

PHED COMMITTEE #2  
March 4, 2010  
**Worksession**

**M E M O R A N D U M**

March 2, 2010

TO: Planning, Housing, and Economic Development Committee

FROM: Essie McGuire, Legislative Analyst *EWG*

SUBJECT: **Worksession – FY11-16 Capital Improvements Program for the Revenue Authority**

Today the Planning, Housing, and Economic Development (PHED) Committee will review the Recommended FY11-16 Capital Improvements Program (CIP) and FY11 Capital Budget for the Montgomery County Revenue Authority. Keith Miller, Executive Director of the Revenue Authority, will be present to discuss the CIP with the Committee.

**OVERVIEW**

The Revenue Authority's FY11-16 CIP request consists of seven projects totaling \$35.3 million over the six-year period. The request represents a decrease of \$6 million, or 14.5 percent, from the approved amended FY09-14 CIP. The change is due mainly to the Takoma Park/Silver Spring West Campus Garage Project moving out of the six-year period.

The projects include improvements at the Falls Road, Needwood, Northwest, Poolesville, and Rattlewood golf courses, as well as improvements to the Germantown Indoor Swim Center. The CIP also includes additional Federal funding for the Airport Layout Plan and the Airport Capital Improvement Plan at the Airpark. **The County Executive recommends approval of the Revenue Authority's CIP as requested.**

**BACKGROUND**

The Revenue Authority was created in 1957 to construct and operate a variety of self-supporting projects. It is a self-supporting, public corporation that operates somewhat independently of County Government. The corporation owns and operates self-sustaining projects that support the County's economic development, recreation, and transportation, and assists in financing County Government projects by issuing bonds or

other debt. The Revenue Authority operates under County Code, and the County Executive and County Council must review and approve any project greater than \$50,000.

The MCRA's annual report is attached at circle 16-29. It reports that 371,000 rounds of golf were played in 2008, that 8,500 golfers participated in camps and classes, and that 2,000 children and youth participated in the First Tee program. The annual report also discusses the environmental measures that have been taken.

## **PROJECT REVIEW**

### **Golf Course Projects**

#### **1. Falls Road Golf Course** *(page 38-3, circle 3)*

The recommendation continues the improvements for this golf course, with an increase of \$120,000 in FY11. The previous improvements were focused on the practice range, and additional lights and partial coverage of the hitting areas. For FY11, funds will support completion of a stream connection. The FY11 increase is to modify the existing clubhouse food area.

**The Executive recommends approval as submitted. Council staff concurs.**

#### **2. Needwood Golf Course** *(page 38-4, circle 4)*

This is a new project to provide for improvements to the golf course. The recommended funding total for the six-year period is \$1.43 million. The FY11 funds will allow for improvements to the main irrigation ponds. FY 12 funds will provide for modifications to the clubhouse food area. Funds in FY15 and FY16 (\$600,000 each year) will provide for the complete replacement of the irrigation system.

**The Executive recommends approval as submitted. Council staff concurs.**

#### **3. Northwest Golf Course** *(page 38-5, circle 5)*

This is a new project to provide for improvements to the golf course. The recommended funding total for the six-year period is \$1.316 million. Improvements include modifying the existing golf course, adding new forward tees, improving green surfaces, a large scale bunker renovation, and remodeling the clubhouse.

**The Executive recommends approval as submitted. Council staff concurs.**

#### **4. Poolesville Golf Course** *(page 38-6, circle 6)*

The recommendation for this project continues improvements at the golf course. The six-year recommended total is \$1 million, with funds recommended in FY13 and FY14. The PDF indicates that funds will support a new irrigation system and parking lot, with demolition of the existing clubhouse scheduled for FY13.

**The Executive recommends approval as submitted. Council staff concurs.**

**5. Rattlewood Golf Course** *(page 38-7, circle 7)*

The request for this project includes funds only in FY11, totaling \$175,000. The PDF states that the requested funds will continue to address water constraints at the property by adding irrigation wells.

**The Executive recommends approval as submitted. Council staff concurs.**

**Other projects**

**1. Germantown Indoor Swim Center** *(page 38-8, circle 8)*

A total of \$1.142 million is recommended for this project in the six year period, with funds programmed for FY11 and FY12. The source of funds for this project is General Obligation Bonds. The facility is open and operational, however, it requires additional funding to correct painting deficiencies in the building. The Executive states that this is an appropriate use of GO Bonds to complete this project, which was previously funded by Revenue Authority bonds.

**The Executive recommends approval. Council staff concurs.**

**2. Airpark** *(page 38-9, circle 9)*

The Federal and State governments and the County Revenue Authority share responsibility for funding the Montgomery County Airpark projects. Generally, the Federal government funds 95 percent, the State funds 2.5 percent, and the Revenue Authority funds 2.5 percent. Funding from the Federal government is dependent on the Airport Layout Plan (ALP), which was updated by the Revenue Authority in 2002.

The FY11-16 recommendation is a total of \$30.050 million, an increase of \$5.504 million over the amended FY09-14 level of \$24.546 million. This six-year total reflects \$22.1 million of Federal Aid and \$1.23 million from both the State and the Revenue Authority. Funds are programmed through FY15. The PDF states that the funds will provide for preliminary acquisition of properties to address runway issues.

**The Executive recommends approval as submitted. Council staff concurs.**

**Operating Issue**

The Revenue Authority's cash flow projection is attached on circles 12-15. It projects a negative cash flow for FY11 and FY12. The Committee may want to discuss this issue with Mr. Miller, the factors affecting the revenues, and what options may be considered to address this operating imbalance.

# Revenue Authority

## AGENCY DESCRIPTION

The Revenue Authority is an instrumentality of Montgomery County and a public corporation created in accordance with State law in 1957 to construct and operate a variety of self-supporting projects. The Revenue Authority Board consists of six members. Five members serve five-year staggered terms and are appointed by the County Executive, subject to confirmation by the County Council. A sixth member, the Chief Administrative Officer or designee, was added when Chapter 42 of the County Code was amended in 1998. The Revenue Authority is authorized to issue its own revenue bonds and other debts, which are repaid solely from the revenues received by the Authority; general tax receipts are not used for the retirement of Authority debt.

## PROGRAM DESCRIPTION AND OBJECTIVES

The Revenue Authority was created to construct, improve, equip, furnish, and maintain financially self-supporting projects devoted wholly, or partially, for the public use, public good, or general welfare. It promotes, develops, and operates or leases operations in several County program areas, including transportation and recreation. In the area of transportation, the Authority leases the operation of the Montgomery County Airpark. The recreation program area includes nine active golf courses; and leased operations to the County Department of Recreation of four pools, which are partially financed by the Authority. Under a thirty year lease agreement between it and the Maryland-National Capital Park and Planning Commission (M-NCPPC), the Revenue Authority assumed responsibility for managing the following M-NCPPC golf courses in FY08: Sligo Creek, Northwest, Little Bennett and Needwood. The Sligo Creek golf course has since been returned to the M-NCPPC and is currently managed by the Revenue Authority under a management agreement.

## HIGHLIGHTS

- Focus on long-term sustainability of fixed assets including irrigation and clubhouse improvements to golf courses at Falls Road, Needwood, Northwest, Poolesville, and Rattlewood.
- Continue to implement the next phase of the Airport Layout Plan and the Airport Capital Improvement Plan accepted by the Federal Aviation Administration.

## PROGRAM CONTACTS

Contact Keith Miller, Executive Director, Montgomery County Revenue Authority, 301.762.9080, or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this department's capital budget.

## CAPITAL PROGRAM REVIEW

The FY11-16 Capital Improvements Program proposed by the Revenue Authority consists of five ongoing and two new projects totaling \$35.3 million over the next six years. The request represents a \$6.0 million, or 14.5 percent decrease from the \$41.3 million approved in the amended FY09-14 program. The change is due mainly to the TP/SS West Campus Garage project expenditures moving out of the six-year period. The FY11-16 six-year program costs are associated with improvements at Falls Road, Needwood, Northwest, Poolesville, and Rattlewood golf courses as well as improvements to the Germantown Indoor Swim Center and additional Federal funding of the Airport Layout Plan and the Airport Capital Improvement Plan at the Airpark.

The County Executive recommends \$35.3 million for the Revenue Authority for FY11-16.

The Revenue Authority FY11-16 program is funded by Revenue Authority debt, Revenue Authority current revenues, Federal funds, and State funds. In addition, County General Obligation Bonds fund the proper completion of the Germantown Indoor Swim Center. Details of the Revenue Authority projects are included on the respective project description forms.

## STATUTORY AUTHORITY

The Revenue Authority operates under the Montgomery County Code Chapter 42, 1984, amended 1998.

Prior to FY93, the Revenue Authority operated under State law. It was transferred from State law to the County Code during FY93. The transfer to the County enables local amendments to the Authority's governing law without requiring State legislative action.

The Revenue Authority is responsible for preparing a six-year Capital Improvements Program (CIP) and submitting it to the County Executive prior to October 1 of each biennial year. The County Executive includes this program, along with comments and recommendations, in the comprehensive six-year CIP submitted to the County Council by January 15 for each odd-numbered fiscal year.

The County Council holds public hearings and may approve, amend, or modify the Revenue Authority's capital budget on, or before, adoption of the County's annual budget and appropriation resolution. Funds for the Revenue Authority projects are not appropriated since the Revenue Authority is

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self-supporting and operates independently of the County government. Any project costing more than \$50,000 may not be undertaken by the Revenue Authority without review and approval by the County Executive and County Council.

## Falls Road G.C. Improvements -- No. 967432

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Golf Courses  
Revenue Authority  
Cabin John

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 04, 2010  
No  
None.  
On-going

### EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	534	447	55	32	32	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	2,497	2,497	0	0	0	0	0	0	0	0	0
Construction	1,627	1,454	63	110	110	0	0	0	0	0	0
Other	73	0	0	73	73	0	0	0	0	0	0
<b>Total</b>	<b>4,731</b>	<b>4,398</b>	<b>118</b>	<b>215</b>	<b>215</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### FUNDING SCHEDULE (\$000)

Revenue Authority	4,731	4,398	118	215	215	0	0	0	0	0	0
<b>Total</b>	<b>4,731</b>	<b>4,398</b>	<b>118</b>	<b>215</b>	<b>215</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### DESCRIPTION

This project provides for improvements at Falls Road Golf Course located at 10800 Falls Road in Potomac. The course was completely renovated in FY03. Improvements in FY09 and FY10 focus on the practice range and include the addition of lights and partial covering of the hitting areas. In FY11, a stream connection will be completed, which will address erosion and drainage issues on the course. In addition, FY11 funding will provide for modification to the existing clubhouse food service area to improve food and beverage service offerings for patrons of the facility.

#### COST CHANGE

Increase due to addition to the project scope to allow for a stream connection and modifications to the food services facility.

#### JUSTIFICATION

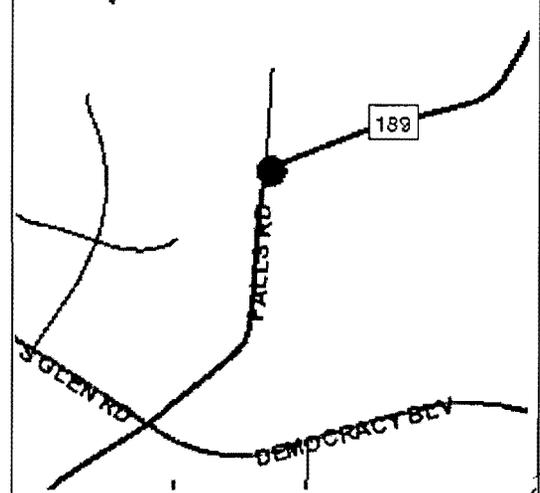
The public daily fee golf course must cater to the diverse abilities of many golfers, from low to high handicappers, by providing both appropriate level of strategy and challenge, and an interesting and pleasant setting in which to play the game. The objective of the improvements is to provide maximum playability, enhance visual quality, and allow for the most efficient maintenance of the golf course. The project proposes improvements to the practice facility, which serve to enhance the golfer's experience, while employing contemporary standards for design, construction, and maintenance. The planned modifications to the food services facility will provide patrons a broader selection of food options with quick efficient service.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY96	(\$000)
First Cost Estimate	FY11	4,731
Current Scope		
Last FY's Cost Estimate		4,611
Appropriation Request	FY11	215
Appropriation Request Est.	FY12	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,516
Expenditures / Encumbrances		4,398
Unencumbered Balance		118
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

#### COORDINATION

Montgomery County Department of Permitting Services  
Maryland Department of the Environment

MAR



# Needwood Golf Course -- No. 113900

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Golf Courses  
Revenue Authority  
Shady Grove Vicinity

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

December 31, 2009  
No  
None.  
On-going

## EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	57	0	0	57	0	7	0	50	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,200	0	0	1,200	0	0	0	0	600	600	0
Construction	100	0	0	100	60	40	0	0	0	0	0
Other	73	0	0	73	0	73	0	0	0	0	0
<b>Total</b>	<b>1,430</b>	<b>0</b>	<b>0</b>	<b>1,430</b>	<b>60</b>	<b>120</b>	<b>0</b>	<b>50</b>	<b>600</b>	<b>600</b>	<b>0</b>

## FUNDING SCHEDULE (\$000)

Revenue Authority	1,430	0	0	1,430	60	120	0	50	600	600	0
<b>Total</b>	<b>1,430</b>	<b>0</b>	<b>0</b>	<b>1,430</b>	<b>60</b>	<b>120</b>	<b>0</b>	<b>50</b>	<b>600</b>	<b>600</b>	<b>0</b>

### DESCRIPTION

This project provides for improvements to Needwood Golf Course located at 6724 Needwood Road. In FY11, funding will allow for improvements to the main irrigation ponds which provide water to the entire golf course. In addition, FY12 funding will provide for modification to the existing clubhouse food service area to improve food and beverage service offerings for patrons of the facility. In FY15 and FY16, this project provides for a complete replacement of the irrigation system at this facility.

### JUSTIFICATION

The irrigation system is in need of upgrades which will allow for improved playing conditions for golfers while also improving the efficient use of water resources. The planned modifications to the food services facility will provide patrons a broader selection of food options with quick, efficient service.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation	FY11 (\$000)	
First Cost Estimate		
Current Scope	FY11 1,430	
Last FY's Cost Estimate	0	
Appropriation Request	FY11 60	
Appropriation Request Est.	FY12 120	
Supplemental Appropriation Request	0	
Transfer	0	
Cumulative Appropriation	0	
Expenditures / Encumbrances	0	
Unencumbered Balance	0	
Partial Closeout Thru	FY08 0	<div style="text-align: right;">4</div>
New Partial Closeout	FY09 0	
Total Partial Closeout	0	

# Northwest Golf Course -- No. 113901

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Golf Courses  
Revenue Authority  
Kensington-Wheaton

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 09, 2010  
No  
None.  
On-going

### EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	241	0	0	241	50	66	125	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	850	0	0	850	0	350	500	0	0	0	0
Construction	225	0	0	225	0	0	0	0	150	75	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1,316</b>	<b>0</b>	<b>0</b>	<b>1,316</b>	<b>50</b>	<b>416</b>	<b>625</b>	<b>0</b>	<b>150</b>	<b>75</b>	<b>0</b>

### FUNDING SCHEDULE (\$000)

Revenue Authority	1,316	0	0	1,316	50	416	625	0	150	75	0
<b>Total</b>	<b>1,316</b>	<b>0</b>	<b>0</b>	<b>1,316</b>	<b>50</b>	<b>416</b>	<b>625</b>	<b>0</b>	<b>150</b>	<b>75</b>	<b>0</b>

#### DESCRIPTION

This project provides for improvements at Northwest Golf Course located at 15711 Layhill Road, Wheaton. The project scope includes modifying the exist golf course, improving the playability for different levels of golfer by adding new forward tees, improving the green surfaces, and a large scale bunker renovation. The project also provides for remodeling the existing clubhouse.

#### JUSTIFICATION

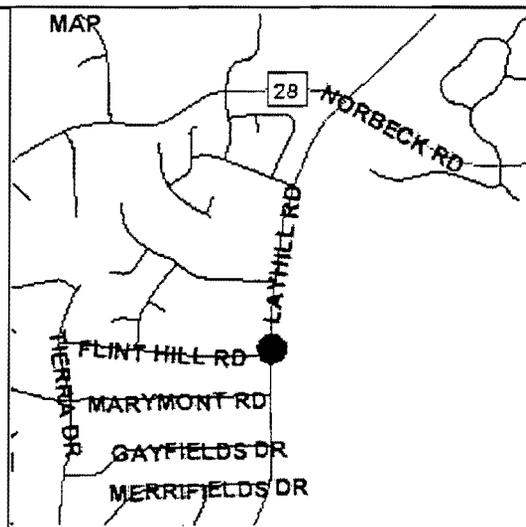
The public daily fee golf course must cater to the diverse abilities of many golfers, from low to high handicappers, by providing both appropriate levels of strategy and challenge and an interesting and pleasant setting in which to play the game. The objective of the improvements is to provide maximum playability, enhance visual quality, and allow for the most efficient maintenance of the golf course. The project proposes improvements to the golf course which serve to enhance the existing character and playability, while employing contemporary standards for design, construction, and maintenance.

#### APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY11	(\$000)
First Cost Estimate	FY11	1,316
Current Scope		
Last FY's Cost Estimate		0
Appropriation Request	FY11	50
Appropriation Request Est.	FY12	416
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditures / Encumbrances		0
Unencumbered Balance		0
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

#### COORDINATION

Maryland Department of the Environment  
Montgomery County Department of Permitting  
Services



# Poolesville Golf Course -- No. 997458

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Golf Courses  
Revenue Authority  
Poolesville

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 04, 2010  
No  
None.  
On-going

## EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	100	50	50	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,085	285	0	800	0	0	0	800	0	0	0
Construction	750	100	450	200	0	0	200	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1,935</b>	<b>435</b>	<b>500</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>800</b>	<b>0</b>	<b>0</b>	<b>0</b>

## FUNDING SCHEDULE (\$000)

Revenue Authority	1,935	435	500	1,000	0	0	200	800	0	0	0
<b>Total</b>	<b>1,935</b>	<b>435</b>	<b>500</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>800</b>	<b>0</b>	<b>0</b>	<b>0</b>

### DESCRIPTION

This project provides for improvements at Poolesville Golf Course located at 16601 West Willard Road in Poolesville. The stream stabilization project was completed in FY09. Modification of the current golf shop building to add a new food and beverage area is scheduled for FY10. Long range planning includes a new irrigation system in FY13 and a new parking lot in FY14. Modification of the existing food and beverage operation has been delayed indefinitely in preparation for a complete golf course master plan. The irrigation system replacement scheduled for FY13 will now be completed in FY14. The currently unused clubhouse facility is scheduled for demolition in FY13.

### COST CHANGE

Increase due to costs associated with upgrades of the golf shop building to include new food and beverage operations.

### JUSTIFICATION

The public daily fee golf course must cater to the diverse abilities of many golfers, from low to high handicappers, by providing both appropriate level of strategy and challenge and an interesting and pleasant setting in which to play the game. The objective of the improvements is to provide maximum playability, enhance visual quality, and allow for the most efficient maintenance of the golf course. The project proposes required improvements for stream stabilization, new food and beverage operations, and long term infrastructure needs.

### OTHER

The existing 18-hole golf course is operational.

APPROPRIATION AND EXPENDITURE DATA			COORDINATION		MAR
Date First Appropriation	FY99	(\$000)	Maryland Department of the Environment Montgomery County Department of Permitting Services		
First Cost Estimate					
Current Scope	FY11	1,935			
Last FY's Cost Estimate		1,735			
Appropriation Request	FY11	0			
Appropriation Request Est.	FY12	0			
Supplemental Appropriation Request		0			
Transfer		0			
Cumulative Appropriation		935			
Expenditures / Encumbrances		305			
Unencumbered Balance		630			
Partial Closeout Thru	FY08	0			
New Partial Closeout	FY09	0			
Total Partial Closeout		0			

Recommended

# Rattlewood Golf Course -- No. 017400

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Golf Courses  
Revenue Authority  
Damascus

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 08, 2010  
No  
None.  
On-going

## EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	110	110	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	575	400	0	175	175	0	0	0	0	0	0
Construction	140	140	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>825</b>	<b>650</b>	<b>0</b>	<b>175</b>	<b>175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## FUNDING SCHEDULE (\$000)

Revenue Authority	825	650	0	175	175	0	0	0	0	0	0
<b>Total</b>	<b>825</b>	<b>650</b>	<b>0</b>	<b>175</b>	<b>175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### DESCRIPTION

This project provides for improvements at Rattlewood Golf Course located at 13501 Penn Shop Road in Mt. Airy. In FY09, the structure of the irrigation pond dam was changed to address Maryland Department of Environment (MDE) requirements. Plans for FY11 are to continue to address water constraints at the property by adding irrigation wells.

### COST CHANGE

Cost increase due to additional irrigation wells.

### JUSTIFICATION

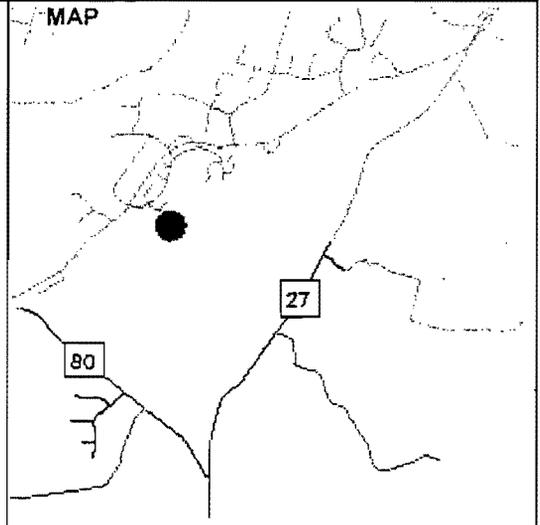
The public daily fee golf course must cater to the diverse abilities of many golfers, from low to high handicappers, by providing both appropriate level of strategy and challenge and an interesting and pleasant setting in which to play the game. The objective of the improvements is to provide maximum playability, enhance visual quality, and allow for the most efficient maintenance of the golf course. The project proposes improvements to the golf course which serve to enhance the existing character and playability, while employing contemporary standards for design, construction, and maintenance.

### OTHER

The existing 18-hole golf course is operational.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY01	(\$000)
First Cost Estimate	FY11	825
Current Scope		
Last FY's Cost Estimate		650
Appropriation Request	FY11	-535
Appropriation Request Est.	FY12	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,360
Expenditures / Encumbrances		0
Unencumbered Balance		1,360
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

**COORDINATION**  
Maryland Department of the Environment  
Montgomery County Department of Permitting  
Services



# Germantown Indoor Swim Center -- No. 003901

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Miscellaneous Projects (Revenue Authority)  
Revenue Authority  
Germantown

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 04, 2010  
No  
None.  
On-going

## EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	2,409	2,159	0	250	180	70	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,308	1,308	0	0	0	0	0	0	0	0	0
Construction	17,652	16,852	0	800	200	600	0	0	0	0	0
Other	401	309	0	92	42	50	0	0	0	0	0
<b>Total</b>	<b>21,770</b>	<b>20,628</b>	<b>0</b>	<b>1,142</b>	<b>422</b>	<b>720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## FUNDING SCHEDULE (\$000)

	Total	FY09	FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
G.O. Bonds	1,142	0	0	1,142	422	720	0	0	0	0	0
Revenue Authority	20,628	20,628	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>21,770</b>	<b>20,628</b>	<b>0</b>	<b>1,142</b>	<b>422</b>	<b>720</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### DESCRIPTION

The facility is located at 18000 Central Park Circle in Boyds. This project funded the design and construction of an indoor aquatic facility to serve swimmers of all ages and abilities. The natatorium includes a free form leisure pool, a dual course competitive main pool with a diving tower and a 200-foot water slide, and two hydrotherapy pools. Size of the facility is approximately 60,000 gross square feet. The facility includes other service areas such as administrative offices, multi-purpose instruction rooms, lobby, public spaces, locker/shower rooms, support areas, etc. Because this facility is constructed in close proximity to an indoor tennis center, planning and design must take into account the footprint of the tennis center, storm drain layout and construction, and parking for both facilities. This estimate does not include design and construction funds for the tennis facility and its parking. Construction of the swim center is managed by the Capital Development Division of the Department of General Services, in coordination with the Aquatics Division of the Department of Recreation. The facility has been open and operational but requires additional funding to properly complete the project by correcting for paint deficiencies on the underside (ceiling) of the roof deck. Funding will provide for paint repairs, legal expert costs, architectural/engineering, and staff costs.

### COST CHANGE

Cost increase due to additional paint work required to complete the project scope.

### JUSTIFICATION

There has been strong citizen support for this facility. The pool also serves the needs of 12 schools in this region.

### FISCAL NOTE

The Council authorizes the advance of County general funds not to exceed \$1.85 million for design-related expenses which may be incurred before the sale of revenue bonds for the facility, pursuant to Section 42-15 (b) of the County Code. These advances are to be repaid out of the first proceeds of the sale of revenue bonds by the Revenue Authority for the Germantown Indoor Swim Center. In addition, County G.O. Bonds will fund the proper completion of the project by correcting for paint deficiencies on the underside (ceiling) of the roof deck.

### OTHER DISCLOSURES

- A pedestrian impact analysis has been completed for this project.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation FY01 (\$000)	M-NCPPC	
First Cost Estimate Current Scope FY11 21,770	Department of General Services	
Last FY's Cost Estimate 20,628	Department of Finance	
Appropriation Request FY11 1,142	Revenue Authority	
Appropriation Request Est. FY12 0	Department of Recreation	
Supplemental Appropriation Request 0		
Transfer 0		
Cumulative Appropriation 20,628		
Expenditures / Encumbrances 0		
Unencumbered Balance 20,628		
Partial Closeout Thru FY08 0		
New Partial Closeout FY09 0		
Total Partial Closeout 0		



# Montgomery County Airpark -- No. 703909

Category  
Subcategory  
Administering Agency  
Planning Area

Revenue Authority  
Miscellaneous Projects (Revenue Authority)  
Revenue Authority  
Gaithersburg

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 09, 2010  
No  
None  
On-going

## EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	1,960	1,560	100	300	150	150	0	0	0	0	0
Land	37,290	11,890	4,100	21,300	4,000	0	2,300	3,500	11,500	0	0
Site Improvements and Utilities	6,163	6,163	0	0	0	0	0	0	0	0	0
Construction	13,050	3,000	1,600	8,450	750	5,000	1,000	1,500	200	0	0
Other	840	840	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,303</b>	<b>23,453</b>	<b>5,800</b>	<b>30,050</b>	<b>4,900</b>	<b>5,150</b>	<b>3,300</b>	<b>5,000</b>	<b>11,700</b>	<b>0</b>	<b>0</b>

## FUNDING SCHEDULE (\$000)

Contributions	85	85	0	0	0	0	0	0	0	0	0
Federal Aid	54,990	21,378	5,220	28,392	4,500	4,892	3,135	4,750	11,115	0	0
Revenue Authority	2,264	1,094	290	880	250	129	83	125	293	0	0
State Aid	1,964	896	290	778	150	129	82	125	292	0	0
<b>Total</b>	<b>59,303</b>	<b>23,453</b>	<b>5,800</b>	<b>30,050</b>	<b>4,900</b>	<b>5,150</b>	<b>3,300</b>	<b>5,000</b>	<b>11,700</b>	<b>0</b>	<b>0</b>

### DESCRIPTION

The Montgomery County Airpark is a general aviation reliever airport located at 7940 Airpark Drive in Gaithersburg. The Montgomery County Revenue Authority (MCRA) updated the Airport Layout Plan (ALP) in 2002. The updated ALP identifies the projects and plans the sequencing for continued airport improvement. An Environmental Study of the ALP identified projects for the first five years and was completed in December 2005. Federal funds for the Airpark are approved by the Federal Aviation Administration (FAA) through the Airport Capital Improvement Plan (ACIP). FAA priorities for funding airport projects include promoting safety and security; preserving existing infrastructure; mitigating noise or environmental impacts; fulfilling compliance; and providing capacity.

### COST CHANGE

Increase reflects funding schedule per the Federal Aviation Administration Airport Capital Improvement Program. Funding will provide for preliminary acquisition of properties as required by the FAA to extend the runway protection zone and for removal of obstructions to Runway 32.

### JUSTIFICATION

The recommended acquisitions, easements, and obstruction removals address obstructions to air navigation and protect life and property on the ground. Activities are based on Federal Aviation Administration design standards and guidelines. The signage, pavement marking, and taxiway light projects primarily address safety issues. The taxiway lights, which indicate the edges of the taxiways at night, need to be replaced due to age and condition. The positions of the taxiway connections between the runway and the taxiway will be relocated to provide easier departure from the runway and better access to the land side of the airport.

The basis for the planned improvements is the Airport Layout Plan (ALP) approved by the FAA on July 25, 2002, and the Airport Capital Improvement Plan (ACIP) for 2010-2015 accepted by the FAA.

### FISCAL NOTE

Typically, funding for all Airpark projects is approximately 95 percent Federal, 2.5 percent State, and 2.5 percent Revenue Authority.

### OTHER DISCLOSURES

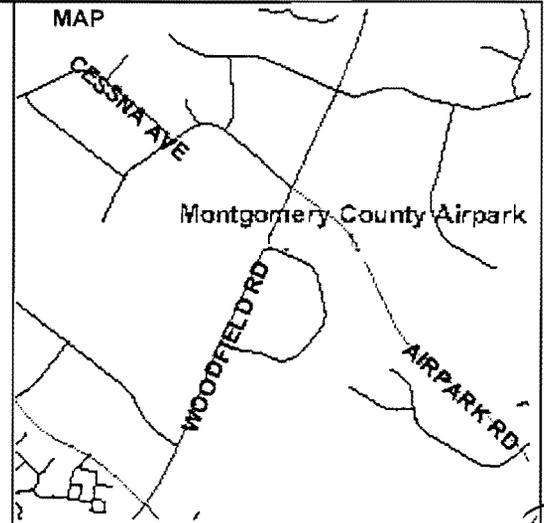
- A pedestrian impact analysis has been completed for this project.
- The Revenue Authority asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY70	(\$000)
First Cost Estimate	FY11	59,303
Current Scope		
Last FY's Cost Estimate		42,253
Appropriation Request	FY11	4,900
Appropriation Request Est.	FY12	5,150
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		29,253
Expenditures / Encumbrances		23,453
Unencumbered Balance		5,800
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

### COORDINATION

Federal Aviation Administration  
Maryland Aviation Administration  
Maryland-National Capital Park and Planning Commission  
Airport Liaison Committee

### MAP



# Expenditure Detail by Category, Sub-Category, and Project (\$000s)

## Revenue Authority

Project	Total	Thru FY09	Est. FY10	6 Year Total	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6-yrs.	Approp.
<i>Golf Courses</i>												
967432 Falls Road G.C. Improvements	4,731	4,398	118	215	215	0	0	0	0	0	0	215
*859426 Hampshire Greens Golf Course	10,962	10,962	0	0	0	0	0	0	0	0	0	0
*093903 Little Bennett Golf Course	255	108	147	0	0	0	0	0	0	0	0	0
113900 Needwood Golf Course	1,430	0	0	1,430	60	120	0	50	600	600	0	60
113901 Northwest Golf Course	1,316	0	0	1,316	50	416	625	0	150	75	0	50
997458 Poolesville Golf Course	1,935	435	500	1,000	0	0	200	800	0	0	0	0
017400 Rattlewood Golf Course	825	650	0	175	175	0	0	0	0	0	0	-535
*093900 Sligo Creek Golf Course	100	100	0	0	0	0	0	0	0	0	0	0
<b>Sub-Category Total</b>	<b>21,554</b>	<b>16,653</b>	<b>765</b>	<b>4,136</b>	<b>500</b>	<b>536</b>	<b>825</b>	<b>850</b>	<b>750</b>	<b>675</b>	<b>0</b>	<b>-210</b>
<i>Miscellaneous Projects (Revenue Authority)</i>												
003901 Germantown Indoor Swim Center	21,770	20,628	0	1,142	422	720	0	0	0	0	0	1,142
703909 Montgomery County Airpark	59,303	23,453	5,800	30,050	4,900	5,150	3,300	5,000	11,700	0	0	4,900
*053901 The Cafritz Foundation Art Center (Rev. Auth.)	30,000	30,000	0	0	0	0	0	0	0	0	0	0
*093904 TP/SS West Campus Garage (Rev. Auth)	14,500	14,500	0	0	0	0	0	0	0	0	0	0
<b>Sub-Category Total</b>	<b>125,573</b>	<b>88,581</b>	<b>5,800</b>	<b>31,192</b>	<b>5,322</b>	<b>5,870</b>	<b>3,300</b>	<b>5,000</b>	<b>11,700</b>	<b>0</b>	<b>0</b>	<b>6,042</b>
<b>Category Total</b>	<b>147,127</b>	<b>105,234</b>	<b>6,565</b>	<b>35,328</b>	<b>5,822</b>	<b>6,406</b>	<b>4,125</b>	<b>5,850</b>	<b>12,450</b>	<b>675</b>	<b>0</b>	<b>5,832</b>

38-10

\* Pending Close Out or Close Out



# Funding Summary by Category, Sub-Category and Revenue Source (\$000s)

## Revenue Authority

Funding Source	Total	Thru FY09	Est. FY10	6 Year Total	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
<i>Golf Courses</i>											
Revenue Authority	13,293	8,392	765	4,136	500	536	825	850	750	675	0
Revenue Bonds	8,261	8,261	0	0	0	0	0	0	0	0	0
<b>Sub-Category Total</b>	<b>21,554</b>	<b>16,653</b>	<b>765</b>	<b>4,136</b>	<b>500</b>	<b>536</b>	<b>825</b>	<b>850</b>	<b>750</b>	<b>675</b>	<b>0</b>
<i>Miscellaneous Projects (Revenue Authority)</i>											
Contributions	85	85	0	0	0	0	0	0	0	0	0
Federal Aid	54,990	21,378	5,220	28,392	4,500	4,892	3,135	4,750	11,115	0	0
G.O. Bonds	1,142	0	0	1,142	422	720	0	0	0	0	0
Revenue Authority	67,392	66,222	290	880	250	129	83	125	293	0	0
State Aid	1,964	896	290	778	150	129	82	125	292	0	0
<b>Sub-Category Total</b>	<b>125,573</b>	<b>88,581</b>	<b>5,800</b>	<b>31,192</b>	<b>5,322</b>	<b>5,870</b>	<b>3,300</b>	<b>5,000</b>	<b>11,700</b>	<b>0</b>	<b>0</b>
<b>Category Total</b>	<b>147,127</b>	<b>105,234</b>	<b>6,565</b>	<b>35,328</b>	<b>5,822</b>	<b>6,406</b>	<b>4,125</b>	<b>5,850</b>	<b>12,450</b>	<b>675</b>	<b>0</b>
<b>CIP Total</b>	<b>147,127</b>	<b>105,234</b>	<b>6,565</b>	<b>35,328</b>	<b>5,822</b>	<b>6,406</b>	<b>4,125</b>	<b>5,850</b>	<b>12,450</b>	<b>675</b>	<b>0</b>

38-11

**Montgomery County Revenue Authority  
Cash Flow Projection**

Season	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Non-Tournament Guest Fees - 18 Holes Course	8,434,089	8,518,430	8,603,614	8,689,650	8,776,546	8,864,312	8,952,955
Tournament Guest Fees - 18 Hole Course	274,819	277,567	280,343	283,147	285,978	288,638	291,726
Non-Tournament Guest Fees - 9 Hole Course	750,612	758,118	765,699	773,356	781,090	788,900	796,789
Tournament Guest Fees - 9 Hole Course	0	0	0	0	0	0	0
Cart Fees - 18 Hole Course	2,236,969	2,259,339	2,281,932	2,304,751	2,327,799	2,351,077	2,374,588
Cart Fees - 9 Hole Course	24,178	24,420	24,564	24,910	25,160	25,411	25,665
Merchandise Sales	1,035,226	1,045,678	1,056,034	1,066,595	1,077,261	1,088,033	1,098,913
Food and Beverage - Non-banquet	1,438,318	1,452,701	1,467,228	1,481,900	1,496,719	1,511,686	1,526,803
Food and Beverage - Banquet	89,604	90,500	91,405	92,319	93,242	94,175	95,116
Driving Range	1,127,035	1,138,306	1,149,689	1,161,186	1,172,798	1,184,526	1,196,371
Lesson Income	379,200	382,992	386,822	390,690	394,597	398,543	402,528
Handicap Fees	29,010	29,300	29,593	29,889	30,188	30,490	30,795
Club Repair	8,510	8,595	8,681	8,768	8,856	8,944	9,034
Miscellaneous	59,600	60,196	60,798	61,406	62,020	62,640	63,267
Airpark	180,090	180,090	180,090	180,090	180,090	180,090	180,090
Management Revenue	2,004,496	2,024,541	2,044,786	2,065,234	2,085,887	2,106,745	2,127,813
<b>Total Revenues</b>	<b>18,071,756</b>	<b>18,250,672</b>	<b>18,431,378</b>	<b>18,613,891</b>	<b>18,798,229</b>	<b>18,984,411</b>	<b>19,172,454</b>
Merchandise	741,741	749,159	756,650	764,217	771,859	779,578	787,373
% COGS	71.65%	71.65%	71.65%	71.65%	71.65%	71.65%	71.65%
Food and Beverage - Non-Banquet	524,642	529,889	535,187	540,539	545,945	551,404	556,918
% COGS	46.55%	46.55%	46.55%	46.55%	46.55%	46.55%	46.55%
Food and Beverage - Banquet	76,163	76,925	77,694	78,471	79,256	80,048	80,849
% COGS	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%	85.00%
<b>Total Cost of Goods Sold</b>	<b>1,342,547</b>	<b>1,355,972</b>	<b>1,369,532</b>	<b>1,383,227</b>	<b>1,397,060</b>	<b>1,411,030</b>	<b>1,425,141</b>
Golf Operations	2,285,210	2,330,914	2,377,532	2,425,083	2,473,584	2,523,056	2,573,517
Merchandise	0	0	0	0	0	0	0
Food and Beverage	346,100	353,022	360,082	367,284	374,630	382,122	389,765
Golf Course Maintenance	3,185,911	3,249,630	3,314,622	3,380,915	3,448,533	3,517,504	3,587,854
Airpark	104,405	106,493	108,623	110,795	113,011	115,271	117,577
Management	1,229,844	1,254,237	1,279,322	1,304,908	1,331,007	1,357,627	1,384,779
<b>Total Payroll Expenses</b>	<b>7,151,270</b>	<b>7,294,295</b>	<b>7,440,181</b>	<b>7,588,985</b>	<b>7,740,765</b>	<b>7,895,580</b>	<b>8,053,492</b>
Golf Operations	1,860,681	1,897,895	1,935,853	1,974,570	2,014,061	2,054,343	2,095,429
Merchandise	0	0	0	0	0	0	0
Food and Beverage	129,134	131,717	134,351	137,038	139,779	142,574	145,426
Golf Course Maintenance	2,335,842	2,382,559	2,430,210	2,478,814	2,528,390	2,578,958	2,630,537
Airpark	141,720	144,554	147,445	150,394	153,402	156,470	159,600
Management	884,707	857,521	874,672	892,165	910,008	928,208	946,773
<b>Total Operating Expenses</b>	<b>5,308,084</b>	<b>5,414,246</b>	<b>5,522,531</b>	<b>5,632,981</b>	<b>5,745,841</b>	<b>5,860,554</b>	<b>5,977,765</b>
<b>Total Expenses</b>	<b>13,801,901</b>	<b>14,064,514</b>	<b>14,332,244</b>	<b>14,605,194</b>	<b>14,883,465</b>	<b>15,167,164</b>	<b>15,456,397</b>
<b>Operating Income</b>	<b>4,269,855</b>	<b>4,186,159</b>	<b>4,099,134</b>	<b>4,008,697</b>	<b>3,914,764</b>	<b>3,817,247</b>	<b>3,716,057</b>
<b>% Margin</b>	<b>23.63%</b>	<b>22.94%</b>	<b>22.24%</b>	<b>21.54%</b>	<b>20.83%</b>	<b>20.11%</b>	<b>19.38%</b>
Management Fees	1,861,326	1,898,553	1,936,524	1,975,254	2,014,759	2,055,054	2,096,155
<b>EBIDA</b>	<b>2,408,529</b>	<b>2,287,606</b>	<b>2,162,611</b>	<b>2,033,443</b>	<b>1,900,005</b>	<b>1,762,192</b>	<b>1,619,901</b>
<b>% Margin</b>	<b>13.33%</b>						
Interest Income	91,170	91,170	91,170	91,170	91,170	91,170	91,170
Interest Expense (bond)	925,358	925,358	925,358	559,700	536,440	516,400	496,400
Depreciation	1,173,444	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
ACIP Reserve	40,787	40,787	40,787	40,787	40,787	40,787	40,787
<b>Net other income or (Expense)</b>	<b>(\$2,007,632)</b>	<b>(\$2,434,188)</b>	<b>(\$2,434,188)</b>	<b>(\$2,068,530)</b>	<b>(\$2,045,270)</b>	<b>(\$2,025,230)</b>	<b>(\$2,005,230)</b>
<b>Net Income</b>	<b>360,109</b>	<b>(187,369)</b>	<b>(312,364)</b>	<b>(75,874)</b>	<b>(186,052)</b>	<b>(303,825)</b>	<b>(426,116)</b>
Capital Project Reserve Fund	(656,072)	(662,026)	(668,573)	(675,185)	(681,864)	(688,609)	(695,421)
Depreciation	1,173,444	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Debt Principal Repayments (negative)	(680,000)	(705,000)	(735,000)	(765,000)	(795,000)	(900,000)	(900,000)
Equipment	(166,624)	(166,624)	(166,624)	-	-	-	-
<b>Total Adjustments To Cash Flow</b>	<b>(329,252)</b>	<b>66,350</b>	<b>29,803</b>	<b>159,815</b>	<b>123,136</b>	<b>11,391</b>	<b>4,579</b>
<b>Net Cash Flow</b>	<b>30,858</b>	<b>(121,019)</b>	<b>(282,561)</b>	<b>83,941</b>	<b>(62,916)</b>	<b>(292,434)</b>	<b>(421,537)</b>

## CASH FLOW "CHEAT SHEET"

### REVENUES:

Revenues, Golf Operations – includes greens fee, cart fee, and tournament revenue that represents the largest part of our revenue stream.

Food and Beverage Operations – includes the revenue generated by our snack bars, drink carts and vending machines.

Miscellaneous Income – Includes club repair and rental, pull cart rental, reservation fees, and handicap fees.

Airpark – includes user fees and rents generated by the operations of the Gaithersburg Airpark.

Management Revenue – The cost of running the headquarters office is counted as a revenue here. It is counted as Management Payroll Expense and Management Operating Expense further along in this statement thereby canceling itself out except for some rental income coming from outside parties. It is subtracted again under the Management Fees just before the EBIDA line for inclusion in the earnings before interest, depreciation, and amortization.

### COST OF GOODS SOLD:

Merchandise – Includes the cost of inventory sold in the Pro Shops including clubs, balls, tees, clothing, et cetera.

Food and Beverage – Non-Banquet – Includes the cost of food and beverages sold around the courses in our snack bars, drink carts, and vending machines.

### PAYROLL EXPENSES:

Golf Operations – Includes the salaries, insurance, and retirement expense of all personnel at the course level such as Golf Pros, Assistant Pros, Starters, Pro Shop employees, Superintendents, Groundskeepers, Mechanics, and all others that keep the golf course operating except the Food and Beverage department.

Food and Beverage – Includes those employees working in the generation of food and beverage revenue.

Management – Includes those employees (8) located at the Executive Office Building in Rockville and the Airpark Manager located at the Gaithersburg Airpark.

#### OPERATING EXPENSES:

Golf Operations – Includes those expenses incurred, besides payroll, to operate the golf courses, e.g. Advertising and Promotion, Cart Leases, Cart Repair and Maintenance, Credit Card Service Charges, Equipment Rental, Insurance, Licenses and Permits, Gas & Oil, Outside Contractors, Supplies, Fertilizer & Seed, Irrigation, Telephone, Utilities, et cetera.

Food and Beverage – Includes those expenses, besides payroll and food and beverage costs of the items actually sold, to operate the Food and Beverage departments at the courses, e.g. Supplies for the Kitchen, Range Hood Cleaning, Equipment Maintenance, et cetera.

Airpark – Includes those expenses, besides payroll, that are incurred for the operation of the Airpark, e.g. Snow Removal, Mowing, Building Maintenance, et cetera.

Management – Includes those expenses incurred to operate the headquarters office in the Executive Office Building in Rockville, e.g. Rent, Equipment leases, Computer Maintenance, and Software costs.

MANAGEMENT FEES (after Operating Income): This includes the cost of running the headquarters office in the Executive Office Building in Rockville.

EBIDA – Earnings before interest, depreciation, and amortization.

#### OTHER INCOME AND EXPENSE:

Interest Income – Dollars earned through the holding of bank accounts and the winter cash reserve fund.

Interest Expense – Interest payable on the 2002 series golf course revenue bonds.

Depreciation – The annual writing off to expense of equipment, buildings, and capital leases.

NET INCOME – EBIDA minus Net other income or (Expense)

## ADJUSTMENTS TO CASH FLOW:

Capital Project Reserve Fund – This represents 4.08% of the revenue from the Airpark and the golf courses that is set aside to fund capital projects such as replacement of bunkers, greens, landscaping, fencing, parking lots, dams, irrigation systems, building remodeling, and equipment. The Revenue Authority is a self-funding entity that must allow for its own capital improvement and upkeep through the use of its operating revenues. The Capital Project Reserve Fund is therefore shown as a decrease to Net Cash Flow. No capital projects requiring further borrowing are shown on this Cash Flow statement.

Depreciation – Since depreciation is not an expense requiring a cash outlay, it is added back to Net Income to reach Net Cash Flow.

Debt Principal Repayment – This represents the annual principal repayment of the 2002 golf course revenue bonds and is therefore a decrease to the annual Net Cash Flow.

NET CASH FLOW – Net Income minus Adjustments to Cash Flow.



# MCRA

## Annual Report 2008

Dedicated to providing services,  
products and opportunities of value  
that offer enrichment to the community

# MCRA

## Vision Statement

*Montgomery County Revenue Authority is committed to growing a sustainable network that:*

- *is nationally, regionally and locally recognized for its offerings and performance.*
- *Is dedicated to achieving higher environmental standards.*
- *Continues to offer new and innovative programs and services for the benefit of the community and our team.*

**Montgomery County Revenue Authority is committed to the following core values:**

1. *Integrity*
2. *Team*
3. *Customer Service*
4. *Community*
5. *The Environment*
6. *Safety*
7. *Quality*
8. *Growth*
9. *Fun*

## **MONTGOMERY COUNTY REVENUE AUTHORITY – 2008 HIGHLIGHTS**

In 2008, the Montgomery County Revenue Authority (MCRA) had another successful year. New initiatives and continued partnerships focused on MCRA's golf operations and our mission to grow the game of golf in Montgomery County as well as provide the best possible service and value to our guests. With the County's golf courses now stabilized under one system, MCRA continues to enhance the operational standards, plans, and infrastructure to create a long term, self sustaining golf course system that is able to accommodate all golfers.

This commitment is well illustrated by the MCRA's 2008 activities:

- Hosted approximately 371,000 golf rounds across all nine golf courses
- Instructed in excess of 8,500 golfers in camps, clinics, groups, and individual sessions
- Partnered with the Montgomery County Public Schools and the Recreation Department to introduce a new Middle School Golf Program
- Partnered with the First Tee of Montgomery to mentor over 2,000 participants in First Tee sessions, a program that uses golf to teach young people life skills. The program was conducted at Laytonsville, Needwood and Sligo Creek Golf Courses
- Organized more than 48 competitive leagues across eight golf courses with leagues and tournaments accounting for over 18,000 rounds of golf
- Participated in several of the Play Golf America events sponsored by the PGA of America, including Take Your Daughter to the Golf Course Day
- Launched Family Golf Days at Needwood and Northwest Golf Courses in September
- Completed a full renovation of all of the bunkers at Hampshire Greens Golf Course, reducing the total bunker area by 60%, which make the facility more playable for patrons while also decreasing maintenance expense
- Re-launched the Montgomery County Golf website, [www.MontgomeryCountyGolf.com](http://www.MontgomeryCountyGolf.com), and created an email communication system with over 20,000 participants

Our focus on the environment is steadfast, and in 2008, we partnered with new vendors and revised operational procedures to further reduce our impact. Additionally, new procedures were implemented to recognize the advantages of increased operating efficiencies.

MCRA environmental initiatives in 2008 included:

- Installation of organic fertilizer silos at eight of our nine facilities
- Partnering with Audubon International at all MCRA facilities
- Working with the our soil consultant to balance primary play areas to the proper nutritional levels and minimize required fertilizer inputs

Although golf remains the major focus of MCRA, we are also committed to the current and long term operations of the Montgomery County Airpark and to reviewing the opportunity to finance several new public facilities within our community.

## **MCRA - OVERVIEW**

The Montgomery County Revenue Authority (MCRA), created in 1957, is an instrumentality of Montgomery County, Maryland and a public corporation. The MCRA was established to construct, improve, equip, furnish, maintain, acquire, operate, and finance projects devoted wholly or partially for public use, good, or general welfare. A six-member Board governs the MCRA, with five members appointed by the County Executive and confirmed by the County Council. The sixth member - the Chief Administrative Officer of the MCRA or designee - serves in a non-voting, *ex-officio* capacity.

The two primary activities of the MCRA are to operate self-supporting facilities and to finance public facilities. On the operations side, the MCRA manages its golf course system comprised of nine golf courses along with the Montgomery County Airpark. The operated facilities generate various forms of revenue, which are used to fund MCRA operations and to provide for facility improvements. A portion of the operating revenues is used to retire any debt associated with operated facilities.

On the public financing side, the MCRA issues bonds to raise capital, to acquire land or other property, or to pay construction costs for Montgomery County facilities. Through a financing partnership with a broad range of County agencies, the MCRA has supported important public purposes as far reaching as economic development, education, transportation, human services, recreation, and the arts. The agencies' lease payments are used by the MCRA to retire the debt obligations.

## **MCRA-OPERATED FACILITIES**

The MCRA owns and operates a golf course system consisting of nine public golf courses. In addition, the MCRA owns and operates, through a lease and series of subleases, the Montgomery County Airpark.



Little Bennett Golf Course

### **Montgomery County Golf**

The Montgomery County Revenue Authority's golf course system is operated under the flag of Montgomery County Golf. The golf course system is comprised of nine golf courses. Five of the courses are owned and operated by the MCRA. The other four courses are owned by the Maryland-National Capital Park and Planning Commission (M-NCPPC) and operated under lease by the MCRA. They were added to the system in April of 2006. The MCRA continues to expand programming and find new partnerships to grow the game of golf.

### **Operations Update**

#### ***Montgomery County Golf Courses***

Approximately 371,000 golf rounds were played across all nine golf courses in calendar year 2008.

The MCRA continues to focus on significant improvement of buildings, golf courses, equipment upgrades, and customer service while reinvesting the necessary capital to keep the golf course system up to date and sustainable. Recent projects have included bunker renovation at Laytonsville and Poolesville Golf Courses; drainage issues that were addressed at several properties; a partial tee renovation at Poolesville; and two complete facility renovations. During the period of 2001 - 2004, the MCRA completed renovations to Laytonsville and Falls Road, which included new clubhouses, a golf cart storage facility at Laytonsville, and complete golf course renovations to both properties. Based on the success of these properties, the MCRA regularly reviews the overall needs of the golf system plans for the future. In 2008, the MCRA completed a full renovation of all of the bunkers at Hampshire Greens Golf Course. The project included reducing the total bunker area by 60%, which will reduce maintenance expense and make the facility more playable for the patrons.



Laytonsville Golf Course

### ***Montgomery County Golf Website***

In 2008, the MCRA continued to brand Montgomery County Golf (MCG) as the standard bearer for the golf course system with the aim to provide the best possible service and value to our guests. In association with this effort, the MCRA re-launched its website for Montgomery County Golf at [www.MontgomeryCountyGolf.com](http://www.MontgomeryCountyGolf.com), created an email communication system with over 20,000 participants, and engaged in an array of marketing and promotional activities. The branding of Montgomery County Golf has been crucial to position MCG for long-term success in an increasingly competitive regional golf market. Many additions have been made to this website including interactive course maps providing a unique feel for the courses and course-specific playing tips. This site is continually upgraded with the most recent information and golf schedules for the complete portfolio of MCRA courses. The MCRA email database is utilized to reserve advance tee times and to promote special deals and the numerous events that are held at the golf courses throughout the year.

### ***Montgomery County Golf Tour***

A centerpiece of the marketing of Montgomery County Golf (MCG) has been the MCG Tour, which increases exposure to MCG golf courses and builds loyalty to the MCG facilities. Participants in the Tour, sign up for a free "Tour Card" and get the card punched at five of the eight courses for a paid 18-hole round. After completing the Tour, the golfer is entitled to a free round of golf at the MCG course of their choice. Over 7,000 tour cards were issued in 2008, and more than 30 percent of cards were completed. All of the golfers who completed the Tour and played their free round of golf then qualify for a year-end golf outing and prize drawing at Little Bennett Golf Course. Over 200 participants attended this event, which included a free round of 18 holes of golf at Little Bennett or Rattlewood Golf Course along with lunch and a raffle of over 75 prizes. The grand prize awarded to one participant was a full year of free golf that can be used at any of the nine MCG golf courses throughout 2009.

### ***MCRA Golf Instruction***

Since 2002, to increase public awareness and encourage new golfers, the MCRA has published the annual Montgomery County Golf Program Guide (downloadable from [www.MontgomeryCountyGolf.com](http://www.MontgomeryCountyGolf.com)) that lists learning opportunities, programs, and tournaments for golfers of all skill levels. In part to increase accessibility, Montgomery County Golf began providing free clinics for new golfers at all of its golf courses and in 2008, MCG instructed in excess of 8,500 golfers in camps, clinics, groups, and individual sessions.

The MCRA has made a significant commitment to junior golf in the form of clinics, and more recently, camps designed to expose young people to the game of golf. In all, the MCRA had over 4,000 participants in a broad range of camps or clinics last year. In addition, the MCRA provides extensive support to the Montgomery County Public Schools golf program. There were 25 public high schools whose members played nearly 5,000 free rounds of golf in practice sessions.

In 2008, MCRA partnered with the Montgomery County Public Schools and the Recreation Department to introduce a new Middle School Golf Program. Four courses established a program in which middle school age children participated in a six-week long spring and fall program that offered one day a week of instruction and one day a week of spirited on-course competition. Over 40 children participated in the program each session. Two of the participants earned high honors: Karishma Thiagaraj went on to win the Maryland State Golf Association Girls Championship and her sister Khushboo won the under 13 division. This program will be expanded in the spring and will continue to be one of MCG's "grow the game" initiatives throughout the 2009 season.

Another major commitment to junior golf and to the community is the MCRA's partnership with the First Tee Montgomery program. First Tee provides an opportunity to expose young people, who otherwise might not have an opportunity, to experience the sport of golf along with learning personal life skills that these young people use and apply every day. Due to the increased demand of this program, the MCRA added Needwood Golf Course as a third site for the First Tee Program in 2007. Along with Laytonsville and Sligo Creek, these three sites provided weekly First Tee classes taught by the professional staff. In 2008, there were well over 2,000 participants in First Tee sessions. The First Tee mentoring program matches students with volunteers who will help them further develop an understanding of the sport and enhance their skill levels. The MCRA provides a 50 percent discount for the mentors and students. Another significant contribution to First Tee is the donation of Laytonsville Golf Course for a major First Tee fundraising event, providing one of the most significant single revenue generators for First Tee on an annual basis.

### ***MCRA League, Tournament and Charitable Play***

MCRA facilities also provide an opportunity for golfers to participate in league and tournament play, providing both recreation and a bit of friendly competition. The MCRA has continued to grow this segment of golf operations. With over 48 different leagues across eight of its golf courses, leagues and tournaments accounted for over 18,000 rounds of golf in 2008. In 2008, the MCRA held the fifth annual Montgomery County Golf Summer Amateur Tournament at Laytonsville. The MCRA hosted over 200 outings in 2008, with over 12,000 participants and donated rounds of golf to nearly 100 local charities, including schools and church groups, at a value of over \$15,000 in 2008.

In 2008, all nine MCRA golf courses participated in the Second Annual Patriots Golf Day. This was a joint initiative with the PGA of America and the United States Golf Association that raised contributions for the Wounded Warriors. This organization supports families of those who have become disabled or lost their lives in the line of military duty. The MCRA courses collected and matched contributions of all golfers who played that day. The MCRA donated \$1.00 for each green fee that was processed on Saturday, September 1 and collected over \$6,000 for this outstanding cause. Many golfers not only contributed, but also enjoyed a great day of golf. Many of the courses also had decorated military personnel on hand acting as ambassadors for the event.

### ***MCRA Golf Events***

Eight of the MCRA golf courses participated in several of the Play Golf America events that are sponsored by the PGA of America. These events included Take Your Daughter to the Golf Course Day. The Golf Pros donated their time for clinics, instruction, and a fun atmosphere to expose many of the participants to the game of golf. Over 80 participants enjoyed the day and 135 complimentary rounds of golf were distributed. Another PGA sponsored event, Women's Day in Golf, included free clinics and a day of golf to over 50 participants. Bring Your Kids to the Range Day offered discounts on range balls for kids hitting balls with their parents.

Family Golf Days were launched at Needwood and Northwest Golf Courses in September 2008. These events offered reduced prices for families playing the nine-hole courses. Shorter tee boxes were established along with larger holes on the greens to add to the enjoyment of the golf experience for those new to the game. Special scorecards were also provided. This program will be expanded in 2009 to offer the program throughout the year, along with special events such as family clinics and family outings.

MCRA again partnered with the Montgomery County Recreation Department in the Summer Fun Centers during the summer of 2008. Golf Pros visited these sites each day of the six-week program to expose kids to golf. The Golf Pros offered instruction and allowed the kids to hit golf balls using soft equipment to simulate the feeling of swinging an actual golf club. Over 1,000 kids were introduced to golf through this program.

### ***MCRA Customer Appreciation Day***

As another way to thank those who support MCRA throughout the year and as a way to reach out to new golfers, the MCRA hosted its first Customer Appreciation Day. The event was hosted at the Little Bennett Driving Range and included local vendors, equipment demonstrations, free food, fun contests with prizes, and a golf exhibition by a past National Long Drive Champion. Over 150 people participated in the event that was held the Tuesday prior to the AT&T National Tournament hosted by Tiger Woods at Congressional Country Club.



Poolesville Golf Course

### **Environmental Update**

In 2008, the MCRA continued to advance its commitment to improving course conditions while decreasing our environmental impact.

#### ***Organic Fertilizer***

MCRA decided in the early spring to install organic fertilizer silos at eight of our nine facilities. Our Superintendents now have access to a pasteurized poultry litter product that offers tremendous benefits to our soils. This organic product helps rebuild soils with nutrient deficiencies and reduces our dependence on synthetic fertilizers. The environmental benefits of the product include slow nutrient release from natural microbial breakdown, no foliar burn potential after application, and the availability of ten of the thirteen nutrients required by turfgrass for improved plant cell structure and vigor. Achieving a healthier balance of soil nutrition ultimately allows for the reduction of pesticide applications because the grass can withstand the attacks of disease pathogens and insects, and a healthier, denser stand of turf is less prone to invasion of weeds and can recuperate from stress caused by traffic, temperature extremes, and other environmental impacts more rapidly.

### ***Partnership with Audubon International***

In order to further demonstrate its commitment to the environment, MCRA has recently partnered with Audubon International at all of its facilities. Little Bennett Golf Course was awarded its status as an Audubon Certified Cooperative Sanctuary years ago, and is one of only twelve golf courses in Maryland to hold this designation. MCRA is now proud to say that our other eight courses have begun the process towards this achievement.

MCRA is committed to working with Audubon International to improve our environmental footprint in the County. The Audubon Cooperative Sanctuary Program for Golf Courses is an award winning education and certification program that helps golf courses protect our environment and preserve the natural heritage of the game of golf. By helping people enhance the valuable natural areas and wildlife habitats that golf courses provide, improve efficiency, and minimize potentially harmful impacts of golf operations, the program serves as a vital resource for our golf courses.

### ***Greens and Soil Improvement***

Environmental programs initiated last year continued to improve golf course conditions at MCRA facilities. MCRA worked with its soil consultant to balance primary play areas to the proper nutritional levels and minimize required inputs. Regular programs of needle-tine aeration vent our putting greens and provide vital oxygen to the roots without disturbing the putting surface. MCRA began a more aggressive greens rolling program with new equipment designed to make putting surfaces smoother, faster, and more consistent from green to green. MCRA was also vigilant in the use of our water resources by keeping courses as dry as possible without negatively affecting turf quality. Proper water management, central to our plant health initiatives, involves significant oversight, and daily or hourly monitoring by golf course management teams.

While 2008 presented its normal challenges, it was also marked by staggering increases in fertilizer prices and fuel. In the midst of a global economic downturn, MCRA maintained its goal to provide great playing surfaces for its customers. MCRA is dedicated to improving its operational efficiency and streamline operations to react to the changing world in which we live, and remains committed to providing great golf courses while being aware of the positive impact we have on our surrounding environment.

### ***Montgomery County Airpark***

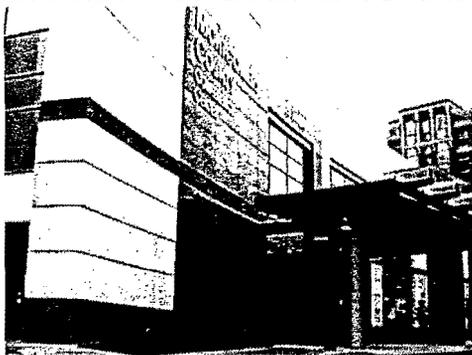
The Montgomery County Airpark (Airpark), acquired in 1960, is owned and managed by the MCRA. The MCRA maintains sole control over the northwest end of the Airpark property, which will be developed by the MCRA consistent with the Airport Layout Plan (ALP) approved by the Federal Aviation Administration.

All aeronautical activities including fueling, aircraft storage, aircraft maintenance, flight training, and related services are provided by separate fixed base operators (FBOs). As owner and federal grant sponsor, the MCRA secures State and Federal funding for the Airpark and is responsible for the runways, taxiways, navigation aids, and other common areas.

Montgomery County Airpark presently hosts approximately 100,000 operations yearly and is the fourth busiest Maryland general aviation public use airport. Approximately 200 aircraft of all types - from sleek modern jets to Piper Cubs - are based at the Airpark. About 15% of all traffic is of the commercial type or air taxis consisting of a variety of modern day aircraft such as Cessna Citations, Lear Jet, Beechcraft (both jet and turbine), and Falcon Jet. We also are home to an air taxi firm that specializes in transporting air travelers to various destinations in the east coast and the mid-west on a regular "on demand" basis.

Montgomery County Airpark's 4,200 foot runway has three instrument approaches and is the closest "jetport" to the Nation's Capital.

## **MCRA-FINANCED FACILITIES**



Montgomery County Conference Center

The MCRA's financing mission is very broad. A financing project generally begins with a request from a County department through the County Executive, the School Board, Montgomery College, or another agency in the County. Upon County Executive and County Council approval, and oftentimes after conceptual plans are in place, the MCRA works with the agency to prepare a financing package. A brief historic overview of the projects MCRA has supported in this manner follows.

### **Economic Development**

MCRA issued bonds in 2003 to finance Montgomery County's share of the cost of the construction of the Conference Center having previously issued bonds for the acquisition of land for the Conference Center. MCRA entered into a lease agreement with the Maryland Stadium Authority for the land and the County's 50% interest in the Conference Center. The Conference Center opened for business on November 1, 2004.

**Transportation**

MCRA financed the purchase of 58 Ride On transit coaches as part of a major fleet replacement. The Montgomery County Ride-On System provides more than 22 million passenger trips per year and is one of the integral partners in the County's transit program. The buses purchased by the MCRA were leased back to the Division of Transit Services for five years.

**Education**

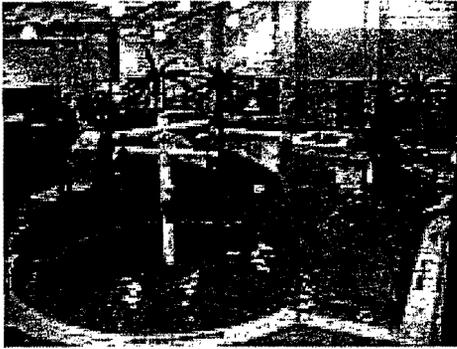
In support of the County's education mission, MCRA financed the construction of the Central Food Production Facility. This facility is built around a cook/chill operational concept, which generates 12,000 meals per day and supports 185 schools. There is also a pre-plate area providing approximately 28,000 pre-plated entrees per day to 128 elementary schools. Baked goods are also provided to all schools through the facility.

The facility also provides daily a la carte menu items that are produced and delivered to all elementary schools. In the summer months, the facility produces 10,000 breakfasts and bag lunches to support the County's recreation programs. The facility also incorporates catering services into its daily operations.

**Human Services**

MCRA financed the acquisition of a four-story building used for the County's Department of Health and Human Resources. The building consolidated an extensive array of health and human services facilities targeted toward some of the County's most vulnerable populations. Located on Piccard Drive in Rockville, the facility accommodates 400 staff members.

The County's Crisis Center is located on the first floor of the building, and includes a 24-hour phone and walk-in crisis stabilization service, along with a five-bed triage and evaluation unit. The other floors include income maintenance services; child welfare services; programs serving children, youth, and families; and programs that provide victim assistance and sexual assault victim services.



Germantown Swim Center

### **Aquatic Recreation**

MCRA has financed the acquisition of land and constructed three aquatic facilities during the past 15 years. The pools include the Montgomery Aquatics Center (MAC), the Western Area Pool, and the Olney Swim Center. In 1999, Montgomery County chose to finance the planned Germantown Swim Center through MCRA, and bonds were issued in 2004.

The MAC, nationally recognized for its design, programs, and operation, is located in North Bethesda. This is the largest indoor facility in the County and is open 340 days per year, serving more than 1,000 people each day. The swim center annually provides swimming lessons to 4,000 children and adults. The Center includes an Olympic-sized pool, a dive tower with 1-meter and 3-meter diving boards, spectator seating, a 200-foot water slide, a separate warm water leisure pool, as well as saunas, a weight room, and a snack bar.

The Olney Swim Center, opened in 1994, has become the model for the future in Montgomery County because its program opportunities are similar to MAC's, but on a somewhat smaller scale. The Olney facility hosts 280,000 swimmers each year and provides 3,200 swimming lessons annually.

The Western Area Pool is an outdoor complex located in Poolesville. Opened in 1991, it serves more than 36,000 visitors during its 10-week season. Poolesville has a swim team with 130 young people and provides 475 children with swimming lessons.

The Germantown Indoor Swim Center (GAC), opened December 2005, is a state-of-the-art facility with approximately 60,000 square feet. It has a competition pool, a recreation pool, and a leisure pool, as well as two separate hydrotherapy pools. This facility has something for everyone. The pool hosts many regional and national aquatic events, but also appeals to family use on a daily basis. On a scale similar to the Montgomery Aquatics Center (MAC), GAC will have more than 400,000 facility visits each year.

**Montgomery College – King Street Arts Center**

A recent financing project for MCRA is Montgomery College's King Street Arts Center (KSAC). The KSAC, a 139,320 square foot arts center, which opened in August 2007, is home to the College's Arts Institute, the campus's academic arts programs, continuing education art programs, the College's central computer network operating center, a central heating and cooling plant for three College buildings, and unfinished expansion space.

**Montgomery College - Silver Spring Garage Project**

The most recent financing project for MCRA is Montgomery College's Silver Spring Garage Project (SSGP). The SSGP is a planned 390-space parking garage on the Takoma Park/Silver Spring Campus and will be adjacent to the King Street Arts Center. The bonds were successfully sold in October 2008, and construction of the project is scheduled to begin soon.