

AGENDA ITEM #2C
June 30, 2009
Introduction

MEMORANDUM

June 26, 2009

TO: County Council

FROM: Essie McGuire, Legislative Analyst 

SUBJECT: **Introduction – Special Appropriation to the FY10 Capital Budget and Amendment to the FY09-14 Capital Improvements Program for the Montgomery County Public Schools, \$602,651 for Planned Lifecycle Asset Replacement (PLAR)**

Today a special appropriation to the FY10 Capital Budget and amendment to the FY09-14 Capital Improvements Program for the Montgomery County Public Schools, \$602,651 for Planned Lifecycle Asset Replacement (PLAR) is before the Council for introduction. The source of funds for this appropriation is a State grant under the Aging Schools Program.

The Board of Education requested this appropriation on June 22 (transmittal attached beginning on circle 3). A draft appropriation resolution is attached at circles 1-2. The Council is tentatively scheduled to hold a public hearing on July 21.

The State Aging Schools Program provides funds for capital improvements, repairs, maintenance, and deferred maintenance of existing school buildings. For FY10, the State Legislature allocated \$6.1 million statewide for the Aging Schools Program using General Obligation Bonds and has allocated \$602,651 of the statewide total to the Montgomery County Public Schools. Eligible FY10 projects will be restricted to project types that have at least a 15-year anticipated lifespan.

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Special Appropriation to the FY10 Capital Budget and
Amendment to the FY09-14 Capital Improvements Program
Montgomery County Public Schools
Planned Lifecycle Asset Replacement: MCPS (No. 896586), \$602,651

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. Section 302 of the County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of six Councilmembers.
3. The Board of Education requested a special appropriation for the Montgomery County Public Schools' Planned Lifecycle Asset Replacement FY10 capital project as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
PLAR	896586	\$602,651	State Aging Schools Program
TOTAL		\$602,651	State Aging Schools Program

4. The State of Maryland's Aging Schools Program provides funds for capital improvements, repairs, maintenance, and deferred maintenance of existing school buildings. For FY10, the State Legislature allocated \$6.1 million statewide for the Aging Schools Program using General Obligation Bonds and has allocated \$602,651 of the statewide total to the Montgomery County Public Schools. Eligible FY10 projects will be restricted to project types that have at least a 15-year anticipated lifespan.



5. The State of Maryland public schools construction program requires that the approved Aging Schools Program projects be completed before reimbursement can occur. Payment for work completed under the Aging Schools Program is through reimbursement to the school system after the work is completed.
6. Notice of public hearing was given and public hearing was held on *****.
7. 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 FY10 Capital Budget and an amendment to the FY09-14 Capital Improvements Program are 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>
PLAR	896586	\$602,651	State Aging Schools Program
TOTAL		\$602,651	State Aging Schools Program

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

June 22, 2009

MEMORANDUM

To: Members of the Board of Education
From: Jerry D. Weast, Superintendent of Schools 
Subject: Aging Schools Program Funds

The State of Maryland's Aging Schools Program (ASP) provides funding for capital improvements, repairs, maintenance, and deferred maintenance of existing school buildings. For FY 2010, the funding for ASP decreased from the FY 2009 amount of \$11.1 million to \$6.1 million statewide. In the past, the state funded this program through current revenue and it was included in Montgomery County Public Schools (MCPS) operating budget. For FY 2010, the funding for this program will be provided from State General Obligation bonds and eligible FY 2010 projects will be restricted to project types that have at least a 15-year anticipated lifespan. Therefore, items such as painting and carpet replacement will not be eligible this year. As a result of the state's funding source change, the allocation for MCPS must be included in the capital budget.

Therefore, I recommend the following resolution for approval.

WHEREAS, The State of Maryland's Aging School Program provides funds for capital improvements, repairs, maintenance, and deferred maintenance of existing school buildings; and

WHEREAS, For FY 2010, the State Legislature has allocated \$6.1 million statewide for this program using General Obligation bonds; and

WHEREAS, Montgomery County Public Schools has been allocated \$602,651 of the \$6.1 million statewide allocation; and

WHEREAS, The State Public School Construction Program requires that the approved Aging Schools Program projects be completed before reimbursement can occur; and

WHEREAS, A capital budget supplemental appropriation is required to appropriate funding for the Aging Schools Program projects; and

WHEREAS, The State Public School Construction Program will reimburse Montgomery County for the entire cost of the projects once completed; now therefore be it

Resolved, That the Board of Education request an FY 2010 supplemental appropriation and amendment to the FY 2009–2014 Amended Capital Improvements Program in the amount of \$602,651 to fund eligible projects in the Aging Schools Program; and be it further

Resolved, That a copy of this resolution with the attachment be transmitted to the county executive and County Council.

JDW:LAB:JL:ak

Attachment

Planned Life Cycle Asset Repl: MCPS -- No. 896586

Category
Subcategory
Administering Agency
Planning Area

Montgomery County Public Schools
Countywide
MCPS
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

May 27, 2009
No
None
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY08	Rem. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	3,330	280	200	2,850	650	400	450	450	450	450	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	5,400	875	775	3,750	600	650	625	625	625	625	0
Construction	33,837	6,910	6,120	20,807	3,647	4,392	3,192	3,192	3,192	3,192	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	42,567	8,065	7,095	27,407	4,897	5,442	4,267	4,267	4,267	4,267	0

FUNDING SCHEDULE (\$000)

G.O. Bonds	38,566	5,505	5,654	27,407	4,897	5,442	4,267	4,267	4,267	4,267	0
Qualified Zone Academy Funds	4,001	2,560	1,441	0	0	0	0	0	0	0	0
Total	42,567	8,065	7,095	27,407	4,897	5,442	4,267	4,267	4,267	4,267	0

DESCRIPTION

This project funds a comprehensive and ongoing plan to replace key facility and site components based on an inventory of their age and conditions. A comprehensive inventory of all such components has been assembled so that replacements can be anticipated and accomplished in a planned and orderly manner. Facility components included in this project are code corrections, physical education facility/field improvements, school facility exterior resurfacing, partitions, doors, lighting, media center security gates, bleachers, communication systems, and flooring.

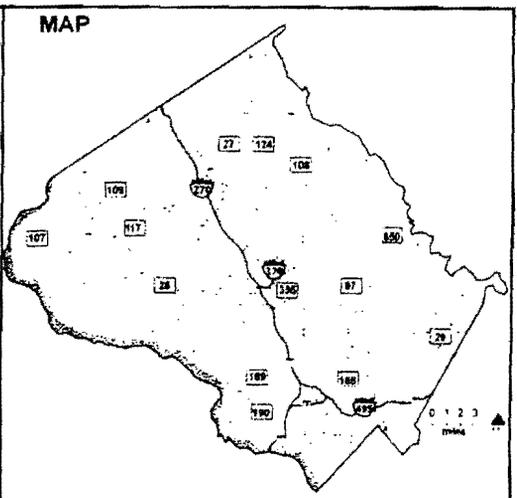
An amendment to the FY 2003-2008 CIP was approved to provide two additional staff members for the Department of Facilities Management to manage the additional contracts within the PLAR project office. The approved amendment also provided cafeteria upgrades to four high schools and one middle school, and provided upgrades to the mechanical/electrical/emergency preparedness systems at the Carver Education Services Center (CESC). The Board of Education requested funds to provide minor improvements at the swimming pool at Piney Branch Elementary School; however, the County Council in the adopted CIP, moved these funds from this project in MCPS to the county government's PLAR project. An FY 2003 special appropriation and amendment to the FY 2003-2008 CIP in the amount of \$1.586 million was approved for systemic renovation projects and funded through the Federal School Renovation Program Funds via the Maryland State Department of Education.

An FY 2005 appropriation was approved to continue this project. The appropriation also includes funding for the replacement of walk-in and serving lines at various cafeterias throughout the system. For FY 2005, an additional \$428,000 in state aid was included in this project as a result of federal funding, issued by the state, through the Qualified Zone Academy Bond (QZAB) program. An FY 2006 appropriation was approved to continue this project at its current level of effort. An FY 2007 appropriation was approved to continue to address PLAR projects systemwide. The increase in expenditures shown above will address the rise in construction costs and a rising backlog of projects, as well as provide additional funding for playground equipment, and the replacement of a variety of cafeteria equipment throughout the school system. The County Council approved, in the FY 2007-2012 CIP additional funding to provide minor modifications to the Gosvenor holding facility. An FY 2007 Special Appropriation in the amount of \$992,000 was approved in this project as a result of federal funding, issued by the state, through the Qualified Zone Academy Bond (QZAB) program. An FY 2008 appropriation was approved to continue this level of effort project.

An FY 2008 transfer of \$1.080 million was approved to expand the freezer capacity of the Central Food Production Facility, as well as address the electrical needs for the existing data center at CESC. An FY 2008 Special Appropriation in the amount of \$620,000 was approved as a result of federal funding, issued by the state, through the Qualified Zone Academy Bond (QZAB) program/Aging Schools Program (ASP). Also, an FY 2008 Special Appropriation in the amount of \$821,000 was approved as a result of federal funding, issued by the state, through the Qualified Academy Bond (QZAB) program. For the FY 2009-2014 CIP, the Board of Education approved an increase to each of the fiscal years beyond the approved expenditures in the Amended FY 2007-2012 CIP. On May 22, 2008, the County Council, in the adopted FY 2009-2014 CIP, reduced the Board of Education's requested increase by half for each fiscal year. An FY 2009 appropriation was approved to continue this project to address PLAR projects, as well as the replacement of playground equipment and replacement of cafeteria equipment systemwide. An FY 2009 special appropriation in the amount of \$1.250 million was approved by the County Council on January 27, 2009 to address emergency repairs at Darnestown Elementary School. An FY 2010 appropriation was approved to continue this project.

APPROPRIATION AND EXPENDITURE DATA	
Date First Appropriation	FY89 (\$000)
First Cost Estimate	FY96 24,802
Current Scope	FY96 41,304
Last FY's Cost Estimate	41,304
Appropriation Request	FY10 4,442
Supplemental Appropriation Request	603
Transfer	0
Cumulative Appropriation	21,057
Expenditures / Encumbrances	10,658
Unencumbered Balance	10,399
Partial Closeout Thru	FY07 46,190
New Partial Closeout	FY08 0
Total Partial Closeout	46,190

COORDINATION		
CIP Master Plan for School Facilities		
	FY 09	FY 10-14
Salaries and Wages	252	1260
Fringe Benefits	96	480
Workyears	4	20



5