

MEMORANDUM

March 4, 2011

TO: Education Committee

FROM:  Keith Levchenko, Senior Legislative Analyst

SUBJECT: Special appropriation to the Montgomery County Public Schools' FY11 Capital Budget - \$2.2 million for Relocatable Classrooms (Source: Current Revenue)

Council Staff Recommendation: Approve the Special Appropriation Request as Transmitted by MCPS

On February 24, 2011 the County Council received a request for \$2.2 million from MCPS for the leasing, purchase, movement, and rehabilitation of relocatable classrooms needed for the 2011-12 school year (©3-5). This request would accelerate \$2.2 million in current-revenue funded requested appropriation from FY12 to FY11 in order to allow MCPS to move forward with contractual work this spring, so that the relocatable classrooms can be ready by the start of the 2011-12 school year. Council staff has drafted a resolution for Council consideration (©1-2).

In order to expedite this request, the Education Committee will discuss this request on March 7, 2011, prior to introduction on March 8, 2011. Public hearing and action is scheduled for March 22, 2011 at 1:30 PM.

The following staff are expected to attend the Education Committee discussion:

- James Song, Director of Construction, Department of Facilities Management, MCPS
- Adrienne Karamihas, Facilities Team Leader, Department of Facilities Management, MCPS
- Blaise Defazio, Montgomery County Office of Management and Budget

Background

Justification for Relocatable Classrooms

There are a number of reasons for utilizing relocatable classrooms, including:

- Short-term fluctuations in enrollment can be more quickly, efficiently, and cost-effectively addressed with relocatable classrooms than with permanent additions.
- The cost to build permanent classrooms to eliminate the use of most or all relocatable classrooms would be staggering.
- As noted above, some relocatable classrooms are used for day care or other non-educational purposes, for which MCPS would not support the use of MCPS dollars to build permanent space.
- Some schools are already built-out to their core capacity. MCPS does not recommend building more classrooms than the core space of a school can handle. In these cases, relocatable classrooms are used until a boundary change is done or a modernization increasing the school's capacity occurs.
- The use of relocatable classrooms has allowed for the timely implementation of initiatives such as Full-Day K and class size reduction. Future initiatives may require similar flexibility.

While relocatable classrooms provide a number of benefits, they are not presumed to be a long-term solution for space needs at school sites. There are several reasons for trying to size permanent space appropriately and reduce the need for relocatable classrooms on school sites. These reasons include: operational concerns, security complications, loss of school space (such as parking and ball fields), and the fact that the longer relocatable classrooms are needed on a site, the less cost-effective they become as compared to a permanent addition. From a community perspective, relocatable classrooms can be unpopular for the abovementioned reasons as well as for their unsightliness (as compared to permanent space).

Relocatable Classroom Reduction Plan

Three years ago, the Board's Proposed FY09-14 CIP assumed to reduce the number of enrollment-related relocatable classrooms from 452 to 260 (a reduction of 202, or 45%) over the six-year period. At the time, MCPS was using 566 relocatable classrooms (i.e., 114 for non-capacity purposes). The reduction plan was possible because enrollment increases had slowed in recent years and MCPS was able to reduce its number of relocatable classrooms as school additions and capacity increases from modernizations came online.

As a result of this initiative, the Relocatable Classrooms project was approved in FY09, with cost reductions assumed throughout the six-year period. However, FY10 dollars were up from FY09 as part of the Amended FY09-14 CIP. Last year, FY11 dollars increased as well.

With enrollment trending upward again and with several high school modernizations coming up in the modernization schedule, it is likely that future reductions of relocatable classrooms will take longer than previously expected.

Current Allocation of Relocatable Classrooms

MCPS currently uses 539 relocatable classrooms for a variety of purposes (see ©6 for full details). 24 units are in use at various schools to accommodate phased construction activities. 53 units are being used at holding schools. Another 44 units are being used for miscellaneous purposes at schools and non-school locations. The remaining 418 units are spread across elementary, middle, and high schools and are being used to address capacity issues (406) or provide day care space (12).

As shown in the chart below, the number of relocatable classrooms in use is down from FY10 (primarily as a result of the completion of the Walter Johnson High School modernization, which freed up 22 relocatable classrooms). 10 units are now at Paint Branch High School as a part of that modernization project.

Use of Relocatable Classrooms				
	FY08	FY09	FY10	FY11
Phased Construction	45	41	40	24
Holding Schools	41	43	50	53
Day Care	10	11	11	12
Enrollment/CSR/FDK	452	413	426	406
Misc	18	24	24	44
Total	566	532	551	539

Current Request

Fiscal Impact

This request reflects an acceleration of appropriation only, not an increase in approved expenditures. Therefore this request, if approved, would have no net budgetary impact across FY11 and FY12 (the FY11 current revenue requirement goes up, but the FY12 current revenue requirement goes down by an equal amount).

Request Detail

This following chart breaks out the components of the request:

FY12 Relocatable Classrooms Preliminary Estimated Costs			
	Units	Unit Cost	Total Cost
Moves	40	50,000	2,000,000
- New	20		
- Existing	20		
Returns	20	5,000	100,000
Design per site	15	6,720	100,800
Fencing			
Maintenance (Rehabs)			
Contingency			16,000
Total			2,216,800

The numbers above are preliminary. Each year, many units are moved from where permanent classroom additions are completed. However, exactly where the units will go is more complicated and won't be firm until revised enrollment projections for each school (and the number of teaching stations required) are finalized later this spring.

The bulk of the request is for the movement and placement of the units. The move cost (currently estimated at \$50,000 per unit) covers the first year lease, moving, utilities, and furniture and equipment. Market conditions have led to a reduced cost per unit compared to past years, which is helping MCPS stay within its approved budget this year.

In past years, MCPS has requested substantial dollars for unit rehabilitations. However, over the past several years, MCPS has returned older units (when no longer needed on their current sites) back to the vendor and, where needed, replaced these units with newer units. The extra cost of the returns is assumed to be offset by the reduced maintenance costs from removing older units from service. The newer units also take up less space on a site, since groups of the newer units can be placed closer together. Since MCPS is in the process of assessing its existing relocatable classrooms, the exact number of returns versus existing moves assumed could change. Rehabilitation expenditures may still be needed in the future, especially if enrollment increases continue as projected over the next six years.

MCPS staff will be available at the Committee meeting to discuss the current status of relocatable classrooms and how MCPS intends to stay within the \$2.2 million approved dollar amount for FY12 while meeting its expected needs for the upcoming school year.

Council Staff recommends approval of the Relocatable Classrooms special appropriation request as requested by MCPS.

Attachments

KML:f:\levchenko\mcps\fy11 16 amendments and supplementals\cd 3 7 11 relocatables supplemental.doc

Resolution: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Special Appropriation to the FY11 Capital Budget, Montgomery County Public Schools, \$2,200,000, Relocatable Classrooms (No. 846540)
Source of Funds: Current Revenue

Background

1. Article 3, Section 308, of the Charter of Montgomery County, Maryland, provides that a special appropriation: (a) may be made at any time after public notice by news release to meet an unforeseen disaster or other emergency; or to act without delay in the public interest; (b) must specify the revenues to finance it; and (c) must be approved by no fewer than six members of the Council.
2. The Board of Education requested a special appropriation for the Montgomery County Public Schools' Relocatable Classrooms capital project as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Relocatable Classrooms	846540	\$2,200,000	Current Revenue
TOTAL		\$2,200,000	

3. This request will allow MCPS to begin contracting work related to FY12 Capital Budget expenditures during FY11 so that new and existing relocatable classrooms can be moved early in the summer of 2011 and therefore be ready for use for the next school year beginning on August 29, 2011. No increase in expenditures beyond what was previously approved in the FY11-16 Capital Improvements program is requested.
4. Notice of public hearing was given and a public hearing was held on March 22, 2011.
5. The County Council declares this request is in the public interest to be acted upon without delay as provided for under special appropriation requirements described in Article 3-Section 308 of the Montgomery County Charter.

Action

The County Council for Montgomery County, Maryland, approves the following action:

A special appropriation to the FY11 Capital Budget is approved for the Montgomery County Public Schools as follows and as shown on the attached project description form.

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Relocatable Classrooms	846540	\$2,200,000	Current Revenue
TOTAL		\$2,000,000	

This is a correct copy of Council action.

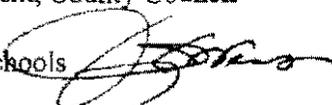
Linda M. Lauer, Clerk of the Council

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 24, 2011

MEMORANDUM

To: The Honorable Isiah Leggett, County Executive
The Honorable Valerie Ervin, President, County Council

From: Jerry D. Weast, Superintendent of Schools 

Subject: Transmittal—Fiscal Year 2011 Special Appropriation Request for Relocatable Classrooms

Board of Education Meeting Date: February 8, 2011

Type of Action:

Supplemental Appropriation

Transfer

Notification

JDW:JS:ak

Attachment

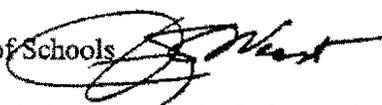
Copy to:
Montgomery County Office of Management and Budget

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 8, 2011

MEMORANDUM

To: Members of the Board of Education

From: Jerry D. Weast, Superintendent of Schools 

Subject: Fiscal Year 2011 Special Appropriation Request for Relocatable Classrooms

WHEREAS, The Board of Education's Requested Fiscal Year 2011-2016 Capital Improvements Program includes \$2.2 million in the Fiscal Year 2012 Capital Budget for relocatable classrooms to accommodate student population changes for the 2011-2012 school year; and

WHEREAS, These funds are programmed to be expended during summer 2011 but will not be available until the County Council takes final action on the Board of Education's Capital Improvements Program request in May 2011; and

WHEREAS, The contracts for the relocation and installation work for the Fiscal Year 2012 relocatable classroom moves must be executed prior to May 15, 2011, in order to have the units ready for the start of school in August 2011; and

WHEREAS, The appropriation authority to expend the funds programmed for Fiscal Year 2012 must be approved by the County Council before the Board of Education can enter into contracts; now therefore be it

Resolved, That the Board of Education request a Fiscal Year 2011 special appropriation in the amount of \$2.2 million to accelerate the requested Fiscal Year 2012 appropriation to provide for the execution of contracts for relocatable classroom moves planned for summer 2011 to address school enrollment changes in time for the beginning of the 2011-2012 school year; and be it further

Resolved, That this request be forwarded to the county executive and the County Council for action.

JDW:LAB:JS:dka

Relocatable Classrooms -- No. 846540

Category
Subcategory
Administering Agency
Planning Area

Montgomery County Public Schools
Countywide
MCPS
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

May 24, 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	1,975	400	200	1,375	325	250	200	200	200	200	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	28,836	12,336	3,925	12,575	3,425	1,950	1,800	1,800	1,800	1,800	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	30,811	12,736	4,125	13,950	3,750	2,200	2,000	2,000	2,000	2,000	*

FUNDING SCHEDULE (\$000)

Current Revenue: General	30,333	12,258	4,125	13,950	3,750	2,200	2,000	2,000	2,000	2,000	0
Current Revenue: Recordation Tax	478	478	0	0	0	0	0	0	0	0	0
Total	30,811	12,736	4,125	13,950	3,750	2,200	2,000	2,000	2,000	2,000	0

DESCRIPTION

MCPS currently has a total of 551 relocatable classrooms. Of the 551 relocatables, 437 are used to address over utilization at various schools throughout the system. The balance, 114 relocatables, are used at schools undergoing construction projects on-site, or at holding schools, or for other uses countywide. Units around 15-20 years old require general renovation if they are to continue in use as educational spaces.

The County Council, on April 4, 2006, approved a \$3.0 million special appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2006-2007 school year. Also, an FY 2006 special appropriation in the amount of \$975,000 was approved to provide relocatable classrooms for the acceleration of full-day kindergarten for the schools scheduled to receive the program in the 2007-2008 school year. An FY 2006 special appropriation in the amount of \$2.1 million was approved to return 121 relocatables to the vendor in order to begin the process of systematically removing aging relocatables from our schools. The \$2.1 million also provided for the replacement of six older units, the relocation of six units and the addition of a canopy at a school.

The County Council approved, in the FY 2007-2012 CIP, additional expenditures in FY 2007 and FY 2008 to provide replacement relocatables for Potomac Elementary School and to provide relocatables for Belts Mill Elementary School when the school moved to the Grosvenor holding facility during modernization. The County Council, on May 8, 2007 approved a \$3.572 million special appropriation that accelerated the FY 2008 appropriation requested by the Board of Education to allow MCPS to enter into contracts to have the relocatable units ready for the 2007-2008 school year. An FY 2008 special appropriation of \$3.125 million was approved by the County Council on April 22, 2008, to accelerate the FY 2009 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2008-2009 school year. An FY 2009 special appropriation of \$3.125 million was approved by the County Council to accelerate the FY 2010 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2009-2010 school year.

An FY 2010 appropriation and amendment to the FY 2009-2014 CIP was approved for an additional \$1.0 million beyond the \$3.125 million included in the adopted CIP to provide relocatable classrooms at schools experiencing unanticipated enrollment growth. An FY 2011 appropriation was requested to provide for the relocation of approximately 90 relocatable classrooms to address overutilization at various schools throughout the county. The FY 2011 appropriation also will provide necessary repairs to maintain the relocatable classroom inventory. An FY 2010 special appropriation of \$6.750 million was approved by the County Council to accelerate the FY 2011 appropriation requested by the Board of Education to allow MCPS to enter into contracts in order to have the relocatable units ready for the 2010-2011 school year. Due to favorable construction bids for the 2010-2011 relocatable placements, the County Council reduced the FY 2010 appropriation and the FY 2011 expenditure by \$3.0 million to be used in the operating budget. Due to fiscal constraints, the County Council, in the adopted FY 2011-2016 CIP, reduced the expenditures in FYs 2012-2016 by a total of \$6.8 million.

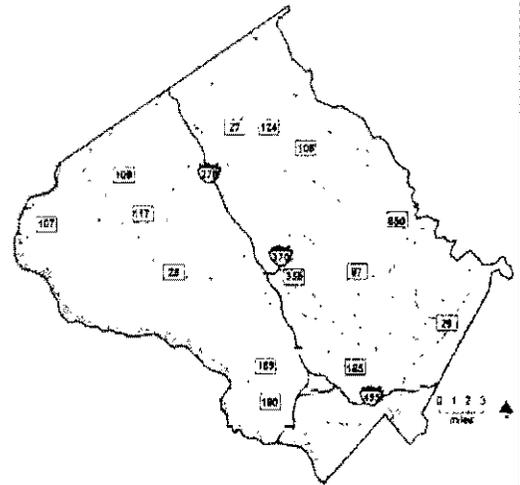
* Expenditures will continue indefinitely.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY84	(\$000)
First Cost Estimate	FY02	21,470
Current Scope		
Last FY's Cost Estimate		25,561
Appropriation Request	FY11	3,000
Appropriation Request Est.	FY12	2,200
Supplemental Appropriation Request		2,200
Transfer		0
Cumulative Appropriation		23,611
Expenditures / Encumbrances		16,819
Unencumbered Balance		6,792
Partial Closeout Thru	FY08	56,588
New Partial Closeout	FY09	0
Total Partial Closeout		56,588

COORDINATION

CIP Master Plan for School Facilities



Appendix D

Superintendent's
Recommendation
FY12 Capital Budget
and amendments

Montgomery County Public Schools Relocatable Classrooms: 2010-2011 School Year

Cluster/ School	Relocatables on Site for 2010-2011 To Address:			Cluster/ School	Relocatables on Site for 2010-2011 To Address:			Cluster/ School	Relocatables on Site for 2010-2011 To Address:		
	Overutilization	DC	Total		Overutilization	DC	Total		Overutilization	DC	Total
Bethesda-Chevy Chase				Col. Zadok Magruder				Watkins Mill			
Westland MS		1	1	Flower Hill	4		4	Whelstone	10		10
Bethesda	5		5	Mill Creek Towne	3		3	Total	10	0	10
North Chevy Chase	4		4	Judith A. Resnik	2		2	Walt Whitman			
Rock Creek Forest	5	1	6	Total	9	0	9	Bannockburn	2		2
Rosemary Hills	5		5	Richard Montgomery				Bradley Hills	6		6
Westbrook	5		5	Beak	8		8	Burning Tree	3		3
Total	24	2	26	College Gardens	2		2	Wood Acres	5		5
Winston Churchill				Ritche Park	5		5	Total	16	0	16
Herbert Hoover MS	5		5	Twainbrook	4		4	Thomas S. Wootton			
Beverly Farms	2		2	Total	19	0	19	Thomas S. Wootton	9		9
Potomac	5		5	Northeast Consortium*				Cold Spring	2		2
Total	12	0	12	James H. Blake HS	4		4	DuFief	1	1	2
Clarksburg				Broad Acres	2		2	Total	12	1	13
Clarksburg HS	7		7	Burnt Mills	1		1	Grand Total by Use	406	12	418
Rocky Hill MS	8		8	Burtonsville	1		1	SCHOOL TOTAL:			418
Clarksburg ES	4		4	Cloverly	2		2				
Daly	4		4	Fairland	9		9				
Fox Chapel	10		10	Greencastle	2		2				
Little Bennett	6		6	Jackson Road	11		11				
Total	39	0	39	Stonegate	3	1	4				
Damascus				Westover	1		1				
Cedar Grove	3		3	Total	36	1	37				
Clearspring	1		1	Northwest							
Total	4	0	4	Clopper Mill	3		3				
Downcounty Consortium*				Darnestown	6		6				
Wheaton HS	2		2	Diamond	1	1	2				
Arcola	1		1	Great Seneca	3		3				
Bel Pre	8		8	Spark M. Massunaga	14	1	15				
Brookhaven	11	1	12	Ronald McNair	4		4				
Georgian Forest	10		10	Total	31	2	33				
Glenallan	6		6	Poolesville							
Harmony Hills	9		9	Monocacy	3		3				
Highland View	6		6	Total	3	0	3				
Kemp Mill ES	1		1	Quince Orchard							
Montgomery Knolls	13		13	Brown Station	4		4				
Oakland Terrace	7		7	Rachel Carson	5	1	6				
Pine Crest	2		2	Jones Lane	6		6				
Rock View	10		10	Marshall	1		1				
Rolling Terrace	1		1	Total	16	1	17				
Shriver	3		3	Rockville							
Silgo Creek	2	1	3	Lucy V. Barnsley	5		5				
Viers Mill	13		13	Flower Valley	1		1				
Weller Road	4		4	Matyvale	1		1				
Wheaton Woods	6		6	Meadow Hall	2		2				
Woodlin	4		4	Rock Creek Valley	2		2				
Total	119	2	121	Sandburg	2		2				
Gaithersburg				Total	13	0	13				
Gaithersburg HS	2		2	Seneca Valley							
Goshen	1		1	Seneca Valley	1		1				
Laytonsville		1	1	Lake Seneca	2		2				
Rosemont		1	1	McAuliffe	3		3				
Strawberry Knoll	4		4	Sally K. Ride	4		4				
Summit Hall	6		6	Waters Landing	5		5				
Total	13	2	15	Total	15	0	15				
Walter Johnson				Sherwood							
Kensington-Parkwood	4		4	Belmont		1	1				
Luxmanor	1		1	Total	0	1	1				
Wyngate	10		10								
Total	15	0	15								

Other Relocatable Uses		
	# Units	Comment
Phased Construction		
Paint Branch	10	Modernization
Redland MS	10	Improvements
Ridgeview		Improvements
Total	24	
Holding Schools for Mods		
Fairland Center	9	Cannon Road
Grosvenor	15	Garrett Park
North Lake	16	Farmland
Radnor	4	Seven Locks
Tilden		Cabin John
Total	53	
Other Uses at Schools		
Emory Grove Ctr	1	CCC
Gaithersburg ES	1	Parent Res. Ctr.
Gaithersburg HS	1	Mont. College Prgrn.
Rolling Terrace	2	Benchmarks
Rosemary Hills	1	Judy Center, Linkages
Seneca Valley HS	1	Transition (CCC)
Sherwood ES	1	Baldige Lab
Summit Hall ES	1	Judy Center
Wootton HS	1	Mont. College Prgrn.
Total	10	
Nonschool Locations		
Bethesda Depot	4	Offices
Children's Res. Ctr.	1	Infants & Todd. offices
Clarksburg Depot	3	Maintenance
Kingsley	5	Transitions
Mont. College		
Germantown	2	
Rockinghorse	2	ESOL Offices
Shady Grove Depot	10	
Sharp Street	1	
Smith Center	2	Outdoor Education
Randolph Depot	3	Offices
Lincoln Warehouse	1	
Total	34	
OTHER TOTAL:	121	

DC = Paid for by day-care provider to enable a day-care center to operate inside school.

* In terms of the number of schools, the Downcounty Consortium is the equivalent of 5 clusters, and the NE Consortium is the equivalent of 3 clusters

539