPPC programming follows a facility-based education model	
Recreation program planning and delivery benefits from link to professionals who manage land, facilities and resources where programs are offered	
Program quality, variety and customer satisfaction will be improved	
Planning for recreational facilities will be significantly improved by closer integration with park, community and regional planning	
Merger into M-NCPPC provides broader range of amenities and facilities for programming purposes	
Planning and provision of active programmed recreation and passive unprogrammed recreation are linked	
Achieves a "one stop shop" for recreation planning, facility development, maintenance, management, and security	
Provides greater flexibility and protection for funding of recreation programs	
Planning for recreation facilities benefits from the stewardship and green aspects of park management	
Avoids disruption, confusion and delays in separating recreation programs from other interpretive and educational programs inherent to parks	
Parks currently has a development division with expertise in building park and recreation facilities	
Economies of scale in procurement through the Department of Parks and Recreation in the Commission	
Shorter timeline for transition	
Convenience of online 24/7 registration for all classes, programs and facility rentals	

Targeted, coordinated marketing and research to promote programs, distinguish weak or outdated offerings, and identify new programming opportunities	
Park programs appear to have a better ratio of operational cost recovery	
Reduced administrative time on both sides to book, invoice and pay for facilities needed for programs	
Continued balance in recreational offerings on park athletic fields	
Improved program oversight and management by on-site staff	
Growing number of acreage and facilities specifically acquired/built to address future programming needs and trends	
Increased nature and recreational programming on most popular park amenity: trails	
Maintains an independent, dedicated Park Police force to ensure safety of park patrons using our parks and facilities	

Option 2: Merge the Department of Parks into County Government. (No OLO recommendation)

This option was not considered or studied in the current OLO report. It was studied most recently in 1993 at which time the Council agreed a departmental merger was impractical at the time. Though this option does achieve a full merger, which may reduce some customer confusion, there are actually few benefits to this option, and many significant disadvantages.

Notably:

- **Under the Executive Branch, pressures to use the parkland to support other public policy objectives such as transportation and housing are less likely to be resisted.** Approval of park development and facility plans would be subject only to mandatory referral, meaning the Executive Branch is not required to follow the advice of the Planning Board. The stewardship of the 10% of our county's land acquired as parkland is strengthened by the control of a plural, independent body that reports directly to the County Council.
- **The merger of the Department of Parks into the Executive Branch of County Government removes the planning, administration, and stewardship of 34,000 acres of parkland from the authority of the Planning Board and M-NCPPC.** With today's growing trend towards a greener earth, the removal of control of parkland from the M-NCPPC is a step in the wrong direction. A primary reason that Montgomery County has a park system that is the envy of other metropolitan areas across the country is this critical link between the parks and planning functions.
 - o In 2007, 77% of residents felt the preservation of natural areas to be essential or very important. Only 2% felt this was not at all important.¹
- **The transfer of approximately 880 work years from the Department of Parks into the County government would be a significant undertaking with considerable upfront costs.** In the absence of any detailed cost / benefit analysis, organizational restructuring of this magnitude is not advisable. A merger in this direction would affect multiple County Departments including Recreation, General Services, Environmental Protection, and Police as the Department of Parks currently performs functions connected to all of those areas. There are complex issues regarding outstanding park bonds, employee compensation and benefit packages, retirement systems, and collective bargaining agreements that would have to be studied to evaluate and substantiate benefits. It would no doubt require amendments to state law and review of the park and recreation tax districts to enact as well, so near term implementation is not possible.

¹ IBID, Table 8

Option 2: Merge the Department of Parks into County Government. (No OLO recommendation)	
PROS	CONS
Achieves a full merger of Parks & Recreation	Onetime merger costs will be considerable.
	Protection and stewardship 34,000 acres of parkland will directly compete with other public policy objectives of the Executive including transportation, education, and housing. Protection of the resource will be diminished.
	A nationally acclaimed, award winning regional park and recreation agency, the M-NCPPC, will be diminished considerably. The removal of Parks in one county could be seen as a first step in abolishing the M-NCPPC.
	The OLO report does not evaluate, validate, or quantify the improvements or efficiencies to be gained by any major restructuring as a basis for a decision on any option.
	Loss of the close coordination between land-use planning and park planning in one organization.
	Significant issue raised with current park and planning bonds.
	Park & recreation funding will be subject to the recent charter amendment on tax rates
	Stewardship of natural and cultural resources could be greatly diminished.
	Possible loss of a dedicated, independent Park Police force.
	Approval of park development and facility plans would be subject only to mandatory referral, meaning the Executive Branch is not required to follow the advice of the Planning Board
	The political selection of the Director of Parks jeopardizes the current stability and consistency in leadership and direction of the park system

Option 3: Consolidate recreation programming within the Department of Recreation. (OLO option A1)

This option proposes to remove a component of the Department of Parks associated with recreational programming and transfer those resources to the Department of Recreation. There are many disadvantages to this option and few benefits. Notably:

- **Consolidation into County Government maintains the two department structure for the delivery of park and recreation services and perpetuates customer confusion.** The main justification for action cited at the first committee meeting was the avoidance of confusion for the public in accessing recreational programs from two Departments. This option does not resolve that issue.
- **Shifting from our successful program management model to one that does not appear to be as strong or successful may wind up costing more, not less, through lost revenue and customer attrition.** Facility managers of enterprise facilities need to retain control of programming to focus accountability for cost recovery goals. This requires balancing the schedule for fee-based programs, leased time, and other permitted events with the availability of the facility for general public use. Our operational cost recovery numbers show our business model is successful; more successful, it appears, than the Department of Recreation's.
 - o In 2007, 86% of residents had visited a park in the past 12 months, with more than 60% visiting more than twice. Over 25% visited monthly or weekly.²
 - o In 2007, 47% of residents had participated in a County recreation program or activity in the past 12 months. Ten percent (10%) participated monthly or weekly.³
 - o In 2007, 62% of residents had used the Rec Dept's recreation centers in the past 12 months. Almost 15% used the centers monthly or weekly.⁴
 - o In 2003, 97% of users (roughly 69% of residents) were satisfied or very satisfied with Montgomery Parks.⁵
 - o In 2007, 85% of residents gave Parks services a rating of "excellent" or "good." Fire services, ambulance or emergency medical services, recycling, and public library services were the only other services to score so high.⁶
 - o Current satisfaction data shows 96% of Park users would recommend Park programs and facilities to others.⁷
- **Consolidation into County Government removes a successful programming function from an organization that is managing it well for an unspecified and unguaranteed improvement or cost efficiency.** As the numbers show, Parks programs are efficient and popular. The OLO numbers seem to indicate they also

² Montgomery County Resident Survey, December 2007, Table 3

³ IBID

⁴ IBID

⁵ Park User Satisfaction Survey, October 2003, page 7

⁶ Montgomery County Resident Survey, December 2007, Table 7 and page 2

⁷ Montgomery Parks How Are We Doing? Survey Results, 2007-2008

outperform Rec programs. If fiscal concerns are at issue, it would seem more logical that consolidation should move in the direction of the stronger performer.

- **A removal of recreation-related Park work years would have significant impact on the Department of Park's non-programming functions.** The OLO report used our Program Budget document to capture resources attributed to recreation programming. Unfortunately, some costs included resources associated with maintenance, park management, policing, and administration. The actual number of career work years directly tied into recreation programming as calculated by the Department of Parks is closer to 27.5 career and 43.9 seasonal. These work years represent pieces of different park staff, so the number of work years doesn't translate directly into an actual number of positions. A transfer of these work years would, hypothetically, require us to transfer 25% of a Brookside Gardens horticulturalist (who tends the gardens and supports programming) to the Department of Recreation. Likewise, Enterprise staff are tasked with both program and facility management responsibilities. Moving any portion of park staff for recreational programming would leave a significant service gap.
- **Control of athletic field permitting by the Department of Recreation may reduce the amount and variety of programming available to the public.** The Department of Parks currently gives the Department of Recreation priority status for athletic field permits over all other agencies and groups but still maintains an historical allocation that ensures other groups receive the field time they need to offer other valuable programs to the public. There is significant concern among user groups that a transfer of the permitting function to the Department of Recreation would diminish or eliminate their ability to provide popular, competitive programming opportunities for residents.
- **Parks programming does not favor one interest group over another.** Rather, we aim for a balance between stewardship and recreation, and between different forms of recreation. For example, our ice rinks strive to maintain a balance between demands for ice hockey, figure skating, public and private lessons, public skating times, and leased ice for programs or activities organized by other groups. The Recreation Department must respond to the County Government's directive for coordination of recreation programs to specific target populations, sometimes to the detriment of others.

Option 3: Consolidate recreation programming within the Department of Recreation. (OLO option A1)	
PROS	CONS
	A piece of an organization that is working well is removed for an unsubstantiated efficiency or improvement.
	Recreation program planning and delivery is separated management of resources that inherently support the programs.
	Customer confusion will remain between recreation programs and other programs inherent to park facilities and resources
	The recreation program user will have to differentiate between program managers and park facility managers in two separate departments when seeking services.
	Enterprise facility managers and program managers will be in separate departments thereby reducing accountability for the bottom line.
	Park & Recreation services will still be administered by two departments under separate governance
	Park managers with subject expertise in specific areas will not be primary in planning programs.
	Department of Recreation would need to pay the Commission for current equipment leases and debt service on bonds for Enterprise facilities.
	Longer timeline for transition
	Continued interdepartmental confusion due to vague definition of "recreation programming"
	No real cost savings due to little actual overlap of programs
	Minimal or no administrative or other efficiencies achieved due to continued separation of agencies
	Two department model means customer confusion still high
	Continued scheduling conflicts for public events and programs
	Monopoly of field time for Recreation Department programs reduces opportunities for other popular programs and activities if permitting of fields transfers
	Recreation programs mostly outsourced; may result in loss of staff or program quality

Option 4: Maximize efficiencies and coordination within existing organizations to improve service to the public. **(Variation of OLO options B-D)**

A merger of these two departments in one form or another has been studied several times in the past. The most recent report, produced by the Office of Legislative Oversight in 1993, stated that “...*the bottom-line conclusion of the Merger Report is that:*”

- *A merger of the two departments (in either direction) has both one-time and ongoing costs associated with it; and*
- *A merger (in either direction) is not guaranteed to realize net cost savings over time.”*

We may be at a different place in time since that last merger report was completed, but the facts remain essentially the same. As the OLO report pointed out, there is very little overlap in the services we provide. Though some savings may be realized through staff reductions, there will be costs associated with this merger as well. We agree the parks and recreation departments should be merged, but we are skeptical that now is the right time to do so.

This option allows us to successfully resolve the issue of customer confusion while avoiding the diversion of scarce resources to support the implementation of a non-critical merger at a time of severe budget cuts, double-digit vacancy rates, and a hiring freeze. This keeps our remaining staff and resources focused on provision of services to the public we serve.

A few important points to note:

- **True consolidation of recreation programming in Montgomery County will not be achieved through any of the three other options proposed.** Many other public recreation choices are available not only through Parks or Recreation, but also through the Public Libraries (11 pages of classes and programs), MCPS (after school programs, classes and camps), the Revenue Authority (golf courses), and the various municipalities (Takoma Park, Gaithersburg, and Rockville have major park and recreation departments and program offerings). There is also a wide variety of non-profit entities.
- **There is very little overlap in programming, so actual cost savings achieved through consolidation is likely to be minimal.** The OLO report found that though there were some areas of similarity in programming (yoga in a recreation center vs. yoga outdoors at Brookside Gardens), there was in fact little or no actual duplication of offerings. Even sports programs are for entirely different sports, with no overlap.
- **There is enough demand among the 1 million residents in Montgomery County for all these programs to exist.** Because of this, we do not believe that there would be any true savings or real benefits gained through the elimination of “duplicative” programs, since it is clear duplication is not a problem, just a welcome state of affairs for our multiple users seeking a variety of options.

Our goal, instead, should be to concentrate on the tangible public benefits we can provide without further stretching our already thin resources on a large reorganization that may not

provide a worthwhile return in cost savings or true public benefits. Our focus should be to ease customer confusion, improve coordination among the various entities so the public can access the best program for their circumstances or interest.

Here are our recommendations to achieve this goal:

1. **GUIDE IMPROVEMENTS.** Continue to provide the very popular joint program guide and look at ways to expand it to include other agencies, if desired (see above). If we are truly looking to improve customer service, we should expand the Guide to include more program opportunities than those our two departments offer. One form should be used and a single numbering and nomenclature system, rather than two.

2. **PROGRAM REGISTRATION.** ParkPass and RecWeb could be combined, since they share the same software. Since Parks has more locations for sign-up, this would expand the reach of all programs to more customers; if other agencies are involved and all can provide this service, even better. Parks has researched options available now that would allow us to set up an online interface while keeping separate databases so users could register through one website for any program in either department. With the “one form” recommended in item 1 above, this would give the public the one-stop shopping experience they seek. It may also eliminate at least one of the payments for software licenses and perhaps duplicative staff.

3. **JOINT PARK AND RECREATION ADVISORY BOARDS.** Joint citizen boards with representatives nominated by the both the County Executive and M-NCPPC have already been recommended by many current advisory board members themselves. In fact, all of these boards are currently staffed by both MCRD and M-NCPPC anyway at all their regular meetings, since much of the discussion of these Boards concerns the Parks’ CIP and impact on park and recreation facilities. It would give a clearer voice to these citizens.

4. **UPDATE AND FULLY IMPLEMENT THE EXISTING 2004 MOU BETWEEN PARKS AND RECREATION.** The quarterly management meetings called for in the MOU have been most helpful in ironing out management issues, discussing fees, comparing program offerings, creating processes for shared events and activities, and coordinating on CIP projects. Other elements of the MOU should be updated frequently and fully implemented – many have been neglected, and this can and should be improved.

5. **SHARE PARTNERSHIP OPPORTUNITIES.** Parks Department is often approached by outside entities offering a program, service, or partnership with respect to parks and recreational opportunities. With improved cooperation and participation by the Recreation Department on our existing Public-Private Partnership Committee, both agencies could analyze proposals and accept those that suit them best. The best of these proposals often come with funding attached (such as the recent renovations to the indoor tennis center at Cabin John Regional Park).

6. **NEW PROGRAM REVIEW PROCESS.** Proposals for the permanent addition of new programs would have to be reviewed by a joint panel of Parks and Recreation staff. This could be done either by regular review panels or through a simple email coordination monthly. Pilot programs could be tested, but there should be no surprises. This will allow true coordination and an open dialogue about what programs belong where.

7. **FEES AND CHARGES.** Both agency’s fees and charges will be reviewed and coordinated before any changes are made. Consistency between our respective cost recovery requirements and our fee assistance programs should be pursued. A process for handling disagreements

about such fees will be established or expanded. Some revisions will need to be made to the current timeframe outlined in the MOU for new policies and fees to reflect the need for each organization (and its programs and services) to be more adaptable and responsive.

8. **SPECIAL EVENTS.** Each agency will coordinate its major special events, concerts, and similar activities to avoid scheduling conflicts with the other insofar as possible. Parks has developed a web-based event calendar to manage internal and external events; Rec staff could be granted access to ensure smoother coordination. Every effort will be made to avoid competing festivals or events on the same date in the same regional area. Joint event guides and concert schedules will be coordinated with other Montgomery County and municipality public agencies.

9. **JOINT MARKETING.** MCRD, in its performance measures and goals, has identified a need for improved marketing for its programs, and one area that the County Council supported for the Department of Parks over the last couple of years was funding for an increased marketing and business planning function. With the addition of one or two additional staff, this Parks office could be made available for MCRD so that there could be joint marketing, a stronger and united presence at such events as summer camp fairs, and increased ability to take advantage of access to various publications, equipment, demonstrations, and possibly create more opportunities for distribution of the joint "Guide."

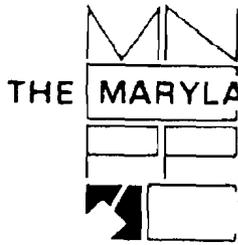
10. **RESEARCH AND PLANNING.** Our combined ability to serve the public would greatly improve with stronger coordination between the two departments in the areas of public research, customer surveying and development of the LPPRP.

Option 4: Maximize efficiencies and coordination to improve service to the public. (Variation of OLO options B-D)

PROS	CONS
Efficiencies and service improvements will be realized at minimal costs	Park & Recreation services will still be administered by two departments under separate governance
Easier access for the consumer and users of services; reduced customer confusion	
Quicker timeline than the other options	
No amendments needed to state or county law	
Better public information, outreach and promotion of parks and recreation programs	
Clearer, more consistent fee schedules and charges	
Keeps staff focused on provision of services and avoids diversion of resources to support a non-critical merger implementation at a time of severe budget cuts, double-digit vacancy rates, and a hiring freeze	
Cost savings achieved through coordinated research	

Appendices

1. Memorandum from M-NCPPC Department of Human Resources Division – Classification and Compensation Issues
2. Memorandum from M-NCPPC Employees’ Retirement System
3. Organizational Charts
 - a. FY09 Montgomery County Department of Parks
 - b. Proposed Interim Structure –M-NCPPC Montgomery County Department of Parks and Recreation
 - c. Prince George’s County Department of Parks and Recreation
 - d. Fairfax County Park Authority
4. Estimated Timeline to Transfer Recreation Programming to M-NCPPC
5. Historical Timeline: Parks, Recreation, and the Commission (1927-Present)
6. Case Studies
 - a. A Day in the Life of a Park Naturalist
 - b. A Patron of Brookside Gardens
 - c. Park Police - Current Role in Recreation Facilities and Youth Programs

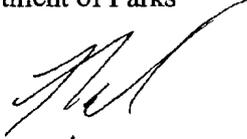


THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

February 20, 2009

TO: Mary Ellen Venzke, Management Services Division Chief
Montgomery County Department of Parks

VIA: William Spencer, Acting
Human Resources Director 

FROM: Boni L. King, Manager 
Classification and Compensation

SUBJECT: Follow-up on PHED Committee's/Office of Legislative
Oversight's Report 2009-7

The Human Resources Division was asked to provide information for the above-mentioned report specifically concerning parts of Question 3 of the document drafted by Mike Riley of Montgomery County Department of Parks (Department of Parks). The specific areas include Classification and Compensation, Benefits Packages, and Unions/Collective Bargaining.

If the Montgomery County Department of Recreation (Department of Recreation) were to "transfer" 164 full-time career positions and 13 part-time positions, positions in accordance with their FY09 approved operating budget, to the Department of Parks, then a number of action items must be completed by the Commission's Human Resources Division. The following is a list of those action items in accordance with current policies and procedures. Any changes to policy and procedures would likely require approval by the Executive Director.

1. Classify Department of Recreation positions in accordance with the Commission's Classification System.
2. Assign Commission position numbers to career Department of Recreation employees.

3. Review Employment Applications (previously completed by individuals) to ensure Department of Recreation employees meet Commission minimum qualifications for Commission positions. Employees not meeting eligibility requirements will be classified at a lower level with an “incumbency-only” designation.
4. Individuals placed within the Commission’s pay schedules. Those with current salaries outside of the Commission’s pay schedule would require approval by the Executive Director.
5. Affected employees attend a Benefits Orientation session.
6. New Commission employees will complete a New-Hire Orientation Program which includes the following:
 - Completion of all tax forms;
 - Meet I-9 requirements;
 - Fingerprinting;
 - Benefits enrollment – employees must elect Benefits within 45 days of employment. Employees who complete and return their forms to the Benefits Office within 7-days or by the 20th of the month would be covered by Commission Benefits at the beginning of the next month. Employees who complete their forms later than 7-days and after the 20th of the month would be covered by Commission Benefits at the beginning of the following month. Retention of prior coverage will continue until employees participating in the Commission’s Benefit Plans become effective;
 - Other appropriate forms and documents.
6. Sick leave and vacation transfer. Current policy restricts transfers as indicated below. Any proposed changes would require approval by the Executive Director.
 - 15 days of sick leave can transfer from Department of Recreation to the Commission;
 - No annual leave transfers.
7. Commission departments would create accounting codes (department, OCA) to accommodate new employees.
8. Personnel Action Forms would be created to place them into “Active” employee status and place them on the Department of Parks’ payroll.

It is anticipated that it will take approximately 30 days to complete these processes. Some of which can be done prior to employees actually being identified and transferred to the Commission.

Union/Collective Bargaining Issues

If Department of Recreation employees are merged in the Department of Parks, there are labor issues that require further research and discussion. Based upon current research, we have determined that Montgomery County Government recognizes the Municipal and

County Government Employees Organization/United Food and Commercial Workers Union, Local 1994 (MCGEO) as the exclusive bargaining agent for their professionals and their seasonal workforce in addition to Office, Technical, and Service, Labor, and Trades. The Department of Park's professional and seasonal employees are not unionized.

When posed to outside legal counsel, we were advised that if professional and seasonal employees come from Department of Recreation to the Commission, there is no requirement that these two groups must be represented by MCGEO as there is no argument in support of accretion principles under the National Labor Relations Board. Accretion is ordinarily applied in situations involving the consolidation of a represented group of employees with an unrepresented group.

If certain positions within the Department of Parks are transferred to Department of Recreation, then they would be required to join MCGEO. If the entire Department of Parks is transferred to Department of Recreation, then the answer to whether or not Department of Parks' employees are required to join the union depends upon the number of professional and seasonal employees that are currently represented by MCGEO in the Department of Recreation. Accretion principles are based upon numbers. Therefore, until this data is made available, we can speculate but are unable to definitely answer this part of the equation.

Effects bargaining with MCGEO is advised if either Montgomery Parks is transferred into Montgomery Recreation or vice-versa. Again, this issue requires additional research and discussion.

Additionally, if the Department of Parks were transferred to the Department of Recreation, there are implications with the Commission's Park Police. This group of employees is currently organized within the Department of Parks and represented by the Fraternal Order of Police (FOP), Lodge No. 30. The Commission would have to bargain with the FOP since they are represented by a different Lodge than Montgomery County Government. However, if the Department of Recreation were to transfer to Department of Parks, there are no such issues as their police force would not transfer with the department.

Transfer of Certain Commission Positions to Montgomery County Government

Finally, we have prepared a preliminary chart (Attachment 1) with assumptions in the event that certain Commission Parks Department employees are transferred to Montgomery County Government. The chart outlines salary ranges for Commission employees and what we believe to be their corresponding Montgomery County salary ranges. More work would have to be done in cooperation with Montgomery County in order to ensure accuracy.

The information provided above is not intended to be all inclusive of issues that must be addressed, but represents a summary of issues and activities recognized and reviewed to date. Additional research, review and possible collective bargaining may be required prior to finalizing this project.

We are available to answer any questions you may have.

Comparison of Commission Positions to Montgomery County Positions
2/20/09

Code	Class Title M-NCPPC	Current Pay Range Min - Max	Grade Un/Non	Class Title Montgomery County	Current Pay Range Min-Max	Grade Un/Non	Code
3471	Rec/Ent Fac Mgr I	\$41,932 - \$71,750	G Non-Union	Recreation Coordinator	\$40,952 - \$67,533	18 Union	1018
3472	Rec/Ent Fac Mgr II	\$47,535 - \$81,342	H Non-Union	Recreation Supervisor	\$51,598 - \$85,463	23 Non-Union	1012
3473	Rec/Ent Fac Mgr III	\$53,835 - \$92,300	I Non-Union	Aquatic Program Supv	\$56,631 - \$93,944	25 Non-Union	1008
2394	Administrative Spec	\$41,932 - \$71,750	G Non-Union	Administrative Spec I	\$40,952 - \$67,533	18 Un/NonUn	0152
2393	Office Supervisor	\$41,932 - \$71,750	G Non-Union	Administrative Spec II	\$47,028 - \$77,756	21 Un/NonUn	0151
2221	IT Support Spec I	\$41,932 - \$71,750	G Non-Union	Information Tech Spec I	\$44,900 - \$74,181	20 Union	0554
2223	Sr. IT Support Spec	\$56,526 - \$93,637	I-IT Non-Union	Information Tech Spec III	\$59,345 - \$98,513	26 Union	0552
5722	Sr. Mechanic	\$37,135 - \$63,544	T04 Union	Mechanic Tech II	\$40,952 - \$67,533	18 Union	5009
3470	Rec/Ent Fac Mgt Tech	\$37,025 - \$63,357	F Non-Union	No Match	N/A	N/A	N/A
3410	Regional Oper Mgr	\$62,658 - \$109,200	J Non-Union	Manager**	\$67,890 - \$113,628	29 Non-Union	
4410	Park Naturalist I	\$41,932 - \$71,750	G Non-Union	Matched to Grade*	\$40,952 - \$67,533	N/A	N/A
4411	Park Naturalist II	\$47,535 - \$81,242	H Non-Union	Matched to Grade*	\$51,598 - \$85,463	N/A	N/A
4421	Nature Fac & Prog Mg	\$53,835 - \$73,068	I Non-Union	Matched to Grade*	\$56,631 - \$93,944	N/A	N/A

*Position was matched to grade as no equivalent position duties and responsibilities found during review of Montgomery County Government's Classification system.

** Position match based upon MaCo 2008 salary survey.

Note: Montgomery County Recreation salary ranges do not include 2.0% performance longevity.

37

MEMORANDUM



EMPLOYEES' RETIREMENT SYSTEM

The Maryland-National Capital Park and Planning Commission

6611 Kenilworth Avenue, Suite 100

Riverdale, Maryland 20737

(301) 454-1415 - Telephone

(301) 454-1413 - Facsimile

Andrea L. Rose
Administrator

TO: Mary Ellen Venzke, Management Services Division Chief
Montgomery County Department of Parks

FROM: Andrea L. Rose, Administrator
Employees' Retirement System

DATE: February 20, 2009

RE: Follow-up on Office of Legislative Oversight Report 2009-7

The Employees' Retirement System (ERS) of the Maryland-National Capital Park and Planning Commission is a legal trust that provides a number of defined benefit retirement programs. The County maintains a myriad of retirement plans, but does not have an open defined benefit plan for general employees.

It is not possible to provide a reliable analysis of the real economic impact of the options under consideration without knowing more about the structure of the merger and additional data about the populations involved in a transition. Nevertheless, our attempt to outline in general terms the major logistical issues that must be resolved to implement any consolidation is provided below.

All recreation programs (160 employees) to Parks

The transfer of retirement service credit of County employees moving to the Commission would trigger an unfunded liability attributable to each County employee who opts to transfer their county service into the Commission's defined benefit plan, assuming the Commission makes this option available. Under the prevailing policy, we believe the cost of the unfunded liability would be amortized over a period of 15 years.

The Commission and Montgomery County currently operate under a Reciprocal Agreement in processing transfers between the respective governments. Under this Agreement, the ERS receives the employee's accumulated contributions to the plan, plus an employer contribution equal to the employee's contributions. The State Personnel and Pensions Article of the Maryland Code contains a statute that generally governs transfers among state and local governments.

An actuarial analysis of the population of the Department of Recreation employees would be required to determine the present value of the unfunded liability.

Because the Commission maintains defined benefit plans, one issue to resolve is how to structure the retirement benefits for employees transferring from a defined contribution or cash balance plan with the County. While there may be a wide variety of options to provide “comparable” benefits to these employees, it is difficult to evaluate any option without data describing the population of employees transferring in, learning more about their County plans, as well as the potential impact of any collective bargaining arrangements.

Potential options include setting up a similar defined contribution and cash balance plan; requiring participation in the Commission’s defined benefit plan as a new employee; or allowing the use of defined contribution/cash balance funds to purchase credited service in the defined benefit plan. In the latter instance, funds would most likely be insufficient to fund full credit for time served with the County.

Merger under County Government

The implications of a full merger of the Parks Department within the County would be significant because Commission employees participate in defined benefit plans.

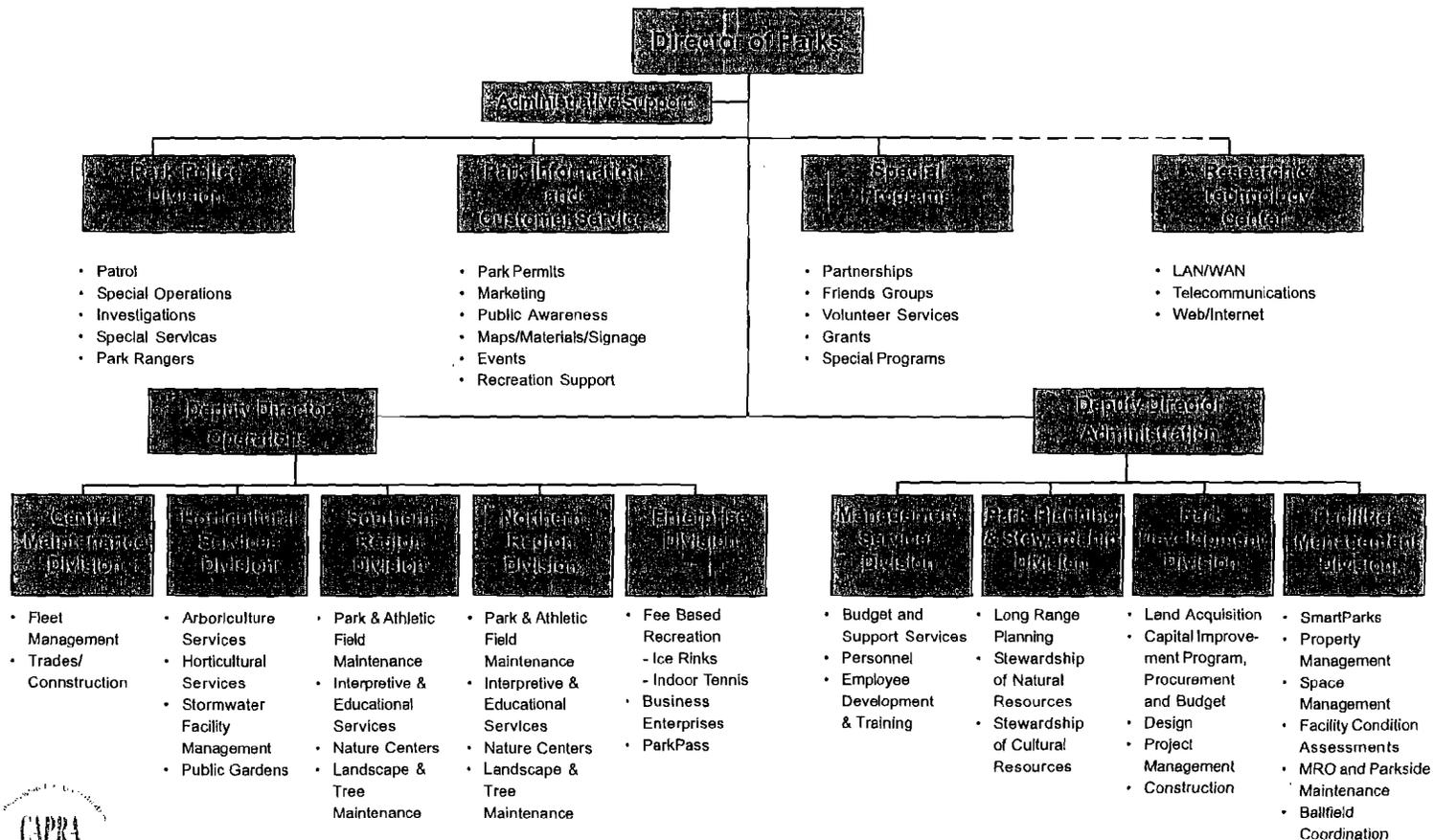
Importantly, more than 23% of the Parks Department is eligible to retire by the end of the fiscal year and over 41% are eligible to retire within the next five years. Since the County system apparently does not have an open defined benefit plan for general employees, a merger would likely result in an exodus of parks employees into retirement prior to the transfer date. Such an event would cause an actuarial aberration and could potentially drain plan assets and significantly stress the system. Even without an abrupt movement into retirement, removing one-third of the currently contributing participants would significantly stress the system. Unlike, the previous scenario, there would not be additional or transferred contributions to offset the impact of this potential shock to the retirement system. An actuarial analysis would be required to determine the full potential impact.

More than 50% of the employees have more than 10 years of credited service and over 41% are in MCGEO. Divesting union and vested employees of the status quo in today’s economic environment would raise additional concerns that need to be addressed.

Park Police represent 13% of the Parks Department. These employees would move from one defined benefit plan to another with varying benefits. There would be a need to find some creative alternatives to address the unique and varied retirement structures applicable to law enforcement.

Given the complexity of the affected populations and plan designs, in all likelihood obtaining a private letter ruling from the IRS would be advisable.

MONTGOMERY COUNTY DEPARTMENT OF PARKS

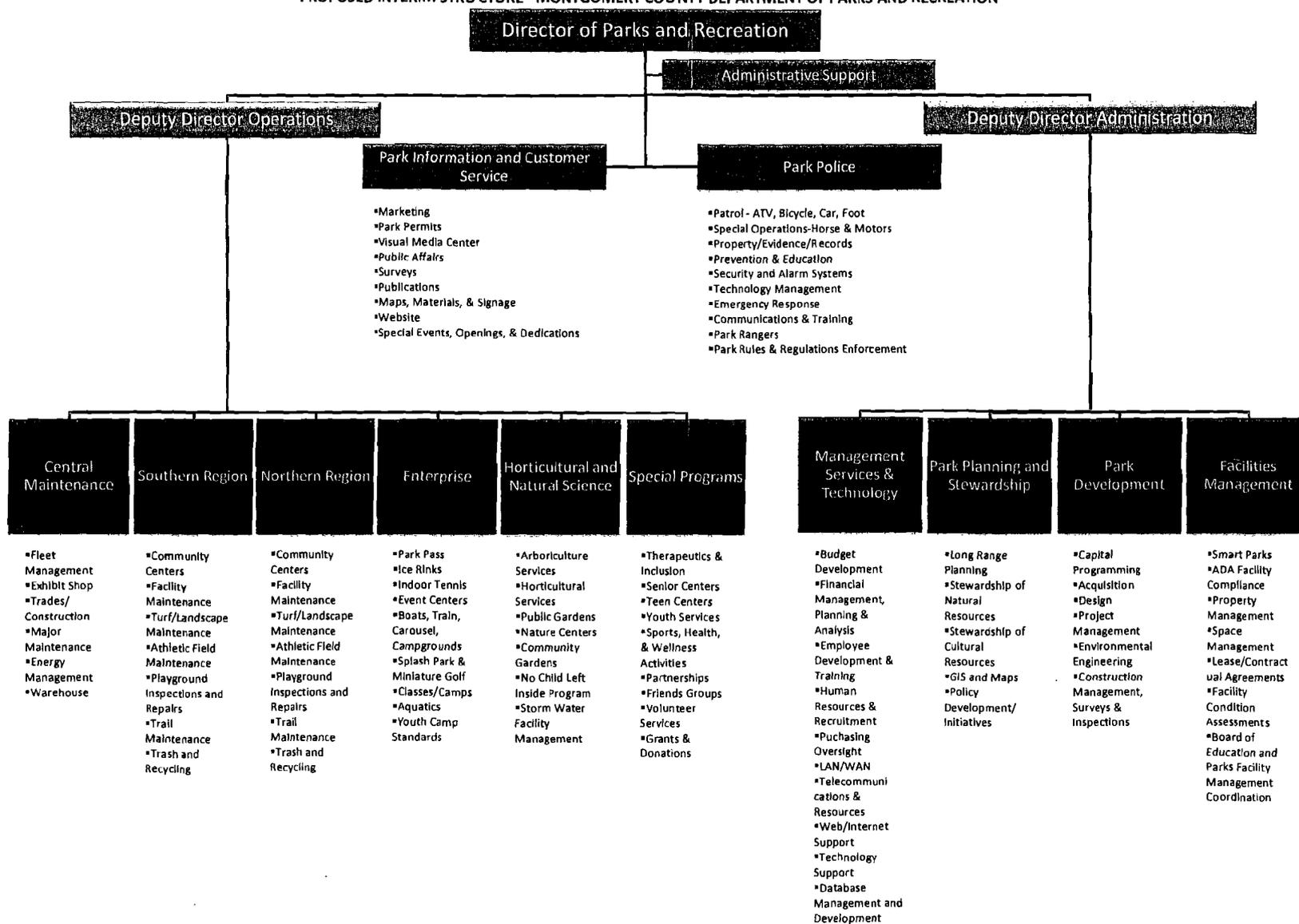


47



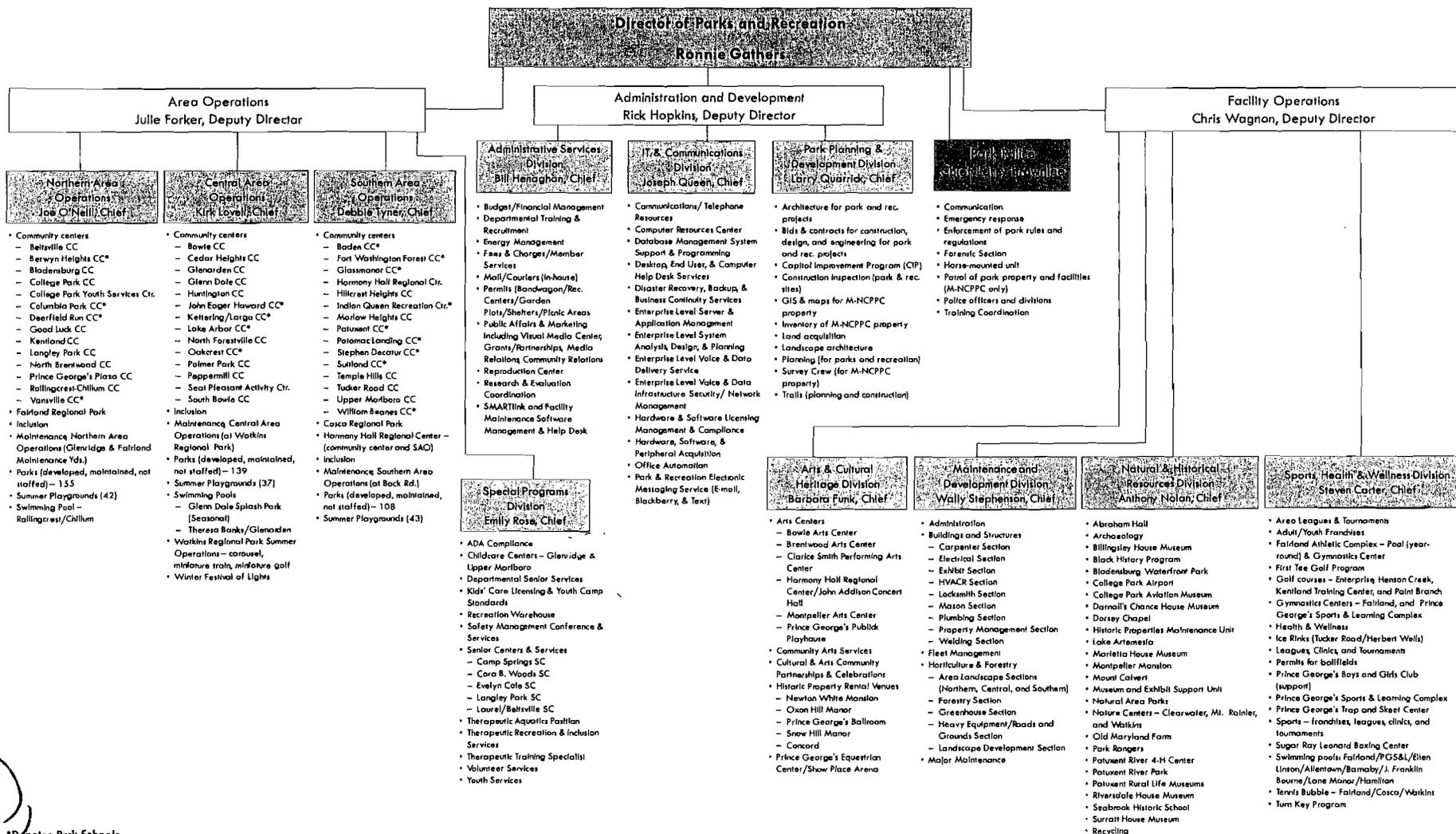
*Park-funded portion only. RTC is shared with Montgomery County Planning Department

**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
PROPOSED INTERIM STRUCTURE - MONTGOMERY COUNTY DEPARTMENT OF PARKS AND RECREATION**



41

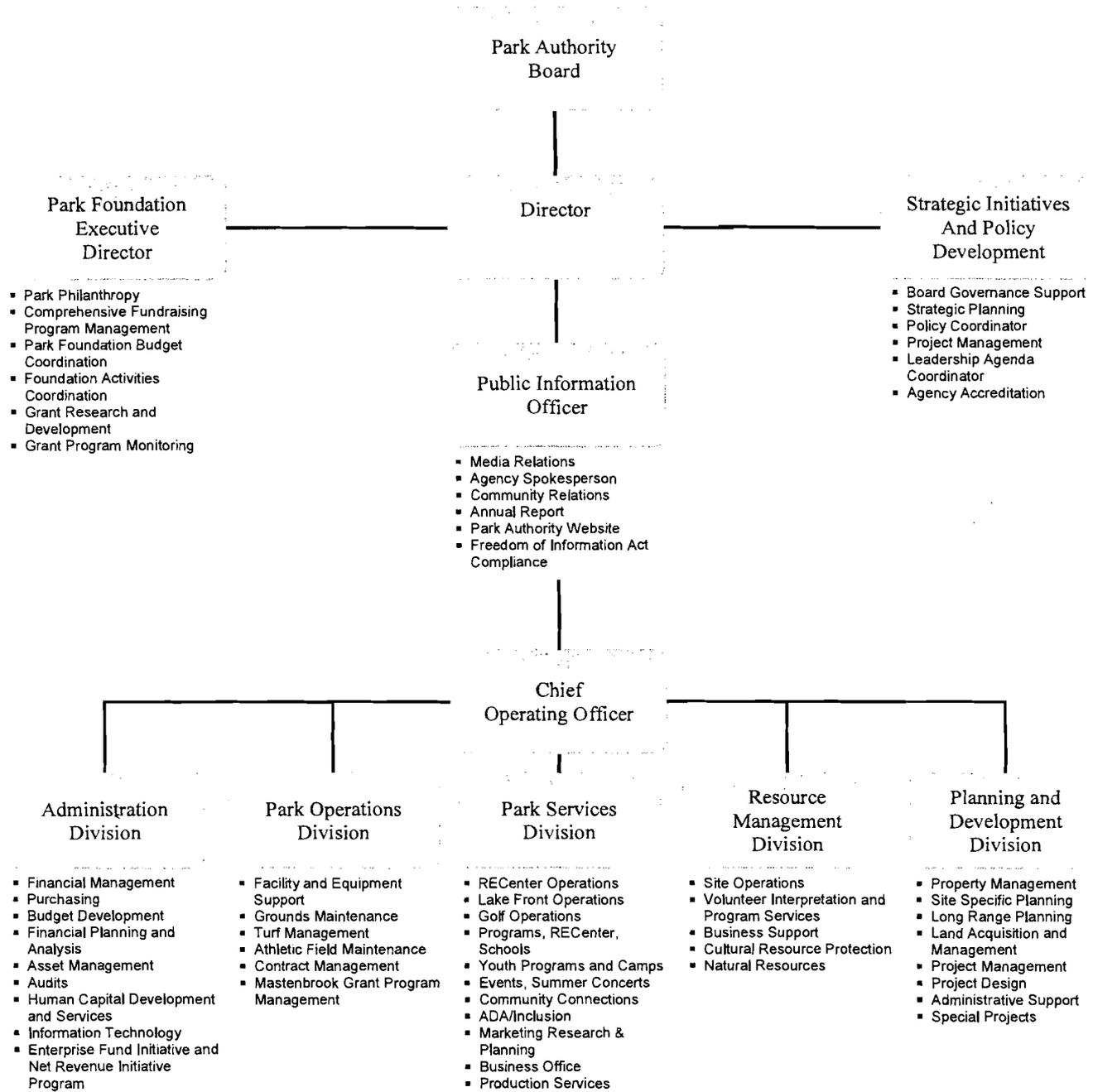
**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
PRINCE GEORGE'S COUNTY DEPARTMENT OF PARKS AND RECREATION**



42

*Denotes Park Schools

ORGANIZATION OF FAIRFAX COUNTY PARK AUTHORITY



Estimated Timeline to Transfer Recreation Programming to MNCPPC

ID	Task Name	Duration	Start	April				May			June			July			Aug
				E	B	M	E	B	M	E	B	M	E	B	M	E	B
1	Prepare modified FY 09 and FY 10 Operating Budgets for Recreation and for Parks to present to County Executive and County Council	13 days	Mon 3/30/09														
2	Departments assign staff to transition team to administer the logisitics involved in the merger; Initiate plans for streamlining and cost savings from combined, finalize Organizational Structure and Policy documents	65 days	Wed 4/1/09														
3	CE and CC approve FY09 modifications for budgets and appropriations	0 days	Wed 4/15/09														
4	MNCPPC takes over operation of several enterprise facilities while transferring employees to operate the facilities; Recreation Dept. IT staff transfer to MNCPPC; Park Police and Montgomery County Police develop transition plan	23 days	Wed 4/1/09														
5	CC appropriates FY10 Parks and Recreation Operating and CIP Budget	0 days	Fri 5/15/09														
6	Transfer the administrative and programming functions of the Department of Recreation to MNCPPC; retained funds and advance registration accounts transferred to MNCPPC; marketing operations consolidated for improved offerings	23 days	Mon 6/1/09														
7	Director of Parks and Recreation Department is named and Deputy Director positions are filled; New Division organizational structure will begin to take effect; fall and winter programs will be registered and implemented under the new combined Department	23 days	Mon 6/1/09														
8	County and MNCPPC begin to prepare legislation to modify Art. 28 to clarify authorization for MNCPPC in Montgomery County to provide Recreation services and to rename department.	0 days	Wed 7/15/09														

Date: Wed 2/25/09
44

Task Progress Summary External Tasks Deadline
 Split Milestone Project Summary External Milestone

HISTORICAL TIMELINE: PARKS, RECREATION, AND THE COMMISSION (1927-Present)

Prepared by Staff in the Montgomery County Department of Parks, Park Planning and Stewardship Division,
February 24, 2009

Origins of M-NCPPC

- M-NCPPC (the Commission) was created in 1927 to preserve stream valleys and coordinate development in the areas of Montgomery and Prince George Counties closest to Washington, D.C. (a 160-square mile regional district).
- The laws governing the Commission are codified in Article 28 of the Annotated Code of Maryland. The Commission is a bi-county agency, empowered to acquire, develop, maintain and administer a regional system of parks in a defined Metropolitan District within Montgomery and Prince Georges' County, and to prepare and administer a general plan for the physical development of a defined Regional District.
- Funding was provided by the Capper-Crampton Bill, which financed the park system designed in 1930 as the *Master Plan of Parks and Highways*.
- The park system had two major functions: 1) to "provide recreational opportunities for all people in the park jurisdiction," and 2) to "make a substantial contribution to the 'liveability' of a community by providing green spaces which preserve the natural beauty of the area amid the welter of highways and buildings that make up an urban community."

World War II-Era *Master Plan of Recreation*

- In 1943, the Director of Planning and the Director of Recreation submitted a draft *Master Plan of Recreation* to the Commission.
- Also in 1943, The Maryland General Assembly passed a law that provided a special tax levy in the Metropolitan District of the county to finance recreation programs.
- According to the Director of Planning, the Commission had an obligation to move beyond the planning phase of recreation by "developing, operating, and maintaining important parts of the recreational system." The Director of Planning noted that the Commission had been "concerned with this aspect of community development" since it was created in 1927.
- Draft *Master Plan of Recreation* was amended March 15, 1944, as "a guide to the acquisition and development of land...to provide an adequate and balanced recreational system."
- Final *Master Plan of Recreation* noted: "types of facilities are separated as to function, each facility has sufficient net area, there are a sufficient number of each type of facility, and the facilities are distributed at intervals."

Postwar Changes Affecting Demands on Recreation

- County's population increased from 83,912 to 334,503 between 1940 and 1960.
- April 1951, the Montgomery County Youth Commission, working for the Montgomery County Council, published "A Study of Recreation Needs in Montgomery County."
- 1951 Study recommended the establishment and administration of a county-wide recreation program under County government.
- Study documented that Montgomery County Parks had the heaviest enrollment in recreational programs in all age groups (between ages 1 and 20 years olds) and that Parks operated the most facilities for public use.
- Study also noted, however, that Commission's programs were "...largely concentrated in the lower end of the County." County population was growing, rural areas were becoming suburban, and the complaint was that recreational programming was not reaching beyond the regional district to the more rural and newly suburbanized areas.
- Montgomery County Youth Commission determined that the maintenance responsibilities for all properties used in the program should "remain with the authorities controlling these properties" (i.e., the Commission).

Laws Creating Department of Recreation in Montgomery County Government

- In April 1951, the Maryland General Assembly authorized the transfer of recreational programming in Montgomery County via Chapter 670, 671, and 682 of the Acts of the General Assembly of Maryland of 1951. The County Council, May 8, 1951, introduced Bill Number 8 to implement the authorized legal measure. This act was one of the first promoted by the newly organized charter form of government in Montgomery County.
- M-NCPPC requested information, “as to the nature and scope of the program proposed by the County,” to ascertain the cost of the new recreational program. Both the Commission and citizens alike feared an increase in the already established 5-cent recreation tax.
- M-NCPPC also noted the complications of recreational programming being conducted upon Commission-owned park lands and in facilities that the Commission would continue to oversee and maintain after the transfer.
- In 1953, the “Ripper Bill” (House Bills 183, 202, 221) was introduced. Its primary purpose was to abolish the Commission, but it was changed to reflect a compromise that would only transfer recreational programming from the Commission to the County Council.
- The County Council also had concerns about a tax hike, but was “confident that its Department of Recreation could expand recreational services in the suburban area and still operate at a lower cost than the program now sponsored by the planning commission.”
- January 23, 1953 *Tribune* article noted: “[m]any citizens fear the transfer will be the beginning of another increase in taxes, pointing out that every function taken over by the county has cost more once it is [in] the hands of the county.”
- *Tribune* article also noted that the County Council made “little consideration for the planning commission or its long interest in the presentation of an excellent recreation program.”
- In March 1953, the Democratic General Assembly voted to retain the Commission, but allowed for the transfer of recreational programming from the Department of Parks.
- In May 1953, the Commission passed a resolution offering Montgomery County the administration of recreational programming. **Rockville, Gaithersburg, and Washington Grove were exempt from the county’s new recreational program, and were allowed to provide their own programs. This established the precedent maintained today that municipalities (and other county agencies) also provide recreational programming in the County.**

1950s: M-NCPPC Plans for Facilities and Programming; Commission’s District Grows

- In 1956, the *Master Plan for School, Parks, and Recreation* prepared by the Commission recommended the purchase of additional acreage for parkland, particularly for open space and recreation, in the now-294-square mile regional district.
- In 1956, M-NCPPC’s authority was challenged by the Montgomery County Planning Association, the county chapter of the League of Women Voters, the Montgomery County Civic Foundation, and the Allied Civic Group.
- Five days later, in December 1956, the Montgomery County Council approved submitting legislation to the state that would give the Council and Prince George’s County Commissioners the authority to appoint members of the Commission. (They had been appointed by the Governor.)
- 1957 Commission adopts first General Plan.
- In 1957, Del. Margaret C. Schweinhaut introduced a bill to rescind the planning authority of M-NCPPC and create a separate County planning commission.
- Opposing idea was reorganizational blueprint produced by special legislative adviser, T. Howard Duckett, that all planning should be centralized into M-NCPPC.
- 1957 compromise drafted by Blair Lee – Montgomery County delegation chairman – who sought to harmonize local and regional planning goals within the framework of a single planning agency.
- Before the County Council, M-NCPPC requested an increase in its park tax from 7 cents to 10 cents per \$100 assessed valuation of real estate. The rate of 7 cents had remained unchanged for nearly 30 years.
- By 1959, John P. Hewitt, then Director of Parks, argued the key criteria for good recreation programming was “the availability of facilities.”

1960s: Ongoing Dispute over Control of Planning; Commission's District Grows

- In 1962, Allied Civic Group (ACG) and the Public Administration Service (PAS) produced reports. The ACG suggested M-NCPPC stay, but reduce its size, allow County Executive to have seat on its board, and allow for Council to assume some planning authority. PAS urged withdrawal of Montgomery County from M-NCPPC to allow for planning function to continue under the County Council.
- Republicans feared abolishing M-NCPPC since it would put “the land planning process under direct authority of the Council...giv[ing] the Council ‘political control’ over planning.”
- In 1962, the bi-county Commission's district of responsibility was extended beyond the 294-square mile original district to approximately 900 square miles. This land included the near full extent of Montgomery County (approximately 500 square miles) and Prince Georges' County (approximately 490 square miles).
- 1962, Commission issued *Wedges and Corridors Plan*, which was adopted in 1964.
- In 1960s: The Department of Parks began adding revenue-producing recreation facilities to the Parks' building portfolio. Built before the creation of the Enterprise Fund, these facilities, namely golf courses and ice rinks, were built through the tax-supported Capital Improvements Program (CIP). However, operations were paid for primarily through user fee revenue.
- In 1967, Montgomery County Councilwoman Idamae Garrott failed to win support for her proposal to abolish M-NCPPC. The Republican majority rejected her plan, deemed a last attempt to implement the 1966 Democratic Platform.

1970s and 1980s: Ongoing Disputes over Control of Planning

- In July 1970, The Prince George's County Department of Recreation was merged into the Maryland-Capital Park and Planning Commission to form one Department of Parks and Recreation.
- In 1971, M-NCPPC took Prince George County to court over actions they deemed as “serious threats to [its] independence and financial standing.” Specifically, the Commission noted that County attorney Walter Maloney and County Executive William Gullett had “asserted intent to take over the commission's legal and financial staff as well as its recreation program.”
- September 17, 1971 Gullett had submitted to the county's state legislation delegation a bill that would dissolve both bicounty commissions Prince George's shares with Montgomery County.
- Also in September 1971, the Montgomery County Council submitted a proposal to the county's state delegation to eliminate M-NCPPC.
- **In response to Gullett's bill, Circuit Court Judge Perry Bowen ruled that M-NCPPC “was a state body that receives its marching orders from the state legislature not Gullett or the county charter. Gullett's attempt to bring budgetary operation of the agency under his direct control and his efforts at merging the legal staff and recreation programs into the county government were illegal, the judge ruled.”**
- **In 1974, Montgomery County Executive James P. Gleason suggested “the consolidation of ‘cumbersome and overlapping processes’ within the county government as ways of ‘narrowing the gap’ between anticipated revenues and expenditures...Specifically, Gleason recommended consolidating recreation programs, now divided among the board of education, recreation department, and the Bi-county MNCPPC, combining several agencies, purchasing, and personnel departments, and construction and land acquisitions programs; and the sharing of computer time.” His report, “Beyond the Mid-Million Mark” was criticized as an attempt to “weaken the powers of the all-Democratic Council under the guise of seeking to eliminate a ‘fragmentation of authority’.”**
- The Enterprise Fund was officially created circa 1974 in the Maryland-National Capital Park and Planning Commission for the administration of revenue-producing operations, which then included management of the public golf courses. At its inception, the Enterprise Fund policy stated that “Enterprise facilities should cover their operating costs, but capital costs should continue to be borne by the tax-supported Park Fund.” Later, capital costs were added in as part of Enterprise's responsibility.
- **In 1977, M-NCPPC was awarded the National Gold Medal for “excellence in parks and recreational administration” serving jurisdictions of more than 250,000 people for the second time since 1972. Specific recognition went to the following programs: a social club for retarded adults, Saturday morning recreation programs for deaf and hearing impaired children, and family bowling programs for mentally or physically handicapped children and their parents. In addition, the Sports Foundation that gives this annual award,**

paid special attention for other special programs including community centers, arts division, historical sites, and special facilities.

- In 1978, Lawrence Hogan, Republican Candidate for County Executive of Prince George's County, stated that both the WSSC and M-NCPPC "should be eliminated, with their operations and powers going back to agencies within each county."
- **A few months later, upon retiring as Prince George's County Planning Board Chairman, W.C. Dutton Jr. revealed, "[t]he annual struggle – almost ritual – over the existence of the commission is very debilitating and energy-wasting."**
- In 1979, the General Assembly passed a bill that would make the Planning Board and the Department of Parks and Recreation both agencies of the Prince George's County government. Commission attorney Arthur Drea maintained that the "Maloney Bills" were unconstitutional.
- In 1980, again, Prince George's County Executive Lawrence Hogan attempted to split up M-NCPPC and assign powers over parks and recreation to the Prince George's County Government.
- In 1983, Prince George's County Council and County Executive Parris Glendening asked for a citizen's task force to "take an inventory of the programs the Commission runs and the property it owns to see which should be kept and which could be turned over or leased to private concessions."
- **In 1985, Montgomery County Council approved a user fee for organized athletic groups using park playing fields seeking revenue from recreational programming.**
- In 1987, talk of dismantling Commission again.
- **On March 9, 1993, an effort was made to merge the Department of Recreation and the Department of Parks as recommended in the Report on PHED Committee's Consideration of the Merger, a report prepared by the M-NCPPC, Montgomery County Department of Parks and Montgomery County Department of Recreation. The cost of the merger proved the undoing of the initiative, with County employees both making more money than Commission employees and having wider union representation.**

Montgomery County Council Continues to Direct M-NCPPC to Raise Revenues

- Since the early 1990s, the Enterprise Fund has paid for, and thus saved the taxpayers, almost \$35 million in capital improvement projects to construct five new facilities and to fund major renovations at four facilities. These facilities have all been paid from revenues instead of tax dollars; \$1.2 million in operating profits (not including interest and subsidies)
- In 1995 and 1996, the Montgomery County Council directed the Commission's Enterprise Division to diversify its funding and programming.
- On October 29, 2002, M-NCPPC made recommendations in response to the County Council's directive that the Department considers expansion of the current park user fees. M-NCPPC considered parking fees, but the idea involved costly overhead fees and implementation problems at county government level.

Most Recent Efforts to Strip Powers from Commission Failed

- **Prince George's County Executive Wayne Curry (1994-2002) attempted to move the Department of Recreation out of the Commission and into County government. Citizen outcry prevented the change.**
- **In 2003, House Bill 865 looked at removing much of the autonomy of the Planning Board Commissioners in Prince George's County to make decisions. Bill vetoed by Governor Robert Ehrlich.**

The Commission Today

- The Commission administers a park system of over 61,000 acres composed of stream-valley parks, regional parks, neighborhood and local parks and park-school recreational areas. There are over 1,885 career employees, over 5,500 seasonal workers and hundreds of volunteers that support a wide variety of parks and recreation programs. The sister department to the Montgomery County Department of Parks is the Prince George's County Department of Parks and Recreation. Together, the Commission has received CAPRA accreditation.
- **The Commission is a five-time Gold Medal winner for recreational programming.**
- The Department of Recreation in Prince George's County is a model of parks and recreation in the Commission. The Commission has an administrative infrastructure to seamlessly accommodate all aspects of human resource, finance and legal support for both park and recreation facilities and programs.

- Over past few years, the Department of Parks was encouraged by Council to develop innovative programs and raise revenue to offset the burden on tax-supported expenditures in the Park Fund and to operate an Enterprise Fund that was self-supporting. As such, the Department of Parks created a number of creative programs and camps throughout the park system.
- The Enterprise Fund has been an extremely profitable model as measured by the ratio of operating expenditures to revenue.

Documentation was found in archival research at the M-NCPPC Archives at Saddlebrook, the Montgomery County Archives, the Montgomery County Historical Society, the Michael F. Dwyer Collection at Needwood, in *A Grateful Remembrance: The Story of Montgomery County* (Richard MacMaster and Ray Hiebert, 1976), and the *Washington Post* Archives.

A Day in the Life of



Glenn Rice Park Naturalist

Building & Grounds
Maintenance
4%

Assisting
General
Public
10%

Greeting and
assisting visitors
Responding to
natural / cultural
history questions
and inquires

Live Animal
Exhibits
25%

Raptor Care
Raptor Cage maintenance
Raptor Training
Honey Bee maintenance
Goldfish Pond - Seasonal
draining and cleaning
Live Animal Collection
Care: Snakes, frogs,
toads, fish, turtles, skink,
roaches, walking sticks,
millipedes, spiders
Vet Visits
Purchase Animal Food/
supplies
Animal Feedings

Volunteer
Management
10%

Manage volunteer
database
Recruit new volunteers
Organize annual
volunteer recognition
event
Run volunteer trainings
Supervise individual
volunteers
Supervise group
volunteers
Supervise scout projects

Exhibits
7%

Design/construct
new exhibits &
interpretive signage
Maintain existing
exhibits
Repair broken
exhibits
Maintain
interpretative
gardens

Programmatic
20%

School Groups
Scouts Girls and Boys
Home School
Family Groups
Outreach
Special Events
Camps
Birthday Parties

Trails
2%

General Trail
maintenance

Administrative
Duties
7%

Take Reservations
Take Payments
Answer phone inquires
Open/Close Building
Maintain Attendance
sheets / roasters
Check-in program
participants

Supervision
5%

Supervise seasonal
employees
Advertise/interview for
seasonal positions
Prepare evaluations of
seasonal employees

Wildlife
Management
2%

Invasive plant removal
Stream cleanups
Stream studies

Marketing/
Public Relations
8%

Create fliers / handouts/
banners / publications
Manage Website
Update information kiosks
/ bulletin boards
TV appearances
Attend Scout roundtable
meetings
Newspaper interviews
Work conventions,
conferences, and expos

Case Study: A Patron of Brookside Gardens

As a Montgomery County resident, Fran M.. utilizes Brookside Gardens in many ways:

- she participates in horticultural workshops;
- obtains valuable horticultural information from the lecture series and the Green Matters Symposium;
- volunteers as an adult tour guide and for Children's Day;
- represents her professional landscaping organization in sponsoring educational events;
- represents the Friends of Brookside Gardens, also an event sponsor; and
- is an individual donor.

Fran M. participates in programming for both professional development and for personal enrichment, and she supports the Gardens financially through individual donations because she shares Brookside Gardens' mission and values. She is just like many customers and patrons who have multiple ties to the Gardens. A consolidation where MCRD manages Brookside Gardens' programs would diminish fully integrated services to this patron and others like her who rely on the Gardens for quality horticultural programming, and who support our endeavors.

Brookside Gardens is proud of its institutional culture allowing and requiring many staff members to provide varied educational opportunities addressing the multiple learning styles of our patrons. We see this as an important strength of our horticultural programming and Gardens management.

CASE STUDY: M-NCPPC Park Police, Montgomery County Division – current role with Recreation facilities and Youth Programs.

Youth Outreach Programs:

- NFL, Punt, Pass and Kick at various sites
- Child ID kit - Guardian Protection Services- several sites
- Pitch, Hit, and Run at Wheaton Regional Park
- Teen Driving forum - Longwood Community Center
- Bike Rodeos - several given throughout the year
- Club Fridays - officers worked with the programs at Longbranch, Longwood, Wheaton CC and Potomac CC
- Homework Clubs - about to re-start the program at Longbranch CC
- Battle of the Bands - Park Police officers worked with MCRD staff to hold “Battle of the Bands” events for teenagers at Ridge Road Park, MLK Park and Olney Manor Skate Park.
- MNCPPC “No Child Left Inside Program” – Senior Ranger Michael Tchou, Park Police, involved with new Geo-Caching events for a high school level challenge and Nature Center based programs.
- Gang Awareness Training - has been provided to various groups throughout the County, including Commission and MCRD staff
- Annual Keith Joseph Memorial Basketball Tournament has occurred annually for the last seven years, promoting positive officer/youth interaction as Park Police staff coach and referee teams from various MCRD Community Centers around the County.
- Kidball Baseball – officer worked with this group during their football season, and will be at future events.
- Girl Scouts of America - safety talks to girl scouts at the Cabin John Campgrounds during the summer months
- Teen Pool Parties – Park Police staff worked with the MCRD to coordinate teen pool parties at MLK pool and Glenmont Pool
- Youth Safety Talks - to children attending summer programs at the Discovery Cent
- Developing fishing event at Lake Needwood with cops and kids, first step toward “Cop’s Camp” type of program already serving Prince George’s County.

General Ongoing Programs:

- Rape Aggression Defense
- Safety talks at the Bethesda Senior Movie group
- Numerous park watch briefings have been given by community services and beat officers to various groups and civic associations throughout the County
- Volunteer Outreach- Volunteers trained to take the Park Watch program to community meetings. Volunteer Academy and the Volunteer Program have been totally revamped with fifty (50) active volunteers in service at this time, up from 26.
- Weed and Seed Program (HUD grant, crime prevention by “seeding” new programs in the community) at Broad Acres community.
- Trail Safety information - Patrol Officers and Volunteers have passed out trail safety information throughout the park trail system, and patrol recreational use of popular shared bike/pedestrian trails
- Recreation Advisory Boards - Command staff members currently sit on various recreation advisory boards throughout the County and staff are working to place adjunct staff on the Recreation Center Advisory Boards
- C-SAFE in the Langley Crossroads area

- IMPACT Silver Spring - Numerous community outreach events attended by officers throughout the year (Silver Spring Action, Lower County Landlord Forum, Silver Spring Community Group Forum, etc.)
- National Night Out –Host, Co-Host or staff celebrations at thirteen different sites in 2008

Community Services is developing the following programs:

- Renewing an education campaign at Cabin John Ice to address the theft from lockers and theft from vehicles issue. They are working to make this an ongoing campaign at applicable locations, which include MCRD aquatic facilities.
- Revamping and improving the volunteer program- a new SOP, new field training manual, restructuring the background investigation process, and a new academy.
- Community Park Watch program- staff has taken this program to several employee groups and some community groups. Letters to be sent to community groups and presentations scheduled
- Employee Park Watch program- program for Commission employees on police related matters when working throughout the park system.

Our Park Police service is more focused on Recreation and Park use than MCP. We hear regular commentary from MCRD staff about how we are involved and interact with the youth and patrons in the centers and how MCP officers rarely come in, other than to work out. One of our officers recently talked with the director of a particular Rec. Center, and she expressed how jealous she was when she learned of the relationship we share with the center directors whose buildings are on Park property.

MEMORANDUM

February 5, 2009

TO: Planning, Housing, and Economic Development Committee

FROM: Craig Howard, ^{ck}Legislative Analyst
Richard Romer, Legislative Analyst ^{ca}
Office of Legislative Oversight

SUBJECT: **Worksession on OLO Report 2009-7: *Organization of Recreation Programs across the Department of Parks and Department of Recreation***

On February 9, 2009, the Planning, Housing, and Economic Development (PHED) Committee will hold a worksession on OLO Report 2009-7. The Council formally received and released this report on January 13th.

This OLO report responds to the Council's request to provide the basis for an informed discussion about the organization of recreation programs across the Maryland-National Capital Park and Planning Commission's (M-NCPCC) Montgomery County Department of Parks and Montgomery County's Department of Recreation. Specifically, the report identifies the array of recreation programs offered by the departments, reviews how the departments coordinate the delivery of recreation programs, and provides options for the possible restructuring of recreation programs.

The County Government will be represented at the worksession by:

- Kathleen Boucher, Assistant Chief Administrative Officer
- Gabriel Albornoz, Director, Department of Recreation
- Joseph Beach, Director, Office of Management and Budget

The Planning Board will be represented at the worksession by:

- Royce Hanson, Chairman, Montgomery County Planning Board
- Mary R. Bradford, Director, Department of Parks

A. WORKSESSION ORDER

OLO recommends the following order for the Committee worksession:

1. Project Summary: OLO will present a power point summary of the report's findings and recommendations. An executive summary is attached at ©1.
2. Agency Comments: Staff representing County Government and the Planning Board will present comments on the OLO report. The Chief Administrative Officer's written comments are at ©5; the Director of the Department of Parks' written comments are at ©8; and the Planning Board's written comments are at ©15. In addition, the Countywide Recreation Advisory Board's comments are at ©18.
3. Committee Questions and Worksession: Councilmembers will have an opportunity to ask questions of OLO and agency representatives, and then discuss and consider the report's findings and recommendations.

B. OPTIONS FOR POSSIBLE RESTRUCTURING OF RECREATION PROGRAMS

The County Council requested this OLO study to provide the basis for an informed discussion about options for the possible restructuring of recreation programs across the Department of Parks and Department of Recreation. Four options for restructuring are listed below.

The first option proposes consolidating the management of all recreation programs under one department. The other three options maintain the existing two department structure, but provide some of the benefits that would come from consolidation.

- **Option A: Consolidate the management of all recreation programs under one department.**

A1: Consolidate all recreation programs under management of the Montgomery County Recreation Department. Under this option, the County Government's Department of Recreation would be assigned responsibility for planning, managing, and delivering all recreation programs. The Department of Parks would continue to manage the County's park system, and carry-out its many other functions.

A2: Consolidate all recreation programs under management of the Montgomery County Department of Parks. This option proposes consolidating recreation programs under the authority of the Planning Board. The Department of Recreation would most likely be abolished, with its remaining functions that do not fit the definition of recreation programs shifted to another County Government department.

- **Option B: Maintain the two department structure, but assign program responsibilities between the two to eliminate overlap.** Under this option, both departments would continue to offer recreation programs, but responsibilities across the five similar program categories (identified in the report) would be clearly divided between the two to eliminate overlap.

- **Option C: Maintain the two department structure, but consolidate recreation program registration and marketing under one department.** Under this option, responsibility for the functions of program registration and marketing would be consolidated under one department. More study would be required to determine whether this merge should occur under the management of the Recreation or Parks Department.
- **Option D: Maintain the two department structure, but press for implementation of the provisions negotiated in the 2004 Memorandum of Understanding (MOU).** In July 2004, the departments entered into an MOU to improve service delivery and coordination. To date, the specific action steps outlined in the MOU have been only partially implemented. Under this option, the Council would encourage the Chief Administrative Officer and Planning Board Chair to place greater priority on implementing the MOU actions steps.

C. OLO RECOMMENDATION FOR COUNCIL ACTION

OLO recommends the Council endorse consolidation of all recreation programs under one department (Option A1 or A2). Recognizing the multiple staffing and program details that must be worked out with such a change, OLO also recommends the Council assign and establish the deadline for the preparation of a Transition and Implementation Plan.

In sum, OLO recommends the Council pursue consolidation of all recreation programs under the management of a single department for the following reasons:

- OLO did not find any distinct public benefits that result from the current dual agency structure;
- The track record of coordination efforts between the Department of Recreation and Department of Parks demonstrates only limited success;
- Consolidating the planning and management of recreation programs in one department should facilitate the delivery of a more streamlined and user-friendly system of recreation programs;
- The single management structure lends itself more easily to implementation of consistent pricing and cost recovery practices for recreation programs; and
- Consolidation offers the potential for cost savings from the elimination of duplicative administrative functions and redundant recreation program offerings.

The major drawback related to a consolidation of recreation programs in a single department is the costs and logistics associated with the transition from the current structure. OLO acknowledges that these costs and logistics pose legitimate issues that need to be addressed; however, OLO cautions against allowing these relatively short-term challenges to outweigh the potential longer-term benefits from consolidation.

Based on the information gathered during the study period, OLO concludes that a consolidation of recreation programs could work in either direction. There is one set of advantages to consolidating all recreation programs under the management of the Department of Recreation; and a different set of advantages to consolidating all recreation programs under the management of the Department of Parks. The advantages of both options are briefly outlined below.

Option A1: Consolidate all recreation programs under management of the Montgomery County Department of Recreation.

Under this model, the County Government's Department of Recreation would be assigned responsibility for planning, managing, and delivering all recreation programs. The Department of Parks would continue to perform its mission to manage the Montgomery County park system, and carry-out its many other functions. The major advantages of this model are:

- It places responsibility within the Department in County Government that already specializes in the management and delivery of recreation programs. Compared to the Department of Parks, the Department of Recreation currently offers the wider array of recreation programs and has more resources (including staff) dedicated to providing recreation programs.
- Continuing to locate recreation programs in a department that reports to the County Government's Chief Administrative Officer facilitates the coordination of recreation programs designed for target populations (e.g., seniors, teens, persons with disabilities) with related programs housed in other County Departments that share the same target audience.

Option A2: Consolidate all recreation programming under management of the Department of Parks.

Under this model, the County would consolidate all recreation programming under the authority of the Montgomery County Planning Board. This consolidation model would almost certainly result in the abolishment of the Department of Recreation, with its non-recreation program functions (e.g., the Gilchrist Center) moved to another County Government department. The major advantages of this model are:

- It would align recreation programming, permitting, facility ownership, and facility operation functions into one agency.
- A single department providing both parks and recreation functions is the model most commonly used in other jurisdictions, and placing all recreation programs in Montgomery County under the management of M-NCPPC would parallel the structure already operating in Prince George's County.

Recommended Next Steps Towards Consolidation. After determining a direction for consolidation, OLO recommends the Council designate an entity responsible for the development of a Transition and Implementation Plan and establish a deadline for completion of such a plan.

OLO recommends the Council should assign responsibility for developing a Transition and Implementation Plan to the agency that would be assuming responsibility for management of all recreation programs, i.e., County Government or the Planning Board.

OLO recommends the Council ask that a Transition and Implementation Plan be completed no later than six months after the Council makes a decision on the direction of the consolidation. At minimum, OLO recommends that this plan address four issues:

1. **Timeline** – the plan should include a timeline for the major phases that would be required in the consolidation and the anticipated timeframe for completing each.
2. **Changes to State and/or County law** – the plan should identify whether any changes to State and/or County law are needed and take the necessary steps towards preparing the relevant legislative amendments.
3. **Organization and programs** – the plan should address how the department and the program offerings will be organized after the consolidation, including the associated fiscal impact (over time) of what is proposed.
4. **Staffing and personnel** – the plan should address the proposed staffing of the new organization and determine how existing personnel in the departments will be affected, both in the short- and longer-term.

LIST OF ATTACHMENTS

Item	Begins at:
Executive Summary of OLO Report 2009-7	©1
Written Comments from the County Chief Administrative Officer, dated January 8, 2009	©5
Written Comments from the Director of the M-NCPPC Department of Parks, dated January 8, 2009	©8
Written Comments from the Montgomery County Planning Board Director, dated January 30, 2009	©15
Written Comments from the Countywide Recreation Advisory Board, dated February 5, 2009	©18

**ORGANIZATION OF RECREATION PROGRAMS ACROSS
THE DEPARTMENT OF PARKS AND DEPARTMENT OF RECREATION**

**OFFICE OF LEGISLATIVE OVERSIGHT REPORT 2009-7
JANUARY 13, 2009**

THE ASSIGNMENT

The Maryland-National Capital Park and Planning Commission's (M-NCPPC) Montgomery County Department of Parks and Montgomery County's Department of Recreation provide recreation programs for the residents and visitors of Montgomery County. The County Council requested this Office of Legislative Oversight (OLO) study to:

- Identify the array of recreation programs offered by the two departments;
- Determine which of the recreation programs are unique to each department, and which are similar to programs offered by the other department;
- Review how the departments currently coordinate the delivery of recreation programs to County residents; and
- Provide the basis for an informed discussion about options for the possible restructuring of recreation programs across these two departments.

PROVISION OF RECREATION PROGRAMS

This OLO study defined recreation programs as: organized recreation activities administered and provided by the Department of Parks or Department of Recreation through career staff, seasonal staff, contract instructors, or trained volunteers.

Department of Recreation. The Department of Recreation operates 32 recreation facilities across the County and provides many recreation programs in five categories: sports, summer camps and clinics, classes and activities, trips and excursions, and special events. The Department of Recreation also provides targeted programs for seniors, persons with disabilities, and teens.

Department of Parks. The Department of Parks operates and maintains 408 parks on more than 34,000 acres of parkland throughout the County. In addition to a variety of management, planning, and maintenance functions, the Department of Parks provides recreation programs in seven categories: sports, summer camps and clinics, classes and activities, trips and excursions, recreational park amenities, special events, and athletic field permitting and maintenance.

COMPARISON OF RECREATION PROGRAMS

OLO compared the array of recreation programs offered by the two departments by grouping the types of programs and identifying which are similar and which are unique. In addition to the type of program, other factors impact the "uniqueness" of an individual program, such as schedule, age range, program fees, program capacity, staffing structure, and location.

In sum, the departments offer a mix of similar and unique recreation programs. Additionally, the Department of Parks and Department of Recreation operate independent administrative structures for program registration, marketing and outreach, and program feedback.

The five categories of recreation programs that are provided by both departments are compared in greater detail on the next page.

RECREATION PROGRAMS

COMPARISON OF RECRATION PROGRAMS

Sports Programs. As shown in Table 1, both the Department of Parks and Department of Recreation offer sports programs, but the specific types of sports do not overlap. Staff from both departments report that the current sports programming split has evolved over time, and the departments have worked to avoid duplicative offerings.

Summer Camps and Clinics. As shown in Table 2, both the departments offer summer camps and clinics. Of the ten types of camps/clinics offered, six types are unique and four are similar. During the 2008 summer camp season, the Department of Recreation offered 84 camps and clinics and the Department of Parks offered 69 camps and clinics.

Table 1. Sports Programs

Type	Recreation	Parks
Tennis		✓
Ice Skating		✓
Ice Hockey		✓
Soccer	✓	
Basketball	✓	
T-ball	✓	
Field Hockey	✓	
Softball	✓	
Football	✓	
Volleyball	✓	
Fencing	✓	
Martial Arts	✓	
Aquatics	✓	

Table 2. Summer Camps and Clinics

Type	Recreation	Parks
Nature/Science/Outdoors	✓	✓
Sports/Fitness	✓	✓
Art	✓	✓
Multi-Dimensional	✓	✓
Cultural/Heritage		✓
Scouting Clinics		✓
Drama	✓	
Dance/Performing Arts	✓	
Therapeutic Recreation	✓	
Other	✓	

Table 3. Classes and Activities

Type	Recreation	Parks
Arts and Crafts	✓	✓
Cooking	✓	✓
School Break Programs	✓	✓
Wellness/Exercise/Fitness	✓	✓
Nature/Science/Outdoors		✓
Homeschool Classes		✓
Dance	✓	
Martial Arts	✓	
Music	✓	
Instructional Sports Clinics	✓	
Language	✓	
Dog Obedience	✓	
Age-Specific Programming	✓	
Therapeutic Recreation	✓	
Other	✓	

Classes and Activities. As shown in Table 3, both departments offer classes and activities. Of the 15 types of classes and activities offered, 11 are unique and four are similar. During 2008, the Department of Recreation offered over 900 classes and activities and the Department of Parks offered over 750 classes and activities.

Trips and Excursions. Both departments offer similar types of trips and excursions. During 2008, the Department of Recreation offered 160 trips and excursions and the Department of Parks offered 170 trips and excursions. The primary difference is the target audience: the Department of Recreation limits its trip programming to seniors, teens, and persons with disabilities while the Department of Parks generally provides its trips and excursions for all adults.

Special Events. The departments each offer special events throughout the year that are open to the community and held at various locations and facilities. On certain occasions, the departments also jointly organize and administer special events.

FY09 FUNDING AND STAFFING FOR RECREATION PROGRAMS

DEPARTMENT OF RECREATION

The FY09 operating budget for the Department of Recreation is \$32.4 million and includes around 450 workyears. Table 4 indicates that \$24 million (74%) and 414 workyears (92%) are allocated to the Programs Division and Facilities Division for the direct provision of recreation programs. The Department anticipates receiving around \$11 million in user fee revenue in FY09, recovering 34% of the total Department expenditures and 46% of the Programs and Facilities Divisions' expenditures. The Department's budget is funded primarily through Recreation Tax revenues.

Table 4. Department of Recreation FY09 Programs and Facilities Divisions Budget Data (\$ in 000s)

Division and Program Area	Workyears		Budgeted		Cost Recovery %
	Career	Seasonal	Expenditures	Revenue	
Programs Division					
Camps Program	5.5	30.8	\$1,665	\$1,319	79%
Classes Program	7.3	0.9	\$676	\$520	77%
Sports Program	11.0	20.8	\$2,198	\$855	39%
Seniors Team	12.7	14.0	\$1,754	\$304	17%
Teen Team	24.4	35.8	\$4,716	\$546	12%
Therapeutic Recreation Team	6.7	7.7	\$1,009	\$101	10%
Facilities Division					
Aquatics	25.4	115.0	\$5,964	\$6,065	102%
Regions and Community Centers	42.6	53.2	\$5,897	\$1,244	21%
Total	135.4	278.2	\$23,879	\$10,954	46%

DEPARTMENT OF PARKS

As shown in Table 5, the FY09 approved operating budget for the Department of Parks includes approximately \$19 million in expenditures and 188 workyears for recreation programs. These totals represent around 20% of the Department's total approved FY09 operating budget and 22% of its workforce. The Department anticipates receiving around \$8 million in user fee revenue in FY09, recovering 42% of recreation program expenditures. The Department's budget for recreation programs is funded from both the tax-supported Parks Fund and the Enterprise Fund, a proprietary fund supported by user fees and other non-tax revenue sources.

Table 5. Department of Parks FY09 Recreation Programming Budget Data (\$ in 000s)

Programming Category	Workyears		Budgeted		Cost Recovery %
	Career	Seasonal	Expenditures	Revenue	
Camps, Classes, and Trips					
Nature Centers	20.4	3.8	\$2,057	\$203	10%
Public Gardens	2.6	3.0	\$460	\$180	39%
Enterprise Division	1.0	2.3	\$263	\$165	63%
Other Categories					
Sports Programs	16.9	34.7	\$6,370	\$5,989	94%
Recreational Amenities	6.1	13.2	\$1,303	\$931	71%
Athletic Field Permit./Maintenance		84.4	\$8,762	\$650	7%
Total	188.4		\$19,215	\$8,118	42%

PRICING AND COST RECOVERY

The Department of Recreation and Department of Parks have separate pricing and cost recovery policies and practices. In 2006, the Council adopted Executive Regulation 12-05, "Department of Recreation Fee Procedure," which established a formal user fee and cost recovery policy for the Department of Recreation. The Department of Parks does not have a universal pricing and cost recovery policy; instead policies can vary by program type and funding source.

INTERDEPARTMENTAL COORDINATION

Over the past 20 years, the departments have entered into several formal lease agreements and signed four memorandums of understanding (MOU). In July 2004, the Department of Parks and Department of Recreation entered into an MOU to clarify the working relationship between the departments in 10 functional agreement areas. The MOU also included coordination goals and detailed action steps for each area. To date, however, the implementation has been mixed at best as most of the action steps detailed in the 2004 MOU have not been fully implemented. As a result, while some effort is made by both departments to coordinate activities and administrative functions, in practice, the two departments operate largely as two independent entities.

RESTRUCTURING OPTIONS AND OLO RECOMMENDATION

OLO developed four options for possibly restructuring recreation programs, listed below. The first option proposes consolidating the management of all recreation programs under one department. The other three options maintain the existing two department structure, but provide some of the benefits that would come from consolidation.

Option A: Consolidate the management of all recreation programs under one department.

A1: Consolidate all recreation programs under management of the Montgomery County Recreation Department.

A2: Consolidate all recreation programs under management of the Montgomery County Department of Parks.

Option B: Maintain the two department structure, but assign program responsibilities between the two to eliminate overlap.

Option C: Maintain the two department structure, but consolidate recreation program registration and marketing under one department.

Option D: Maintain the two department structure, but press for implementation of the provisions negotiated in the 2004 Memorandum of Understanding (MOU).

Office of Legislative Oversight's Recommendation for Council Action

OLO recommends that the Council endorse consolidation of all recreation programs under one department (Option A1 or A2). Recognizing the multiple staffing and program details that must be worked out with such a change, OLO also recommends the Council assign and establish the deadline for the preparation of a Transition and Implementation Plan.



OFFICES OF THE COUNTY EXECUTIVE

Isiah Leggett
County Executive

Memorandum

Timothy L. Firestine
Chief Administrative Officer

January 8, 2009

TO: Craig Howard, Legislative Analyst, Office of Legislative Oversight
Rich Romer, Legislative Analyst, Office of Legislative Oversight

FROM: Timothy L. Firestine, Chief Administrative Officer

SUBJECT: OLO draft "Organization of Recreation Programs Across the Department of Parks and Department of Recreation"

Thank you for your leadership and collaboration in preparing this excellent draft report. It is a tremendous resource for understanding the organization and operation of the Department of Recreation ("Recreation Department") and Department of Parks ("Parks Department"). I hope it will serve as a catalyst for beginning an in-depth analysis of steps that should be taken to optimize recreational programming in the County.

There is no question that recreation programs provided by both departments contribute significantly to the quality of life in the County and are greatly valued by our residents. A 2007 resident survey conducted by the National Research Center, Inc. found that 86% of County residents had visited a park in their community and 62% reported that they had used a County Recreation facility. In addition, over 80% of County residents reported that the number of recreational opportunities and quality of those opportunities were either "excellent" or "good". When asked what they liked most about County programs and services, County residents identified parks and recreational opportunities as the 2nd most popular category.

The OLO report indicates that most of the Parks Department's recreation programs are associated with its Enterprise Facilities (e.g., ice skating classes at the ice rinks, nature programs at the nature centers, etc.). For the most part, the Recreation Department does not provide the same types of classes, camps, and sports programs that are connected to those Enterprise Facilities.

However, we believe that the County could achieve a number of benefits by consolidating all recreation programs in one department, including:

- Consistent philosophy, mission, and priorities;
- Improved service for County residents (e.g., simplified "one-stop shopping" for camps, after-school activities, summer activities, sports, classes, and registration);

Craig Howard
Rich Romer
Page 2
January 8, 2009

- Coordination of long-term planning for programs and facilities; and
- Enhanced volunteer and staff capabilities.

In light of these likely benefits, as well as the potential for achieving budget savings, we think the time is right for the County to fully explore and resolve all of the issues involved in consolidating programs in a single department.

We believe that this effort should include a Community Inventory of Recreation and Leisure Services. Many non-public entities provide recreational programs that compete directly with programs offered by the Parks and Recreation Departments. For example, there are hundreds of private camps offered throughout the County that impact registration for similar Parks and Recreation programs. A comprehensive community inventory that included a review of all of these types of programs would provide important context for decisions that must be made in order to consolidate all public recreation programs in one department.

We agree with OLO that there are many benefits to consolidating all recreation programs in the Recreation Department because this department already specializes in the management and delivery of recreation programs. Compared to the Parks Department, the Recreation Department currently offers a wider array of recreation programs and has more resources (including staff) dedicated to providing recreation programs. We expect that consolidation of programming in the Recreation Department could achieve efficiencies and savings typically associated with economies of scale. We also agree with OLO that placing all recreation programs in a department that reports to the County's Chief Administrative Officer would facilitate coordination of recreation programs designed for target populations (e.g., seniors, teens, persons with disabilities) with related programs administered by other County departments which serve the same target population.

The OLO report notes that one benefit of placing all recreation programs in the Parks Department is that this option would "align recreation programming, permitting, facility ownership, and facility operation functions into one agency". We believe that the final report should clarify that this benefit could also be achieved by merging the Parks Department into the Recreation Department. We also believe that the Council should fully explore this option in connection with its review of recreation programming.

The OLO report also notes that placing all recreation and parks programs under the management of the Parks Department would parallel the structure in Prince George's County. This statement is somewhat misleading. In Prince George's County, the County Executive appoints Planning Board members with the consent of the County Council. This gives the

Craig Howard
Rich Romer
Page 3
January 8, 2009

Executive more influence and control over the Parks Department than is true in Montgomery County. Viewed from this angle, consolidating recreation and parks programs in the Recreation Department would be consistent with the structure in Prince George's County. We look forward to participating fully in the Council's review of this report and analysis of all related issues.

cc: Gabe Albornoz, Director, Department of Recreation
Joe Beach, Director, Office of Management and Budget
Joe Adler, Director, Office of Human Resources
David Dise, Director, Department of General Services
Melanie Wenger, Director, Office of Intergovernmental Relations
Ginny Gong, Director, Community Use of Public Facilities
Jennifer Barrett, Director, Department of Finance
Kathleen Boucher, Assistant Chief Administrative Officer

TLF:rsd

~~84~~

65



MONTGOMERY COUNTY DEPARTMENT OF PARKS
 THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

January 8, 2009

Mr. Craig Howard
 Office of Legislative Oversight
 Stelia B. Werner Council Office Building
 100 Maryland Avenue
 Rockville, Maryland 20850

Dear Mr. Howard:

This letter is in response to the Office of Legislative Oversight Draft Report #2009-7, "Organization of Recreation Programs Across the Department of Parks and Department of Recreation" and provides comments from the Department of Parks (Maryland-National Capital Park and Planning Commission) Montgomery County. A formal reply from the Montgomery County Planning Board and Park Commission (M-NCPPC) will be prepared and delivered after the final report is officially and publicly released.

In general, we are grateful for the conscientious effort by OLO staff to summarize and understand the recreation and related programming offered by both the Department of Parks and the County's Department of Recreation (MCRD.) We appreciate the effort the reviewers made to pull out relevant data from many sources to present an overview of what we both provide. It was clear from the outset that this would be a complex task, and we found the OLO staff to be patient, inquisitive, and ultimately fair. We also find that while the report lists program offerings and the status of the relationship between the two departments fairly well, it also shows various options for the future which would require more analysis than a simple comparison of program offerings might suggest.

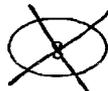
We are pleased that, overall, the OLO staff finds that cooperation and a cordial working relationship is a hallmark of these two departments, and we truly appreciate highlighting those areas where we could do better between us. The review of the 2004 MOU was most helpful in understanding where we should place renewed effort if the status quo were to continue.

It remains clear to us, however, that parks and recreation should be merged -- the sooner the better. The conclusions and findings in this report further reinforce the overwhelming evidence for us that both departments should be placed within M-NCPPC for operational, financial, and legal reasons. To move in the other direction would be like having the sparrow swallow the eagle.

Below are our comments on: the recreational programming portion of the report; the conclusion and options for the future; and the legal concerns we believe are required for any analysis of those conclusions.

RECREATIONAL PROGRAMMING INFORMATION

1. **Data.** The charts, graphs, and narratives are quite informative up to a certain point. We note that the ratio of revenues to costs is roughly equivalent between the two agencies. A couple of caveats:



our revenues would be higher except for the fact that we give a price break for use of park facilities to our sister agency and biggest user, MCRD. This both lowers their costs and raises ours. Therefore, if corrected to reflect a true cost of doing business, the Department of Parks would appear to be more efficient. Second, we would have liked to see a comparison of the pay and benefits for an average MCRD employee in the report as well. The amount shown for M-NCPPC can be misleading because our work extends far afield from the lone provision of recreational programming and encompasses a broader range of responsibilities. Given the short time for the study, sticking to an overall surface look at what both agencies do in recreation alone is understandable, but it is not comprehensive without further analysis and drilling down into the numbers. Such analysis could assist us in deciding the best way to hire and deploy staff and make better use of seasonals and other forms of personnel management.

2. **Recreation and operations.** In the case of parks, recreational programming is treated as though it is separable from the operation of recreational facilities. It has proved to be nearly impossible, however, to sever operations and programming. Those who come to attend a programmed athletic event, for example, may also be users of the trails and picnic areas, and use the restrooms and other facilities. To have programming separated from the other forms of park operations is part of the reason we must constantly coordinate with MCRD, as called for in the MOU, and a major reason that, no matter how often we communicate, things arise on a daily basis that take more time to resolve than would be true under a unitary system of management. We appreciate that the OLO analysis recognizes this in its finding that a merger is desirable.
3. **Work years vs. positions.** We note a common problem in the display of our personnel costs, leading to a fallacy of implicitly thinking of "work years" as "positions." This is an understandable error, since we use a program budget and the authors have tried, in each of our program elements, to identify the work years associated with recreational programming. They seem to have sorted through our program budget well enough, but one work year may involve a portion of the work of several people. An example is the Brookside Gardens gardening programs and classes. The 2.6 career WYs are not necessarily 2 people working on the recreational programs full time, and another working 60% of the time. It could be many individuals amounting to 2.6 WYs. We often use professional staff who carry out educational functions as part of their broader jobs in parks. So, transferring the actual number of bodies to the Recreation Department could seriously impair the "non-recreational" activity at Brookside Gardens and other parts of the organization.
4. **Management costs.** This is another byproduct of our otherwise useful program budget. In this report, OLO included our program budget "management" costs as part of our recreation program expenditures. Do the MCRD numbers include a proportional percentage of their Administrative Division or Director's Office costs? If not, ours shouldn't either. (A particularly noticeable example is on page 38, Table 4-9; without the "management" costs, we'd have a small profit instead of showing a \$400K loss.) This is also an issue with what is identified as "overhead" which really includes all planning and management, not extras nor waste. Finding #11 states MCRD's operating budget for Programs and Facilities is \$23.9M in expenditures with an estimated \$11M in revenue. Again, does this include a proportional percentage of the administrative division and director's office costs? Does it include whatever payment (if any) is made to cover Park Police patrols? Are all associated costs included? If not, it cannot be compared to the Parks numbers in Finding #12, which include debt service and all associated costs from the program budget.

5. **Debt and capital costs.** As noted above, we are concerned that the budget numbers in the report do not allow an apples-to-apples comparison. Our expenditures include debt service; MCRD's do not. This leads the reader to presume that many of our programs are not profitable when, in fact, if we were treated like MCRD and not held responsible for our own debt service, many of these programs would actually show a profit. The numbers should be altered to allow a fair comparison. The Department of Parks provides facility planning, design, and construction management of its capital projects such as ice rinks and tennis centers with the Department's own resources, whereas the Department of Recreation relies upon the Department of General Services for capital development services.
6. **Quality of offerings.** There is some mention of user satisfaction surveys, but not of the results of those surveys. We can find no mention of participation levels, number of people served, or satisfaction levels. How can one possibly evaluate the success of programming without that information? The decisions on who offers what programming should be based on participation levels and customer satisfaction. Those decisions should be based on "who's doing it better?" not "who's doing it now?" They run the risk of eliminating successful, popular programs to make way for programs that aren't in demand.
7. **Multiple providers.** Our two agencies are not the only providers of recreational services in the County. And there really isn't that much programming overlap. In a county this size, there may well be enough demand to merit the multiple offerings in similar program areas. A proper report on county recreational programming would be assessing the overall recreation demands/needs of the county and reviewing all of the relevant program providers to determine appropriate levels of supply and demand and determine the right mix of county programs. So, just looking at the two of us limits understanding the full demand for these services. The ancient notion of consolidation of county recreational programming established in 1952 could not have foreseen a Montgomery County of 1 million citizens, with multiple providers (YMCA, private organizations, Boys and Girls Clubs, etc.) for our youth, seniors, and others. We are well past that kind of thinking now. If anything, the competition between us (such as there is, and on a very limited basis) has been good for both of us as well as for our constituents. There is clearly enough demand for ever more recreational opportunities to keep us all busy. The Department of Parks got into increasing its programming in response to a clamor for more options from our citizens and users. It was done in response to demand. Therefore, the threshold question of this report--is there "duplication" of recreational services? --could be answered with a resounding "yes" and a further answer of "why not?"
8. **Enterprise.** The Enterprise portion of our recreational offerings deserves special mention. Essentially, we have two among several conflicting laws on the books--a 1952 ruling to consolidate recreation in its own department, yet a later law setting up the Enterprise fund for parks to provide certain recreational services and make money from them. We cannot have a true Enterprise Fund if we can't maximize the potential to raise additional revenue through programs. No private operator would be held to such restrictions and still be expected to have a profitable bottom line. Our creative new programming and camps sponsored by or located in Enterprise facilities (ice rinks, tennis, trains, etc.) is helping us to turn the corner in becoming more self-sustaining. We don't need more constraints here; we actually would like to expand these to meet our mandated performance goals.

9. **Miscellaneous provisions and corrections.**

- The report lists "School Break Programs" as a type of class/activity. This describes "when" programming is offered, not "what" type of program is offered. It should not be included in this list.
- **Page 4 lists Athletic Field Permitting and Maintenance** under the definition of OLO's seven categories of recreation programs. Technically, Athletic Field Permitting and Maintenance is not a recreation program, but is a means or a by-product of providing programs.
- **Page 33: Program Budget** – The program of "Administration of Parks" has only one sub-program. It is titled "Overhead" in the draft report. As the term "overhead" is not relevant to several of the of the program elements in this program, we have simply named the sub-program the same as the program; "Administration of Parks". We request you make this change.
- **Page 51 in the "program feedback and evaluation" section** states that "The Department of Recreation coordinates its program feedback and evaluation efforts through one staff member in the Director's Office..." We then should change our first sentence in that same section to read, "The Department of Parks coordinates its program feedback and evaluation efforts through one staff member in the Park Information and Customer Service Division..." The way it is currently written makes it appear that we have multiple staff dedicated to doing this when, similar to MCRD, it is only one person.
- **Page 52: "Facilities Operated by the Department of Recreation on M-NCPPC Property"** appears to have a couple of errors. Many of the facilities listed are not located on park property. Several are located on County-owned property. The table also excludes some Recreation Centers, including Damascus, Potomac, Scotland, Marilyn Praisner, and Germantown, which are all on County property. The only facilities known to be located on park property are:
 - Germantown Indoor Swim Center
 - Montgomery Aquatic Swim Center
 - Bethesda Outdoor Pool
 - Long Branch Outdoor Pool
 - Wheaton / Glenmont Outdoor Pool
 - Gwendolyn Coffield Recreation Center
 - Good Hope Recreation Center
 - Leland Recreation Center
 - Long Branch Recreation Center
 - Plum Gar Recreation Center
 - Wheaton Recreation Center
 - Olney Manor Skate ParkThe County has full responsibility for programming, operation, and maintenance of these facilities except for the Wheaton Recreation Center and the Olney Skate Park, which are maintained by M-NCPPC.
- **Page 56, in the bulleted list at the top**, add a bullet that reads "Regular release of unneeded fields prior to the start of each season to provide other county residents access and use of these amenities."
- **Page 57: Budgets** – It may be worth noting that M-NCPPC and the Montgomery County Recreation Advisory Boards jointly host a widely publicized "CIP Public Forum" in advance of every CIP in order to solicit public comment on park and recreation capital projects.

- **Page 61, in the "implementation in practice" section, second paragraph, the report states a parks recommendation as "...for both departments to designate lead marketing contacts." This is incorrect; Parks already has a lead marketing contact. Our recommendation was for MCRD to establish one so we could more effectively coordinate our efforts.**

CONCLUSIONS AND OPTIONS

Basically, it appears this "programming" study is really just an entryway into the merger discussion, and we welcome this conversation. Clearly, MCRD shares our view that this has been an unusual and occasionally awkward arrangement for both of us. The report itself leaves the analysis of its findings to decision makers, but does support a better model in Option A. It appears to say: decide how you want to fuse these organizations (or parts thereof) and then let someone else figure out what it will cost and how to do it. The "structural problems" that prevented a consolidation in the 1990's are not fully discussed nor amplified.

We understand one of the major structural problems is the historic and successful union of parks and planning in the same agency, developed with much institutional autonomy while retaining a high level of accountability. On the Prince Georges County side of M-NCPPC, parks includes the recreation function, and that alliance has worked extraordinarily well. In 1970, the Prince Georges County Recreation Department was merged into the Maryland-National Capital Park and Planning Commission by the General Assembly. All county benefits were grandfathered in with the merger. Since the merger, creative programs have been developed and award-winning facilities have been constructed, which has been instrumental in M-NCPPC winning the National Park and Recreation Association Gold Medal Award for Park and Recreation Excellence five times. No other agency in the country has come close to that record. M-NCPPC bested hundreds nationwide for this prestigious award, and was asked to take a five-year hiatus in 2004 so that others could compete. M-NCPPC is considered a leader in nationwide park and recreation circles, and others frequently ask to benchmark their programs against ours. It would be foolish to tear apart further one of Montgomery County's most cherished assets. We find that most other park and recreation agencies are astonished, however, that we on Montgomery County side have separate park and recreation departments.

Our analysis of the merger options:

Option A1. We do not think it is feasible to pursue Option A1—consolidate all recreation programs in MCRD—without seriously considering what this means to the efficient operation of a much larger and more diverse parks department which has recreation as just one of its functions. Transferring the entire department to the county would not be a good move, in our view, and would be contrary to the kind of "green balance" we provide between stewardship of our generous resources and recreational programming. The original genius of the founders who created the Park and Planning Commission has given us the great system of protection and opportunity we have today. Moreover, following Option A1 could likely result in the elimination of the Park Police, reducing park security. Policing parks is not something County/city police generally like to do. Most large public park systems have dedicated law enforcement patrols. Additionally, a consolidation under the county as proposed by Option A1 could sever programming of some recreational activities from the underlying resource and its management. Because the OLO report uses the term "recreation" to mean *permitted and scheduled* activities, it is fundamentally misses one huge aspect of recreation as it is generally defined – the *passive recreation and unprogrammed* activity in which most park users engage. The State survey of park and recreation needs previously supervised by our current Chairman, Dr. Royce Hanson, found hiking and walking in the parks to be the most common form of recreation. This takes nothing away from programmed sports

and other organized and scheduled activities. It suggests, however, that there is value in keeping all recreational activities and programs in a single organization. Trying, as Option A1 does, to distinguish the programmed from the unprogrammed will not result in clarity of mission. We cannot run a park system that does not organize some outdoor and indoor programs that help park users enjoy the resources of the system as a whole. Finally, the flexibility we have as a State-chartered agency allows us to pursue funding options to keep these programs going in tough times, in a way that is less available in an executive department of County government.

Option A2. Option A2 is clearly the most attractive to us. The Department of Parks already has some well-managed recreation offerings as just one component of larger land and facility management structure that also includes planning for facilities, construction of those facilities, acquisition of suitable sites and locations, and trails, maintenance, and security patrols. This choice to consolidate all recreation programming in the Department of Parks is quite feasible and makes good sense. With the excellent talent, offerings, and capabilities of the current Recreation Department, they could be much more easily absorbed into us than we into them. There will be some problems associated with assuming the retirement and compensation programs of MCRD, but those are surmountable. Our systems are no longer that different. It is a natural fit, as our counterparts in Prince George's County and throughout the country have shown. There will probably be some savings in personnel, but not much as recreational demand continues to climb. This kind of move would join programmed activity, facility management, and operations in an organization that knows how to manage very large operations and budgets, and has some independence to locate and tap alternate sources of funding. It produces a balance between active and passive recreation and recognizes their frequent overlapping roles. It does not require unscrambling the egg. It places the programmers of facilities in positions of shared responsibility for the quality of the facilities they program and in positions of greater influence with the parts of the department that build, operate, and maintain them. This approach also preserves the connection between parks and planning, which has been of such great benefit to the county.

Other choices. Simply moving the Department of Parks recreational programming function to MCRD makes no sense, given the uncertainty of the passive recreational programming component, the core parks nature study classes and similar programs, and the recreational requirements of the Enterprise Division – all cited above. Improving cooperation and fully implementing the current MOU is an excellent alternative if no structural changes are to be made.

LEGAL ISSUES

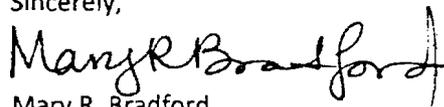
As noted by the OLO Report in its conclusion, we are seeking legal guidance on what must be done to analyze the options more fully and to move this discussion along.

In particular, the Department believes that OLO and the Council should consider an important legal question before taking any action on the recommendations contained in the report. Specifically, County policy historically has assumed that the Park Tax is "county taxes" for the purpose of Section 305 of the County Charter. According to the Commission's Office of General Counsel, that historical treatment is not necessarily legally correct, and our General Counsel has invited the County Attorney to consider and discuss this question further. As a practical matter, if our General Counsel's tentative view of this legal issue holds true, the fact is that the County Government would have far more flexibility to establish workable tax rates for the Commission than may otherwise be available for "real" County taxes. In other words, the County may have relatively more flexibility to achieve adequate funding levels for operations by consolidating all these operations under the Department of Parks.

We await further legal guidance on this matter and pledge to continue to make the best choices for the provision of recreational opportunities for our citizens in continued cooperation with the Department of Recreation.

On behalf of all of us in the Department of Parks, I must personally note what a pleasure it was to work with the OLO staff on this report. As they asked questions and explored our parks and offerings, it helped us more thoughtfully articulate our thinking for the future and gave us a clear-eyed look at how and what we were doing. We respectfully submit our comments with the greatest respect for the good work done in such a short time period, and look forward to further discussion.

Sincerely,



Mary R. Bradford
Director of Parks

~~14~~ 01

72



MONTGOMERY COUNTY PLANNING BOARD
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

OFFICE OF THE CHAIRMAN

January 30, 2009

The Honorable Phil Andrews
President, Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue
Rockville, Maryland 20850

Re: Office of Legislative Oversight Report # 2009-7; Organization of Recreation Programs across the Department of Parks and Department of Recreation

Dear Mr. Andrews:

The Planning Board appreciates the opportunity to comment on the Office of Legislative Oversight (OLO) Report # 2009-7 in advance of the Council's discussion on the topic. In general, we are appreciative of the conscientious effort by the OLO staff to understand and summarize the varied services and recreation programs provided by the Department of Parks and the Department of Recreation.

OLO's assignment was to identify the recreation programs offered by both Departments; determine which are unique and similar; identify the level of coordination between the Departments; and suggest options for restructuring the delivery of recreation programs. The Board's discussion at its meeting on January 22, 2009, pondered a broader question than the OLO's charge, that is; how can we provide the very best Park and recreation experiences and opportunities to the residents of Montgomery County? The report identifies several options to restructure the delivery of recreation programs, and recommends the consolidation of all recreation programs under one department. It recommends either the merger of the Recreation Department into the Department of Parks (Option A2), or a portion of the Parks Department into the Department of Recreation (Option A1), without favoring either alternative.

If a consolidation or merger is to occur, the Board feels strongly that the Recreation Department should merge with the Parks Department as part of the Maryland National Capital Park & Planning Commission (Option A2). As the report concludes, "a single department providing both parks and recreation functions is the model most used in other jurisdictions". The Department of Parks and Recreation in Prince George's County under the M-NCPPC is a highly successful example of this model. There is a strong link between the planning, management, and operation of a park system and the provision of recreational programs. The sections below highlight some of the major points of our discussion:

COORDINATION OF FACILITY MANAGEMENT AND OPERATIONS. Consider, for example, the nature center manager responsible for the environmental management of the land and grounds at the center being the same person coordinating or perhaps teaching the nature programs. Would it make sense to have the program manager come from another agency? It is an everyday occurrence in the Parks Department to have staff involved in regional planning, park planning, facility operations and maintenance, and policing interacting and collaborating with the staff that provide recreation programs in the parks. The option A2 strengthens that relationship, while the option A1 further divides it.

ANALYSIS OF OPTION A2. Implementing option A2 would create, in all likelihood, a complete merger of the two Departments. The report concludes regarding A2; "This consolidation model would almost certainly result in the abolishment of the Department of Recreation...". The report estimates that 92 % of Recreation's work years are related to the direct provision of recreation programs.

Advantages of option A2 include:

- Coordinating the opportunities parks provide for passive, unprogrammed recreation such as enjoyment of natural areas and hiking trails with provision of active programmed recreation;
- Expanding the already synergistic relationship between parks and land use planning to the area of recreation programs;
- Expanding the high quality recreation programs already delivered by the Department of Parks;
- Potentially greater flexibility for the funding of park and recreation programs; and
- Continuing the direct control of parks under the leadership of the County Council.

ANALYSIS OF OPTION A1. Option A1 is not a direct counterpoint to the full merger of option A2 since it does not move all of Parks into the Recreation function, only certain programs. Under this option, there would need to be further study in order to identify all work years and resources in Parks associated with the provision of recreation programs and move them into the Recreation Department under the County Executive. The OLO report estimates that 22% of Parks approved FY 09 work years are dedicated to recreation programs. Our own staff analysis concludes this figure is actually much smaller, since the OLO report included many work years attributed to athletic field maintenance within that number. Because many staff within parks split their time between park management and recreation programs, the separation of part of parks is much messier than the full merger that option A2 achieves. Moreover, if today's identified recreation program staff are separated from Parks, it is very likely by the nature of parks that future program opportunities will sprout.

COST AND TIMING FACTORS. There was some sentiment on the Board that this report by OLO identified a "situation" but not a "problem." Because of the complex nature of governance for the two departments (one County and one State-chartered) it appeared that the costs of implementing either option did not justify that "the juice was worth the squeeze," given several other challenges that the County must deal with in the next year. In general, the OLO report did not identify an urgent problem that needs a fix and implies things are generally working well in the areas of parks and recreation. If

~~10~~

74

there were substantial cost savings through a merger, that would be an obvious reason to move forward; however, the report does little to demonstrate how that will happen and there is skepticism that significant cost savings will materialize. There is no doubt that short-term costs would be incurred and that significant resources would be directed towards planning and implementation of any restructuring or merger. The report did not substantiate that areas of overlap in the provision of recreation programs is extensive, or that it is necessarily problematic. One can argue that a little competition between agencies is a good thing, and the report did not conclude that either Department's programs were suffering as a result of the others.

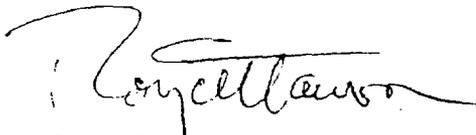
CONCLUSION OF THE BOARD. If the Council does not support option A2, then the Planning Board recommends option D as the next preferred option. It directs both Parks and Recreation to review and implement provisions of the 2004 Memorandum of Understanding between the Departments. One obvious goal we will continue to pursue is to make the review and registration for recreation programs simpler and more transparent to the end-user.

A letter from Mary Bradford, Director of Parks included on pages 85-91 of the report provides additional detail on the merits of option A2 and the data and conclusions regarding parks.

The memorandum from the County Executive's Chief Administrative Officer on pages 82-84 of the OLO report advocates the consolidation of recreation programs in one Department, and also suggests that the Council expand the study to look at an option to move the entire Department of Parks into the Recreation Department. The OLO report does not provide sufficient data to evaluate that option. In the private sector, the failed AOL /Time Warner merger was cited by one Board member as an example of why programming organizations should not attempt to absorb larger infrastructure-based organizations.

The Board looks forward to continued discussion with the Council on the optimal structure for the delivery of park and recreation services to the residents of the county.

Sincerely,



Royce Hanson
Chair, Montgomery County Parks Commission

cc: Craig Howard, OLO
Mary Bradford, Director of Parks



75



COUNTYWIDE RECREATION ADVISORY BOARD

c/o Department of Recreation • Office of the Director
4010 Randolph Road • Silver Spring, Maryland 20902
240-777-6800, FAX 240-777-6803

February 5, 2009

The Honorable Phil Andrews, President
Montgomery County Council
100 Maryland Avenue
Rockville, Maryland 20850

Dear Council President Andrews:

It is with great respect that I write to you on behalf of the Countywide Recreation Advisory Board (the "Board") regarding the January 9, 2009, Office of Legislative Oversight ("OLO") report entitled "Organization of Recreation Programs Across the Department of Parks and the Department of Recreation (the "Report"). The Report addresses the sole focus of our Board—ensuring that recreation programs offered to the County's citizens are the best they can be.

Richard Romer and Craig Howard of OLO met with members of the Board on Monday, February 2, to discuss the Report, which previously had been made available to Board members. The Board spent a great deal of time and effort both before and during the meeting reviewing and discussing the points and issues raised in the Report (which we found to be thoughtful and comprehensive). Each Board member—voting and ex-officio—participated, since the efficient delivery of services by Montgomery County Recreation Department (MCRD) and Parks is extremely important to the health, welfare and well-being of every County citizen.

After these discussions, the Board unanimously approved a resolution supporting the OLO's recommendation to endorse consolidation of all recreation programs under one department, and to recommend that the Council assign and establish the deadline for the preparation of a Transition and Implementation Plan. The Board also unanimously approved a resolution recommending that the Council direct an additional study to evaluate the complete merger of all programs and facilities under MCRD and Parks.

These resolutions were passed because the Board believes the citizens of Montgomery County will be better served by a more consistent and user-friendly system of accessing recreation programs. Citizens currently find it difficult to access account information, to identify the appropriate office to receive and process permit applications and to find general information regarding recreation programs, among other issues. Based on our review of the Report and the

~~18~~

76

discussions that occurred at our last meeting, the Board believes these issues can be resolved by consolidating the administration of recreation programs under one department.

That Montgomery County's recreation programs are the best in the country is not a reason to avoid seeking ways to improve how they are delivered, particularly if there is a solution that has the potential of saving money over time. We fully appreciate that the County is facing difficult financial decisions, and hope the OLO's careful study of recreation programs, and the citizen voices represented by the Board, are given due consideration in determining how to proceed. I would be happy to meet with you to discuss the Report and the Board's findings at your convenience.

Respectfully submitted,

Donna W. Bartko, Chair
Countywide Recreation Advisory Board

~~19~~

77



DEPARTMENT OF RECREATION

Isiah Leggett
County Executive

Gabriel Albornoz
Director

M E M O R A N D U M

March 2, 2009

TO: Michael J. Knapp, Chair, PHED Committee

FROM: Gabriel Albornoz, Director

SUBJECT: Response to PHED Committee, February 9th OLO Work Session

Enclosed is the County's response, coordinated by the Recreation Department, in regard to the PHED Committee work session and follow up to the Office of Legislative Oversight's report on the Organization of Recreation Programs across the Parks and Recreation Departments.

If you have questions, comments, or need additional information, we will be in attendance at the March 2nd PHED Committee meeting. Please do not hesitate to contact me directly in the meantime.

INTRODUCTION

The goal of recreation programs, leisure services, recreational activities, by whatever name they are called, is to provide opportunities for high quality healthy lifestyles, and to have residents who are living vital lives, are physically fit, and are enriched by the community in which they live, work, and play. Recreation is intended to be beneficial for a society and is organized and supported to meet that expectation. A well-developed recreation system should provide a variety of programs that meet customer needs, interests, and limitations such as instructional classes, drop in and open facilities, competitive activities, clubs or special interest groups, special events, trips and outings, workshops and conferences, and outreach activities designed to connect to the human service needs of the community.

Throughout the entire nation, the one near constant in this service delivery system is the local Recreation Department and Parks. In 98 percent of jurisdictions, recreation and parks are combined and administered by the local government.

Office of the Director

4010 Randolph Road • Silver Spring, Maryland 20902 • 240-777-6800 • Fax 240-777-6803
www.montgomerycountymd.gov/rec

78

In 1951, as authorized by State enabling legislation, the County Council enacted the **Montgomery County Recreation Act**, which transferred recreation programming from the Maryland-National Capital Park and Planning Commission (M-NCPPC) to Montgomery County.

The purpose of the Montgomery County Recreation Act was to ***“establish, operate, and maintain a recreational program within the County, to acquire land and facilities therefore, to adopt ordinances, rules and regulations for the operation of such program...and to create a Montgomery County Recreation Board to inquire into matters and make recommendations relating to such program...”***

Today this mission is further detailed in Article 41-1 of the Montgomery County Code which states: ***“In order to promote the health, safety, welfare, morals and comfort of its citizens, the county is hereby authorized to establish, develop and operate a coordinated and comprehensive public recreational program designed to meet the needs of all age groups of the citizens from a community, educational, fraternal, athletic, and social standpoint”*** (Mont. Co. Code 1965, § 2-68).

While some may think recreation and parks are always one and the same, the law delineates them very differently.

M-NCPPC was established in 1927 by act of the State Legislature. The Commission’s purpose, in relevant part, is to:

- ***“acquire land or other property...for parks, parkways, forests, streets, roads, boulevards, or other public ways, grounds, or spaces...may improve and develop land...and has the control of maintenance and operation...”***(Md. Code, Art. 28, § 5-101)
- The Commission may acquire real property for ***“... the purposes of public recreation or the construction of public recreation centers, community buildings...”*** (Md. Code, Art. 28, § 5-101.)

Unlike Montgomery County, The Regional District Act grants to Prince Georges County *only*, the responsibility ***“...for providing an adequate and balanced program of recreation...”*** in addition to land acquisition duties and responsibilities (Md. Code, Art. 28, § 5-201).

More recently, in order to make their Enterprise Fund and associated facilities more profitable, as indicated in the Parks Department’s response to the PHED Committee, the Parks Department has begun to compete directly with and overlap onto the clear mission of County government by starting to offer fee-based recreation programs.

Recreation and parks play a critically important role in the quality of life for Montgomery County residents.

The following is a sampling of Recreation Department customer surveys.

“As a result of participating in this program I/my child experienced one or more of the following”:

Measure:	Agree	Strongly Agree
Improved self-confidence through group participation	50%	42%
Enjoyed participating in a safe and friendly environment	38%	58%
Developed friendships	26%	71%
Had Fun!	25%	73%
Felt better about myself	43%	44%
Felt the counselors were caring and competent	36%	60%

“Please indicate your opinion about the following Recreation Department functions as they relate to you or your child’s participation:”

Customer Service Measure:	Met or Exceeded Expectation
Registration process	96%
Program description was clear and accurate	85%
Condition of the facility	92%
Convenience of the facility	96%
Friendliness and helpfulness of the facility staff	87%
Instructor’s program knowledge	87%
Participant’s overall experience	83%

Recreation and leisure programs are not just important for quality of life, fitness, and self development, but also for economic growth and stability. Currently, the Recreation Department contributes approximately \$40 million to the local economy and \$10 million in revenue for the County each year. In addition to the economic benefit, recreation programs and facilities serve to encourage strong community identity, citizen collaboration, and cooperation to ensure effective human services and to promote healthy individuals, families, and neighborhoods.

- The mission of the Recreation Department is ***“to provide high quality, diverse and accessible programs, services and facilities that enhance the quality of life for all ages, cultures, and abilities.”***
- The provision of recreation programs is the Recreation Department’s core business; its primary focus for the past 57 years. A sample of current statistics indicates the depth and reach of recreation and leisure activities across the entire Montgomery County population:
 - 262,000 households are included in our CLASS system accounts (assuming 2.5 individuals / household this equals a total of 655,000 registered customers)
 - In the 2007 Montgomery County Resident Survey, 64% indicated they were users of Recreation Department facilities and programs.

- The Recreation Department currently has an inventory of 563,351 individuals signed up and using the Access Card.
- 1.8 million annual individual visits are made to aquatic facilities in addition to over 700,000 annual visits at our Centers.
- The Gilchrist Center for Cultural Diversity serves approximately 43,000 clients each year, representing over 71 countries.
- The Department's summer programs alone represent 40,000 hours of programming serving over 20,000 youth and teens.
- \$820,000 is currently allocated for financial assistance supporting 6,300 County households.
- Programs are operated in nearly every elementary, middle, and high school, as well as in community centers, senior centers, park facilities, swimming pools, libraries, and privately operated facilities.
- From September to January of this year, the Department's High School Sports Academy programs have already involved 28,589 attendees and 10,640 participants utilized the academic enrichment sessions, during after-school hours as a part of the Montgomery County Positive Youth Development Initiative.

CONSOLIDATION APPROACH

In order to conduct a strategic consolidation of portions of the programming elements of both the Departments of Recreation and Parks, it is necessary to review functional activities and assess those most compatible for this purpose. The following reflects the findings and methodology utilized by the Recreation Department in determining the most appropriate activities within the Parks Department to recommend for transfer.

EVALUATION OF RECREATION PROGRAMS IN THE PARKS DEPARTMENT
Parks Department Activities – 2009

< CRITERIA MATRIX >

ACTIVITIES V	Recreation/ Leisure Service 3	Organized W/ Regis. 2	Consistent W/ H S M 1	Non- Natural Resource 2	Non- Park Location 2	Comp@ Single Source 1	Simplify Customer Service 3	Feasibility In Org 1	TOTAL
Tennis Program & Facilities	4x3=12	4x2=8	3	4x2=8	1x2=2	4	4x3=12	4	53
Ice Skating Programs & Rinks	4x3=12	4x2=8	3	4x2=8	1x2=2	4	4x3=12	4	53
Splash Park	4x3=12	4x2=8	2	4x2=8	1x2=2	4	4x3=12	4	52
Miniature Golf	4x3=12	4x2=8	2	4x2=8	1x2=2	4	4x3=12	4	52
Event Centers	4x3=12	4x2=8	2	4x2=8	1x2=2	4	4x3=12	4	52
Trips & Excursions	4x3=12	4x2=8	2	4x2=8	4x2=8	4	4x3=12	4	58
Sports Programs	4x3=12	4x2=8	4	4x2=8	4x2=8	4	4x3=12	4	60
Classes & Activities	4x3=12	4x2=8	4	4x2=8	4x2=8	4	4x3=12	4	60
Summer Camps	4x3=12	4x2=8	4	4x2=8	4x2=8	4	4x3=12	4	60
Special Events	4x3=12	3x2=6	3	4x2=8	4x2=8	3	3x3=9	4	53
Horticultural Programs	1x3=3	3x2=6	1	1x2=2	1x2=2	2	2x3=6	2	28
Hikes/Nature Programs	3x3=9	3x2=6	2	1x2=2	1x2=2	2	2x3=6	3	32
Historical Programming	3x3=9	3x2=6	2	1x2=2	1x2=2	3	2x3=6	3	33
Volunteer Park Programming	2x3=6	2x2=4	2	1x2=2	1x2=2	2	2x3=6	2	26
Park Maintenance	1x3=3	1x2=2	1	1x2=2	1x2=2	2	2x3=6	1	19
Park Law Enforcement	1x3=3	1x2=2	1	1x2=2	1x2=2	1	2x3=6	1	17
Park Plng/ CIP/Dev	2x3=6	1x2=2	1	1x2=2	1x2=2	2	1x3=3	2	20
Park Management	1x3=3	1x2=2	1	2x2=4	1x2=2	2	1x3=3	1	18

Assessments

Each criterion was weighted, assessed on the following 4-point scale, and compared to a range of Park Department's functional activities to determine their inclusion/exclusion in an appropriate menu of Community Recreation Programs:

1. Virtually no connection between the Activity and the Criteria.
2. Limited connection between the Activity and the Criteria.
3. Substantial portions of the Activity are directly related in the Criteria.
4. Complete connectivity between the Activity and the Criteria.

Criteria Descriptions and Weighting Factors

1. It constitutes a recreation program activity.
X 3.0
2. It is an organized/structured/scheduled activity that requires a registration process.
X 2.0
3. It is consistent with and furthers the County's established human service mission.
X 1.0
4. It is not directly related to core natural resource functions.
X 2.0
5. The activity does not require a Park setting/facility.
X 2.0
6. It creates a more comprehensive menu of services from a single source.
X 1.0
7. It simplifies the customer experience and improves the product delivery system.
X 3.0
8. It is operationally feasible within the organization.
X 1.0

Conclusion

Based on the above evaluation, functions in the higher point range would appear to be candidates for transfer as strongly oriented to community recreation programming services.

COUNCIL QUESTIONS

1. What would be the major programming benefits achieved from consolidation?

1. Improved Customer Service. Reduced confusion and misunderstanding of which agency does what. A “one-stop-shop” experience for all customers.
2. Reduce, and in some cases eliminate, duplication of functions. Programs and activities may not be identical but are so similar as to lend themselves easily to a single source approach. As an example, the Splash park and the Germantown Aquatic Center.
3. Generate savings based on the efficiency and economies of scale.
4. Improve utilization of capital and operating assets. Fewer conflicts on space and time.
5. Extend and consolidate the County’s mission regarding high quality, diverse and accessible services especially to our most vulnerable populations.
6. Ensure high quality service since over 90 percent of the Recreation Department’s efforts and staff are directly involved with the development and implementation of recreation programs. The Recreation Department is the second largest employer in the County next to the school system. Our staff and programs are key prevention components in dealing with such issues as teen drug and alcohol use, gang prevention, isolation, and childhood obesity.
7. Recreation programming is directly tied to four of the County Executive’s seven Priority Objectives
 - Safe Streets and Secure Neighborhoods
 - Healthy and Sustainable Communities
 - Preparing Children to Live and Learn
 - Ensuring Vital Living For All
8. The Recreation Department is one of the lead agencies within the County’s social service network as a part of:
 - Vital Living Initiative
 - Senior Services Initiative
 - Maryland Senior Olympics
 - Positive Youth Development Initiative
 - Collaboration Council for Children, Youth, & Families
 - Center for Cultural Diversity

- Sports Council
- Extended Learning Opportunities w/ MCPS
- Emergency Management Group/Shelter Task Force

The opportunity to link a child that has been referred from protective services to a summer recreation program, or the ability to provide nutrition programs and transportation services to seniors, clearly demonstrates the advantage of direct connectivity to the vast array of County services. Being under the same County leadership allows the Recreation Department to more easily collaborate with departments such as HHS, Police, Libraries, or the Commission on Aging to provide those program opportunities and enhancements.

9. The Recreation Department is an active participant and beneficiary of County initiatives such as MC311, MC Time, and Enterprise Resource Planning Initiative (ERP). Administrative and procedural efficiencies associated with consolidating recreation programs in the Recreation Department is also enhanced through partnering efforts between County agencies; it allows for leveraging of resources and enlarges the entire product menu.

10. Accountability

- The County Executive and County Council will be more directly responsible and accountable for the consolidated operations and management of the County's recreation activities and facilities.
- Establishing a single source of information and a single point of entry for all recreation programs, services, activities, facilities, and the public's participation will eliminate confusion, increase effective service delivery and product quality, and help simplify the performance evaluation of the single provider.
- The short- and long-range planning needs assessments, resource and gap analysis, funding allocations, and all parts of a comprehensive "budgeting" process will be improved by our focus on a single entity.
- Public access to a single agency improves the resident input and citizen advisory processes making the work of advisory bodies more comprehensive in approach.
- Based on consultation with CountyStat staff, all County departments, including the Recreation Department, operate on a far more stringent, formal, and more extensively developed performance assessment system than does the Parks Department. This assures a higher degree of evaluation and measurement.

2. What efficiencies would you propose to achieve from a consolidation?

- Consolidation of recreation programming eliminates fragmentation and creates the greatest efficiency by eliminating duplication of services such as facility booking, registration, and marketing.

- Consolidation of recreation programming under the County reflects “good to great” customer service by providing “one stop shopping,” consistent program pricing, consistent financial assistance, as well as consistent policies for programs, services, and facilities.
- Consolidation of recreation programming makes it easier to carry out important technology and communication initiatives managed by the County’s Department of Technology Services and the newly created MC311 program.
- The consolidation is not intended to exclusively save money but by reducing duplication and increasing efficiency it may generate savings. It is possible that a number of similar or duplicative positions could be identified during the first 12-18 months of this effort. Conservatively, 8-12 senior positions could possibly be phased out over the following year through restructuring assignments. Using even limited cost calculations this could amount to \$1,000,000.00+/-.

3. What major logistical issues must be resolved to implement the consolidation?

- Perhaps the first major logistical issue is making the decision to change and improve upon the status quo; to decide to deliver an even better product, in a more simplified form, to the residents of Montgomery County. It would be easy to look at lists of tasks to be accomplished and say, “No, we can’t.” It might be easy to look at two successful departments and conclude, “No, we don’t need to.” Change is not easy and the benefits of change would be of little value if it were. Not a single thing in our research says this can not be done and we say, “Yes, we can.” If the Council supports consolidation, there is no reason why this goal cannot be achieved.
- Cost will be a factor. There well may be medium- and long-range cost savings attained but in the short term, some expenditure will be required, probably beyond the in-kind contributions of both organizations.

We recommend that the County Executive and Council jointly name a Work Group to identify, evaluate, and resolve transition issues with the goal of consolidating all recreation programming in the Recreation Department by July 1, 2010. This Work Group should be charged with:

- Identifying all action items required to complete the consolidation;
- Determining precise strategy and methodology to complete each action item;
- Proposing a specific timeline for completion of all action items; and
- Completing their assigned work within six months.

We also recommend that a neutral party with experience in County government be asked to lead the Work Group.

Listed below is a sampling of transition issues identified to date.

Human Resource Issues

There are major human resources issues to contend with but based on the HHS consolidation in the mid/late 1990s involving State agencies merging into County Departments, the County has experience and a track record of success with exactly this type of consolidation.

How would staff consolidation be structured?

- Can employees move non-competitively? Could the County “piggy-back” on MNCPPC competitive hiring practices?
- Classifications, grades, and pay scales may not match. Classification and pay studies may be required.
- Longevity and seniority upon entering the new system would be issues.
- Health and retirement benefits are different. As an example:

Health

Montgomery County

MNCPPC

Employees pay 20% or 30%, depending on classification.

Employees pay 15%

Plan designs are comparable, but not identical. There are differences in medical plan co-pays, prescription drug plan co-pays, flexible spending plan maximums, dental coverage, and vision coverage. In addition, some medical plans offer different vendors with different provider networks. A change could result in disruption of existing doctor/patient relationships. Eligibility rules and cost sharing for retirees is different. County retirees pay more than MNCPPC retirees.

Retirement

Montgomery County

MNCPPC

Defined Contribution Plan

Defined Benefit Plan

Employees contribute 4% of earnings up to the Social Security wage base and 8% of earnings

Employees contribute 3% of earnings up to the Social Security wage base and 6%

over the social security wage base. on earnings over the wage base.

There is no portability between defined benefit and defined contribution plans. As a result, there would be a disruption in existing retirement arrangements that would need to be addressed.

- Retiree Benefits - Have not had contributions to the County. Accrued funds may need to transfer with the employees.
- Leave accrual and balances may be calculated differently. Some form of adjustment process may be necessary.
- Work weeks are the same. Bargaining unit representation is the same but negotiations may be involved.

Financial Issues

- Depending on timing of implementation, there is a need to determine impact on ERP, MC311 and MCTime implementations. One potential benefit is that timing for such a consolidation is good due to the current technology initiative (Transform MCG). Since the possible timeline is to initiate in FY11, programmatic and organizational changes could be built into the ERP, MC311 and MCTime systems.

Debt and Cash Management Issues

- Research is needed to determine if any recreational facilities were purchased or acquired through M-NCPPC GO Bonds (issued pursuant to State law) and if there are any restrictions on transferring/disposing of such assets to the County, or other compliance issues. We also need to identify debt options available to the County to acquire or lease such assets that are currently M-NCPPC GO funded.
- The County would need to ensure compliance with any debt covenants. Certain M-NCPPC Enterprise Fund activities/facilities have been funded by revenue bonds/notes. Restrictive debt covenants require further research to determine if any limitations exist on the ability of the County to own, lease, or otherwise possess M-NCPPC recreational facilities purchased or acquired through revenue-backed debt.
- The County needs to ensure compliance with the federal tax code for facilities built or acquired with tax-exempt debt, particularly regarding any limitations on programming, operating income, etc.
- Further research into accounting implications, depending on decisions made regarding debt and assets would be necessary. Existence of M-NCPPC Revenue Bonds and Notes may necessitate the County accounting for M-NCPPC programs

differently than the current County recreational programs, i.e., in an enterprise fund rather than a special revenue fund. If permissible under debt agreements, the County could operate M-NCPPC recreation programs under a management/contractual agreement. This would require M-NCPPC concurrence.

- One significant benefit would be the opportunity to acquire or upgrade to a consolidated scheduling/payment system and ensure Payment Card Industry security compliance across the entire consolidated recreation programs. A contract or management agreement could also have benefits in dealing with personnel issues, as well.

Information Technology Issues

- If consolidation is going to require an enterprise fund for Recreation, an upgraded consolidated scheduling/payment system (version of the CLASS software) may have to be implemented and interfaced with the County's accounting system. The major benefit here is that both departments currently use the same system, CLASS, for all scheduling/payments/registration/booking/etc activities.
- Where and how are other Parks Department data stored and managed? This may require some form of information transfer or transition including the program registration process. Are there other similar systems in use at the Parks Department that the County may have to transition, acquire, or replace?
- DTS anticipates there will be costs associated with technology connections to the new Parks Program Centers when they become integrated into the County system.

Budget and Management Issues

- Consolidation requires an understanding and break-down of appropriation shifts, including:
 - Amounts
 - Fund
 - Character (Personnel, Operating, Capital)
- Transfers would need to identify related positions and work years including:
 - Classification title, salary, and benefits for each position
 - Bargaining unit or unrepresented
 - Related overtime, pay differentials, other non-position salary costs
- Program and facility operations require a break-down of revenues collected:
 - Type/source (fees, fines, etc)
 - Program
- The Enterprise Funds and facilities need an accounting and understanding of associated debt obligations.
- A schematic of the current and proposed M-NCPPC organizational structure and span of control by management unit.

General Services Issues

Short Term

- Fleet Management Services' current site can accommodate some vehicle increases but is not conducive to long-term expansions.
- Condition of Parks Department vehicles. Requires inventory and assessment of Parks Department equipment and vehicles.
- Vehicle Insurance issues. How are Parks Department vehicles currently insured?
- Transferring equipment records.
- Maintaining equipment and vehicle maintenance schedules.
- Coordination, integration, affordability, and production capacity of CIP including land acquisition, planning, design development, and construction activities with DGS.
- Existing contracts executed by Parks Department would have to be bridged, transferred, or newly bid in order to provide seamless services, or task orders could be issued to current Montgomery County contractors.
- Parks Department service contracts may require Living Wage Law review.
- Parks Department contracts exceeding \$50,000 may require Minority Female and Disabled (MFD) review.

Medium Term (2-3 yr)

- Impact on future project development based on fleet sizes and location.
- Continued capital development capacity and affordability issues.

Potential Benefits of Consolidation – General Services

- There are potential cost savings realized with the reduction of overlapping Fleet personnel costs: mechanic techs, parts clerks, supervisors, managers and administrative staff.
- There may be cost savings realized with the combined purchasing of parts and supplies and a reduction in the number of contracts required for similar services.
- As with the current Recreation Department, any additional vehicles would use our existing fueling infrastructure which may result in cost savings.
- The County could standardize the fleet management software which should result in cost savings and better accountability.
- Future contractual efforts would also broaden the participation of Local Small Business Reserve Program (LSBRP) vendors and the local businesses.

4. What laws, if any, must be changed?

The following are the legal issues that the County Attorney's Office has identified in connection with the proposed transfer to the County's Recreation Department of the recreation programs operated by M-NCPPC's Department of Parks. The responses (*in italics*) to these issues are preliminary.

1) Is the Parks Department authorized to operate recreation programs?

Yes. Although the Parks Department's authority to operate recreation programs is not explicitly authorized in the Regional District Act, It may be implied. This implied authority is supported by past practice and by the County's approval of M-NCPPC's annual budget authorizing the expenditure of funds to operate these programs.

2) Is the Parks Department required by the Regional District Act to operate recreation programs?

No.

3) Does the Regional District Act create a legal impediment to merging the Parks Department's recreation programs into the Recreation Department?

No.

4) Could the County compel the Parks Department to transfer its recreation programs to the County?

Yes. The County could accomplish this through its authority to approve M-NCPPC's budget by not funding expenditures for recreation programs.

5) Could the Parks Department transfer possession of Parks Department recreation facilities to the County so the Recreation Department could effectively administer the recreation programs currently operated by the Parks Department?

Yes. This could be accomplished either through a lease, like that entered into between M-NCPPC and the Revenue Authority for the golf courses, or by amending the 5/24/72 Memorandum of Understanding between M-NCPPC and the County.

6) Can the County compel a transfer of the Parks facilities to the County?

With respect to facilities owned by M-NCPPC, the answer is no, unless State law is amended. But many regional parks are owned by the County. See attached 5/24/72 Memorandum of Understanding. The County could obtain possession of these facilities subject to any outstanding leases. A property-by-property analysis will be needed.

7) Could the parkland owned by M-NCPPC be conveyed to the County?

Yes, but this would require state legislation authorizing or compelling the conveyance. Issues regarding testamentary dispositions, dedications, and restrictive covenants would need to be explored.

8) If the Recreation Department absorbs the recreation programs from the Parks Department, would the County have to transfer M-NCPPC employees to operate the newly transferred recreation programs?

No.

9) Could the County transfer M-NCPPC employees into County employment?

Yes, but County personnel law would need to be amended to provide for the non-competitive hiring of the former M-NCPPC employees. Issues concerning accrued leave, salary/grade, and seniority would need to be resolved in this legislation as well.

10) Park Department employees belong to a defined benefit retirement plan. Could these employees be transferred into the County's DB plans without loss of credited service?

Yes, but County law would need to be amended. State legislation would need to be obtained to transfer assets from the M-NCPCP to offset the accrued liability that would be assumed by the County. A voluntary agreement between the M-NCPPC retirement fund and the County's retirement fund transferring assets and accrued liability could be explored. If this approach were successful, State legislation would not be necessary.

11) What about accrued liability for retiree health benefits?

State legislation may be required to compel transfer of assets from M-NCPPC's OPEB trust the County's OPEB trust. The possibility of a voluntary transfer would need to be explored.

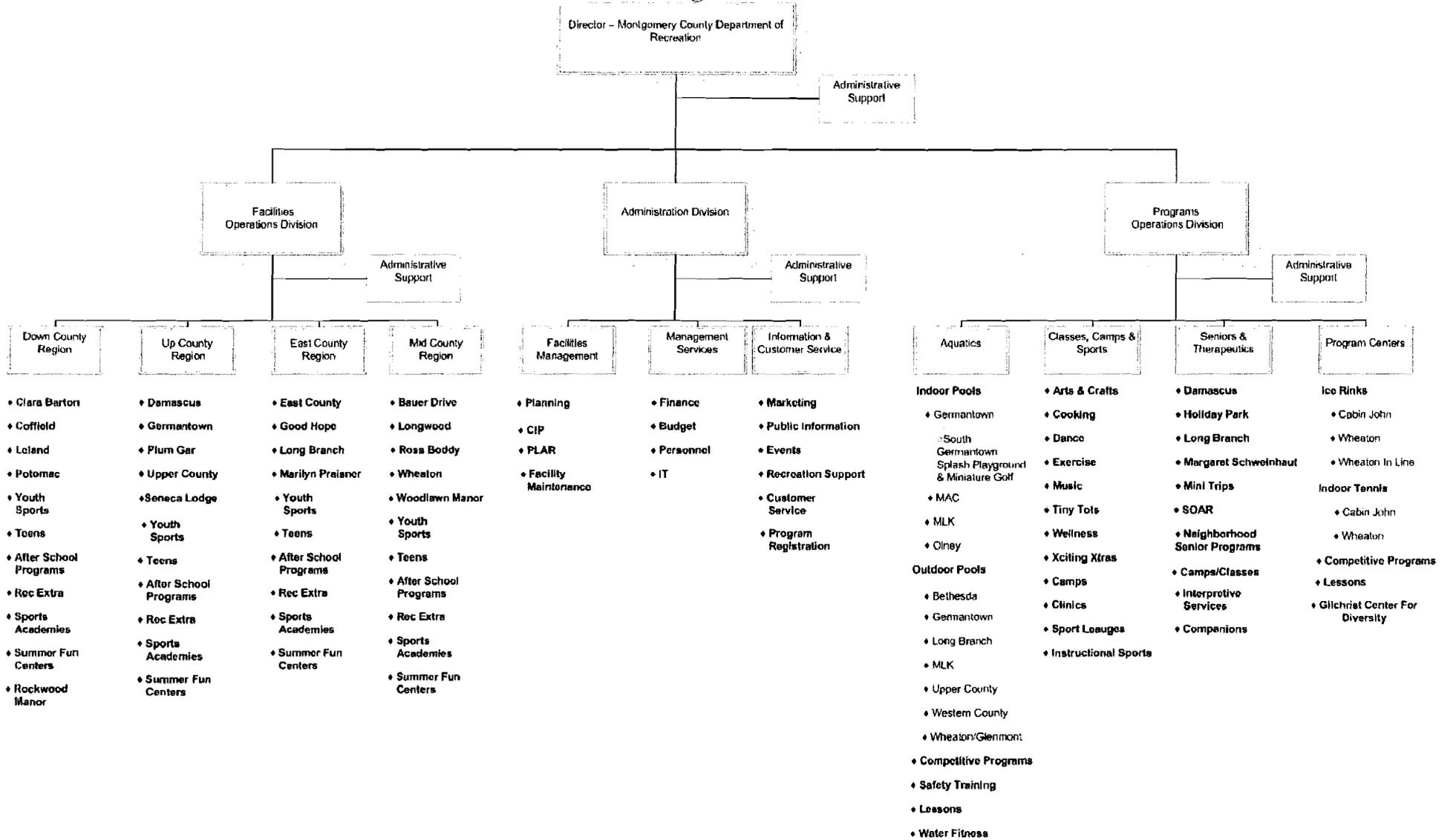
12) Could former Parks Department employees remain in their current health plan?

No, unless state legislation were obtained.

5. How would a consolidated department be structured (both interim and long-term)?

Please see the matrix on the next page.

Recreation Programs Consolidation



93

6. What is your proposed timeline for a consolidation and in what stages should consolidation activities occur?

ACTION PLAN CALENDAR

<u>DATE</u>	<u>ACTION ITEM</u>	<u>COMMENTS</u>
JULY, 2008	OLO study of recreation programs	
FEB, 2009	OLO Report to PHED Committee	Recommendation of PHED for Parks & Recreation Depts to prepare recreation programming consolidation plans. (See PHED Memo, 2/10/09)
MAR, 2009	Present Proposals to PHED	
MAR, 2009	PHED / Council Recommendation	
MAY, 2009	Co Exec & Council appoint Working Group	Single Chairperson Group members (7-9)
MAY, 2009	Develop detailed steps to implement consolidation of recreation programming components based on Council direction Early planning, FY11 Operating Budget Reallocate Parks Budget appropriations to County Budget, including: Facility Services/Leases IT Services HR Services Procurement PIO Services Personnel transfers Office space relocation Orientation & training sessions	<u>Program Components</u> Tennis Ice Skating Splash Park Mini Golf Event Centers Sports Classes Camps Trips/Excursions. <u>Admin Components</u> Staff Registration Customer Service Mrktg/Adv Fin/Acc't Rec Fac/Off Space
OCT, 2009	Working Group completes Implementation Plan	Executive Proposal Council Approval

94 17

OCT, 2009	Joint Budget Development and Implementation	Both Depts w/ Work Group
JULY 1, 2010	Complete consolidation including organizational, functional, fiscal & physical relocations	Both Depts w/ Work Group
	Begin consolidated recreation program planning and development of schedules/ marketing/registration info for the Fall 2010 Season & Guide publication	Dept of Recreation

Executive staff would also like to discuss with Council what steps should be taken to obtain public input on the consolidation plan.

Conclusions

Based on the information presented in this report, we offer the following recommendations:

The County Executive and County Council should jointly name a Work Group to identify, evaluate, and resolve transition issues with the goal of consolidating all County recreation programming in the Recreation Department by July 1, 2010. This Work Group should be charged to:

- Identify all action items required to complete the consolidation;
- Determine strategy and methodology to complete each action item;
- Propose a specific timeline for completion of all action items; and
- Complete their assigned work including all action items within six months.

Additionally, it is recommended that a neutral party be assigned responsibility for directing and controlling all activities of the Work Group.

cc:

Tim Firestine, Chief Administrative Officer
Leon Rodriguez, County Attorney
Jennifer Barrett, Finance Director
Joe Beach, OMB Director
Joe Adler, OHR Director
Steve Emanuel, DTS Director
Kathleen Boucher, ACAO

95₁₈