

WORKSESSION

MEMORANDUM

March 19, 2010

TO: County Council

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **Worksession: FY11-16 Capital Improvements Program
MCPS Food Distribution Facility Relocation
MCPS and M-NCPPC Maintenance Facilities Relocation**

Expected for this worksession:

Dr. Jerry Weast, MCPS Superintendent
David Dise, Director, Department of General Services
Mike Reily, Maryland-National Capital Park and Planning Commission, Parks Department
Jacqueline Carter, Office of Management and Budget

Summary of ED Committee Recommendations

The Education Committee held worksessions on these items on March 2nd and March 11th and recommends (3-0):

MCPS Food Distribution Facility Relocation (PDF © 2):

- Approve expenditure schedule as recommended by the County Executive.
- Do not appropriate funds at this time. Return to review projects once master site planning is complete.
- Add the following language to the PDF:

Amend **ESTIMATED SCHEDULE** section to say, Master site planning for the Webb Tract will begin in April 2010 and is expected to last for six months. The design phase the MCPS Food Distribution Facility will commence during the fall of 2010 and is expected to last 12 months...

Add to **JUSTIFICATION** section, Projected Space Requirements for MCPS Division of Food and Nutrition Services (Delmar Architects, 2005 and 2008) to the section on plans and studies supporting this project.

Add to **FISCAL NOTE** that the cost estimate is based on construction of a facility that is the size of the current Food Distribution Facility and may be adjusted if the facility is modified to meet future needs.

Add to the **OTHER** section, The PSTA and Multi-Agency Service Park (PDF No. 470907) appropriated \$46.546 million for the purchase of the Webb Tract and \$1.695 million for master site planning. Approximately one-half of this cost is required for the relocation of the MCPS Food Distribution Facility and MCPS and M-NCPPC Maintenance Facilities.

MCPS and M-NCPPC Maintenance Facilities Relocation (PDF © 17):

- Approve expenditure schedule as recommended by the County Executive.
- Do not appropriate funds at this time. Return to review projects once master site planning is complete.
- Add the following language to the PDF:

Amend the **ESTIMATED SCHEDULE** section to say, Master site planning for the Webb Tract will begin in April 2010 and is expected to last for six months. The design phase for the MCPS and M-NCPPC Maintenance Facilities will commence during the fall of 2010 and is expected to last 15 months.

Add to **JUSTIFICATION** section, Projected Space Requirements for MCPS Division of Maintenance (Delmar Architects, 2005 and 2008) to the section on plans and studies supporting this project.

Add to **FISCAL NOTE** that Interim Financing will be used for land acquisition and project costs in the short term...(PDF only notes land costs.)

Add to the **OTHER** section, The PSTA and Multi-Agency Service Park (PDF No. 470907) appropriated \$46.546 million for the purchase of the Webb Tract and \$1.695 million for master site planning. Approximately one-half of this cost is required for the relocation of the MCPS Food Distribution Facility and MCPS and M-NCPPC Maintenance Facilities.

The ED Committee believes that before funds are appropriated to these specific projects, it should be clear how the facilities being built will provide for MCPS' and M-NCPPC's future needs. Completion of programs of requirements and master site planning will occur over the next six months. Master site planning is already funded in the PSTA and Multi-Agency Service Park project.

With regards to the MCPS Food Distribution Facility, after the March 2nd discussion, Dr. Weast provided ED Committee Chair Ervin with a letter (© 3-5) sharing MCPS' concern that the Executive's recommended PDF will only fund replacement of the

current 58,000 square foot facility. The current facility was built in 1981 as a storage and warehouse facility. Since that time school enrollment has increased by 46,190 students and FARMS (free and reduced meals) participation has increased by 232% (28,968 students). The central food production facility was added in 1993 and is now undersized to serve the school population. Because the Food and Nutrition Enterprise Fund is expected to end the year with a deficit, it is not possible for the MCPS enterprise fund to pay for the cost associated with this relocation.

Background and Committee Discussion

The County Executive is recommending funds in the County Government portion of the FY11-16 CIP for the relocation of the Montgomery County Public Schools (MCPS) Food Distribution Facility and the MCPS and Maryland-National Capital Park and Planning Commission's (M-NCPPC) maintenance facilities that are currently located in the County Service Park on Crabbs Branch Way. The relocations are needed to implement the "urban village" residential/mixed use plan envisioned in the Shady Grove Sector Plan. The County Service Park, which is located next to the Shady Grove Metro Station, will be redeveloped once current county uses are moved. Implementation of the Shady Grove Sector Plan is a part of the Smart Growth Initiative. Other approved CIP projects related to the redevelopment of Crabbs Branch Way are the relocation of the Department of Liquor Warehouse to the property referred to as the Finmarc Warehouse in the GE Tech Park and the relocation of the Equipment Maintenance and Operations Center (EMOC) to the property known as Casey 6&7.

While the two PDFs recommended by the Executive are new, the Council has approved funding in other projects in order to relocate the food service and maintenance facilities.

- On February 24, 2009 the Council approved \$150,000 in the PDF titled "MCPS Bus Depot and Maintenance Relocation" to provide funds for feasibility studies for the relocation of these two MCPS facilities from Crabbs Branch Way. This project was approved as an amendment to the County Government CIP.
- On March 17, 2009 the Council approved \$150,000 in the PDF titled "Shady Grove Maintenance Facility Relocation" to provide funds for feasibility studies for the relocation of the M-NCPPC maintenance facility. This project was approved as an amendment to the M-NCPPC CIP.
- On September 22, 2009 the Council approved Resolution 16-1129 which appropriated \$46.621 million for the purchase of the Webb Tract and \$1.695 million in master site planning monies for the entire Webb Tract. The Webb Tract will be the location for the new Public Safety Training Academy (PSTA), Montgomery County Public Schools' (MCPS) Food Distribution Facility, and MCPS and Maryland-National Park and Planning Maintenance Facilities. This project was approved as an amendment to the County Government CIP.

The Public Safety Committee was told at their January 28th and February 24th sessions on the PSTA that there has been a test fit of the PSTA on the Webb Tract site and the master site planning, which will address the PSTA, MCPS Food Distribution Facility, and MCPS and

M-NCPPC Maintenance Facilities, will begin in April and last about 6 months. (Attached at © 1 is a view of the Webb Tract provided to the PS Committee. The MCPS and M-NCPPC facilities will be located on the southeast portion of the Webb Tract.)

1. MCPS Food Distribution Facility

(Recommended FY11-16 PDF at © 2 and page 7-16 of the Recommended CIP)

The County Executive is recommending the Council approve \$29.179 million dollars to plan, design, and construct a new MCPS Food Distribution Facility. The PDF indicates that design will begin during the fall of 2010 and will last for 12 months. Bidding will take approximately six months and construction will take approximately 13 months. The project would be completed in FY13. The Executive is requesting an FY11 appropriation of \$27.229 million.

Expenditures	Total	Thru FY10	6 Years	FY11	FY12	FY13	FY14	FY15	FY16
MCPS Food Distribution Facility	29,179	0	29,179	3,781	18,827	6,571	0	0	0

Because this project is part of the Smart Growth Initiative and it is expected that the county will receive revenues through the sale of the County Service Park, the recommended source of funding is Interim Financing.

Requirements for Food Distribution Facility

The Executive’s Recommended PDF says that the current Food Distribution Facility is 58,000 square feet with 150 parking spaces and 8 loading docks. The new facility may include expansion space. (emphasis added)

In 2005, MCPS received a report on the future requirements for the Division of Food and Nutrition Services (excerpt © 6-9). The report says that:

- The current facility is 58,000 square feet and 125 employees work there. Fifty-six employees work in production, 40 in warehousing, and 29 in administration.
- Based on projected student enrollment, the existing facility is not adequate to meet demand. A 2008 update to the 2005 report estimates a facility of 74,670 square feet is needed. The report notes deficiencies in freezer, refrigerator, and storage areas.
- A site of 8 to 10 acres is required.
- If the facility is not located near MCPS maintenance then a maintenance shop will be required.

The current food service facility was funded by Revenue Authority revenue bonds that were paid with proceeds from the food service enterprise fund. Last June, MCPS Superintendent Weast wrote to the Council to inform it that the revenues from the sale of food and Federal and

State reimbursements do not cover the costs of the enterprise fund and that it would probably be necessary to begin to provide general fund support to food services. (letter attached at © 10-16).

At the March 2nd session, the Committee discussed with Board President O'Neill, Superintendent Weast and MCPS staff the current demands on MCPS food services. MCPS cannot raise food prices substantially because it results in a drop-off in the number of children who buy lunch at full price at the same time the number of children receiving free and reduced lunches is increasing. Dr. Weast told the Committee that since 1981, the student population has grown and the FARMS population has grown at an even larger rate. In addition, MCPS is providing meals it did not provide in 1981, including breakfasts at many more sites, after school food and food at Saturday school. The enterprise fund is operating in a deficit and cannot make a debt service contribution for a new facility.

Executive staff explained that the Smart Growth Initiative can only fund a replacement of the current square footage because the overall initiative is cost neutral. Site planning would include a footprint for future expansion based on the 2008 requirements but an expanded facility would not be funded at this time. Executive staff also said that it is important that the relocation of the MCPS Food Service facility remain on track so that the west side of the County Service Park can be cleared for the new residential and mixed-use development. For these reasons, Executive staff urged approval of the PDF as submitted by the Executive.

The Committee expressed their view that MCPS would not be relocating the facility except for the Smart Growth Initiative and like the Public Safety Training Academy the new facility should be meeting the current and future needs of the user. The Committee agreed that the Executive's requested expenditure schedule should be approved but that funds should not be appropriated until the Committee can review the results of the master site planning. The Committee told Executive staff they would consider some lesser amount of appropriation if it was needed to complete the planning studies.

The Committee asked for additional information and comment from the Board of Education. On March 10th, Dr. Weast sent a letter to ED Chair Ervin that provides data on student enrollment, growth in FARMS participation, and the current need for an expanded facility and additional freezer space. This letter (© 3-5) was discussed at the March 11th session. The Committee was also told by Executive staff that they can complete the site planning with existing funding but would need to return to the Council as soon as the planning is complete to request the new appropriation.

The Committee recommends (3-0):

- Approve expenditure schedule as recommended by the County Executive.
- Do not appropriate funds at this time. Return to review projects once master site planning is complete.
- Add the following language to the PDF:

Amend **ESTIMATED SCHEDULE** section to say, Master site planning for the Webb Tract will begin in April 2010 and is expected to last for six months. The design phase the

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Add to **FISCAL NOTE** that the cost estimate is based on construction of a facility that is the size of the current Food Distribution Facility and may be adjusted if the facility is modified to meet future needs.

Add to the **OTHER** section, The PSTA and Multi-Agency Service Park (PDF No. 470907) appropriated \$46.546 million for the purchase of the Webb Tract and \$1.695 million for master site planning. Approximately one-half of this cost is required for the relocation of the MCPS Food Distribution Facility and MCPS and M-NCPPC Maintenance Facilities.

2. MCPS and M-NCPPC Maintenance Facilities Relocation

(Recommended FY11-16 PDF at © 17 and page 19-2 of the Recommended CIP Approved PDFs that provided funds for feasibility studies for relocating these facilities are attached a © 18-19.)

The County Executive is recommending the Council approve \$4.447 million dollars to design the MCPS and M-NCPPC Maintenance Facilities. The PDF indicates that design will begin during the all of 2010 and will last for 15 months. The Executive is requesting an FY11 appropriation of \$4.447 million

Expenditures	Total	Thru FY10	6 Years	FY11	FY12	FY13	FY14	FY15	FY16
MCPS and MNCPPC Maintenance	4,447	0	4,447	2,577	1,870	0	0	0	0

Because this project is part of the Smart Growth Initiative and it is expected that the county will receive revenues through the sale of the County Service Park, the recommended source of funding is Interim Financing.

MCPS Maintenance Division Requirements

The current MCPS Division of Maintenance is co-located with MCPS transportation at the Shady Grove Depot and a portion is also at the Lincoln Center. In October 2005, MCPS received a report on projected space requirements for food services, transportation and maintenance. The excerpt regarding the MCPS Division of Maintenance is attached at © 22-27. It estimates:

- A site of 11.25 acres will be needed to house a consolidated operation.

- A building of 96,672 gross square feet or 80,560 net square feet will be required.
- A total of 286 parking spaces are required. Parking is needed for 140 employees and/or visitors, 124 spaces for vehicle/equipment parking; 10 spaces for MCPS heavy equipment, 12 spaces for staging vehicles for fleet management.
- A 12,000 square foot covered and a 3,600 uncovered square foot uncovered storage facility are required.

M-NCPPC Maintenance Requirements

There is not a program of requirements for this project; however, the Council was provided with the following information regarding the current M-NCPPC maintenance facility (© 20-21):

- The Shady Grove Maintenance Facility opened in 1981 and is undersized to serve the current parks system that nearly doubled in acreage.
- The facility houses staff and equipment in the areas of fleet management, carpentry, plumbing, HVAC, painting, masonry, electrical, heavy equipment, and construction.
- The current complex is located on 12 acres and includes 65,000 square feet of building space.
- There are parking spaces for 370 staff and visitors and storage for 220 maintenance vehicles and pieces of motorized equipment.
- The facility operates Monday through Friday from 6:00 a.m. to 4:00 p.m.

At the March 2nd session, the Committee heard from Mr. Reilly of the M-NCPPC Parks Department that Park and Planning supports the relocation in order to complete the Shady Grove Sector Plan but believes there are still issues to be worked out during the master site planning process including the amount of space that will be provided, where the facilities will be located on the site, and which parts of the facility might be shared by M-NCPPC and MCPS. There should also be additional discussion about which agency will take the lead for design and construction. DGS Director Dise said that there will be further discussion on the lead agency for design and construction but that it is important that the entire Webb Tract project be sustainable, that the construction staging be coordinated, and that the construction and the resulting facilities be friendly to the community. There may be opportunities for cost efficiencies for site work and utilities if both sides of the Webb Tract are done together.

As with the MCPS Food Distribution Facility, the ED Committee recommends (3-0):

- Approve expenditure schedule as recommended by the County Executive.
- Do not appropriate funds at this time. Return to review projects once master site planning is complete.

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MCPS Food Distribution Facility Relocation -- No. 361111

Category
Subcategory
Administering Agency
Planning Area

General Government
County Offices and Other Improvements
General Services
Gaithersburg

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 10, 2010
No
None.
Planning Stage

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	3,209	0	0	3,209	1,931	995	283	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	3,685	0	0	3,685	591	2,365	729	0	0	0	0
Construction	20,838	0	0	20,838	1,259	15,138	4,441	0	0	0	0
Other	1,447	0	0	1,447	0	329	1,118	0	0	0	0
Total	29,179	0	0	29,179	3,781	18,827	6,571	0	0	0	0

FUNDING SCHEDULE (\$000)

Interim Finance	29,179	0	0	29,179	3,781	18,827	6,571	0	0	0	0
Total	29,179	0	0	29,179	3,781	18,827	6,571	0	0	0	0

DESCRIPTION

This project is part of the Smart Growth Initiative and provides for design and construction of a new facility on the Webb Tract site on Snouffer School Road. The existing facility is located at the County Services Park on Crabbs Branch Way. The current MCPS Food Distribution Facility is about 58,000 square feet with 150 parking spaces for the staff and 8 loading docks. The new facility may include expansion space.

ESTIMATED SCHEDULE

The design phase will commence during the fall of 2010 and is expected to last twelve months, followed by approximately six months for bidding, with a construction period of approximately thirteen months.

JUSTIFICATION

In order to implement the County's Shady Grove Sector Plan which capitalizes on the existing investment in mass transit by creating a transit-oriented development community, the County Service Park at Crabbs Branch must be relocated. Relocation of the facilities at the County Service Park will enable the County to realize housing and transit-oriented development while also addressing unmet County facilities needs.

OTHER

Special Capital Projects Legislation will be proposed by the County Executive.

FISCAL NOTE

The project provides for complete design and construction. Interim financing will be used for this effort in the short term, with permanent funding sources to include G.O. Bonds and Land Sale Proceeds.

OTHER DISCLOSURES

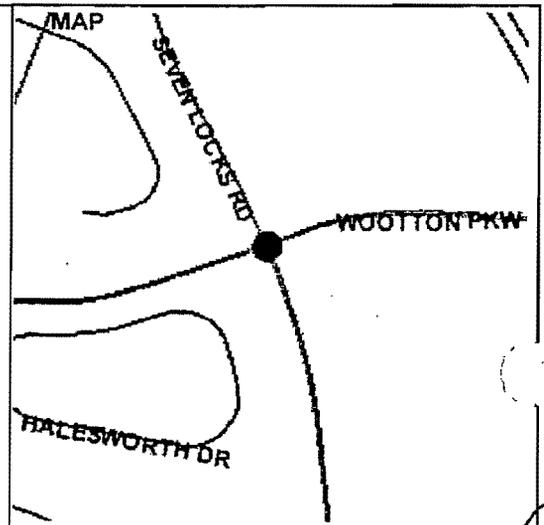
- A pedestrian impact analysis will be performed during design or is in progress.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY11	(\$000)
First Cost Estimate	FY11	29,179
Current Scope		
Last FY's Cost Estimate		0
Appropriation Request	FY11	27,229
Appropriation Request Est.	FY12	736
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

Department of General Services
Montgomery County Public Schools
Department of Transportation
Maryland-National Capital Park and Planning Commission
Department of Permitting Services
Department of Finance
Department of Technology Services
Office of Management and Budget
Washington Suburban Sanitary Commission
Pepco
Upcounty Regional Services Center
Washington Gas





MONTGOMERY COUNTY PUBLIC SCHOOLS

www.montgomeryschoolsmd.org

MARYLAND

March 10, 2010

The Honorable Valerie Ervin, Chair
Education Committee
Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue
Rockville, Maryland 20850

Dear Ms. Ervin:

On June 19, 2009, I wrote to Mr. Phil Andrews, then president of the Montgomery County Council, to provide a financial status report on the Division of Food and Nutrition Services (DFNS) Enterprise Fund. I also included a copy of my June 9, 2009, memorandum to the Montgomery County Board of Education with my recommendation to increase student meal prices for the 2009–2010 school year. It is my understanding that the information in both documents was discussed at the March 2, 2010, Education Committee meeting about the relocation of the DFNS Central Production Facility/Warehouse. At the meeting, you asked about the capacity of the Enterprise Fund to assume financial responsibility for capital costs for the additional 17,000 square feet of space needed when the facility is relocated. Based on the current financial situation, the Enterprise Fund is not able to take on these additional costs. I will highlight details shared last year and update the financial condition of the Enterprise Fund.

The Food and Nutrition Services Enterprise Fund ended FY 2009 with a \$322,041 deficit despite my directing staff to reduce the charges to the fund for health care costs for DFNS employees by \$1.8 million. Over the past three years, student meal prices have increased by 35 cents. As a result of the higher meal prices and the economy's impact on many of our families, the average daily participation for paid meals for the current school year has declined by 8.14 percent, more than offsetting the additional revenue from this year's increase in student meal prices of 10 cents. In addition, federal reimbursements for both free and reduced-price meals do not cover the cost to prepare and serve meals; DFNS loses between 60 and 70 cents for each free and reduced-price lunch served. The number of students eligible for free and reduced-price meals has increased by more than 4,000 students this year, or 10.2 percent. A la carte sales, catering sales, and meals provided to outside groups that helped to offset these losses have declined significantly in recent years, thus increasing the deficit in the fund.

For FY 2010, we had projected a deficit of approximately \$1.8 million in the Enterprise Fund. However, this deficit has risen to about \$2.7 million as a result of the revenues that were lost during the nine days of school closure due to the emergency weather conditions in the county. It will be necessary to transfer more than \$2 million of expenditures for health benefits from the Enterprise Fund to the General Fund to maintain the solvency of the fund.

Office of the Superintendent of Schools

850 Hungerford Drive, Room 122 ♦ Rockville, Maryland 20850 ♦ 301-279-3381

Although I am optimistic that the reauthorization of the *Child Nutrition Act* will result in increased funding for the reimbursement of school meals, it is unlikely that the increase will be enough to cover the actual cost of producing and serving meals and will not significantly reduce this deficit. Although we will likely have to increase the cost of meals for the paying students again next year, the data indicate this will probably once again result in a decline in participation. For FY 2011 and a number of succeeding years, it will be necessary to continue to subsidize the cost of the school lunch program from the General Fund.

The Smart Growth Initiative includes PDF #361111 for Food Distribution Facility Relocation in the amount of \$29.2 million to replace the existing 58,000 square foot facility on Crabbs Branch Way in Rockville. The original facility was built in 1981 at a time when enrollment was declining. Compromises were made to the design due to fiscal constraints at that time. The central production facility was added in 1993 to bring the total square footage up to 58,000 square feet. Today the school system has more than 141,000 students and is preparing and distributing more than 30,000 meals per day in the central production facility.

MCPS Food Distribution Facility Relocation				
Item	1981	2009	Change	Increase
Official Enrollment	95,587	141,777	46,190	48%
Official FARMS Participation	12,496	41,464	28,968	232%

The size of cooler/freezer space and the materials handling equipment needed today have increased dramatically. With a 48 percent increase in enrollment and a 232 percent increase in the number of free and reduced-price meals served daily since the current facility opened, there is a compelling need to provide for a central food production and distribution facility that meets the needs of our growing system. The Program of Requirements for the replacement facility calls for a 75,000 square foot building that includes more cooler/freezer capacity and material handling areas. Based on the county PDF, the cost to replace the existing 58,000 square foot facility would be \$29.2 million. Proportionally, the cost of the additional square footage needed would be approximately \$8.5 million. Montgomery County Public Schools' (MCPS) Department of Facilities Management staff has estimated that the annual debt service payments for the additional square footage would be approximately \$716,000.

It makes little sense to replicate our inadequate food service facility on the new site without bringing it up to the capacity necessary to meet the needs of the system. As you will recall, it is not our choice to move this facility. It is part of the county's larger vision for the Shady Grove Sector Plan. Therefore, we should not be responsible for paying for the additional 17,000 square feet of space.

It is not possible for the Division of Food and Nutrition Services Enterprise Fund to assume the cost of the additional 17,000 square feet of space. If the Montgomery County Government does

not include the additional 17,000 square feet of space in the funding provided from the Smart Growth Initiative, the only option to fund this additional capacity is to include the project in the MCPS Capital Improvements Program, with annual payments made by the Montgomery County Government. It would not be appropriate to place these debt service payments in the MCPS operating budget.

Members of the Board of Education, MCPS staff, and I will attend the Education Committee's meeting on March 11, 2010, to respond to any additional questions.

Respectfully,



Jerry D. Weast, Ed.D.
Superintendent of Schools

JDW:sz

Copy to:

Mr. Bowers
Dr. Lacey
Mr. Lavorgna
Mrs. Lazor
Ms. Wood

October 2005
Delmar Architects, P.A.
MCPS

DIVISION OF FOOD AND NUTRITION SERVICES MONTGOMERY COUNTY PUBLIC SCHOOLS

The Division of Food and Nutrition Services for Montgomery County Public Schools is located at 16644 Crabbs Branch Way, Rockville, Maryland in a building with a total area of 58,000 square feet on a site of approximately 3.5 acres. In order to provide food service on a daily basis to Montgomery County Public Schools, the existing facility maintains a variety of functions and inventory that is necessary to fulfill the various specific programs and menus established for the local schools.

In addition to administrative functions, the Division conducts such operations as ingredient control, cook/chill, pre-plate assembly, vegetable and salad preparation, bakery, warewashing, cooling, refrigeration, freezing, and dry storage warehousing. Staging and receiving areas are also maintained to facilitate the receiving and delivery of the raw and finished products needed on a daily basis to maintain the food service program. The current complex employs 125 people with 56 in production, 40 in warehousing and 29 in administration.

Based on projected student enrollment, the existing facility is not adequate to meet the demand. It is anticipated that enlargement from the existing 58,000 square feet to a projected need of 71,000 gross square feet will be required. Some of the existing shortcomings and preferred needs are as follows:

1. Pre-plate assembly area is too small. An additional conveyor/assembly line is needed.
2. The cook/chill area is half size and must be doubled in size with more storage and refrigeration space maintaining 28 degrees.
3. Storage space for baskets is not adequate. Larger area adjacent to pre-plate and cook/chill required.
4. Existing freezer and refrigeration area is too small. In addition to enlargement, a staging area is needed.
5. Dry storage area is too small and requires a staging area.
6. Delivery and pick-up from dry storage warehouse should have separate driveways for supply trucks to unload at the rear of the building while the pick-up trucks can load up from the front of the building.
7. A classroom for training purposes is required.
8. A storage area for technology and repairs is needed.
9. Maintenance requires an area to work in and an area for janitorial supplies and detergents is required.

2008
update
← calls
for
74,670
sq ft.

6

**DIVISION OF FOOD AND NUTRITION SERVICES
MONTGOMERY COUNTY PUBLIC SCHOOLS
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10. Six more administrative offices, a computer room, a conference room and an accounting room are necessary.
11. Larger locker rooms and more showers for men are required.
12. Dry storage area to have 4 high stacks and freezer area to have 3 high stacks.
13. Parking for 150 cars, 25 trucks and tractor trailer staging areas required.
14. In the event that the Food Service Facility becomes isolated and cannot have truck maintenance performed by another division, a maintenance shop will be required.

SPECIAL REQUIREMENTS

1. Central location with good highway access.
2. Production area to be temperature controlled at 50 degrees.
3. Critical areas must be on emergency generator.
4. New facility must be designed to accommodate system growth.
5. Mechanical systems must support state of art food production.
6. Perimeter security fencing and closed circuit surveillance of outside areas required.
7. New facility to be properly insulated to eliminate condensation.
8. Railroad spur access to warehouse is desirable.

SUMMATION OF PROJECTED NEEDS

1. **Administration Area:** 8,000 gross square feet. Minimum ceiling height 8.5 feet.
2. **Production Area:** 26,300 gross square feet.

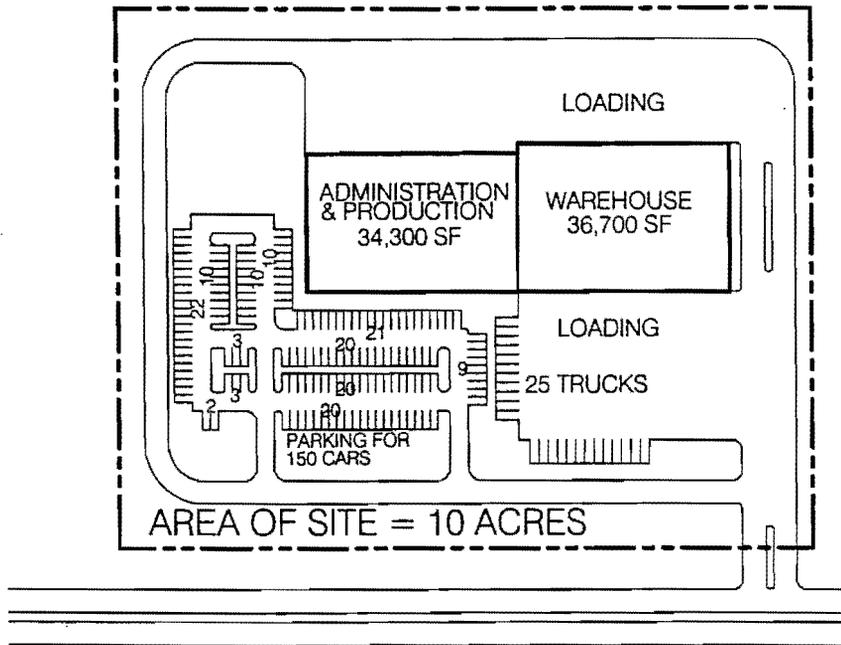
A.	Refrigeration Area:	1,000 square feet	10 foot ceiling height
B.	Freezer	500 square feet	10 foot ceiling height
C.	Climate Controlled area	9,350 square feet	12 foot ceiling height
D.	Administration Area	450 square feet	8.5 foot ceiling height
E.	General Production & Mechanical	15,000 square feet	12 foot ceiling height

**DIVISION of FOOD AND NUTRITION SERVICES
MONTGOMERY COUNTY PUBLIC SCHOOLS
Page Three**

- 3, **Warehouse:** 36,700 gross square feet
- | | | | |
|----|--------------------|--------------------|-------------------------|
| A. | Refrigerated Area: | 2,000 square feet | 22 foot ceiling height |
| B. | Freezer | 10,000 square feet | 22 foot ceiling height |
| C. | 28 degree Storage | 3,500 square feet | 22 foot ceiling height |
| D. | Truck Maintenance | 1,500 square feet | 22 foot ceiling height |
| E. | Dry Storage | 18,000 square feet | 22 foot ceiling height |
| F. | Staff/Lockers | 700 square feet | 8.5 foot ceiling height |
| G. | Administration | 1,000 square feet | 8.5 foot ceiling height |

Total estimated gross square footage is 71,000 square feet which is an increase over existing facilities of approximately 22 percent.

Minimum area of required site is estimated to be 8 to 10 acres.



SITE PLAN - FOOD AND NUTRITIONAL SERVICES FACILITY



UNKNOWN ELEMENTS INCLUDE TOPOGRAPHY,
 STORMWATER MANAGEMENT, SEDIMENT CONTROL,
 STREAM VALLEY BUFFERS, GRADING, REFORESTATION
 AND LANDSCAPING



MONTGOMERY COUNTY PUBLIC SCHOOLS
MARYLAND

www.montgomeryschoolsmd.org

June 19, 2009

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

049734



JUN 23 2009 10 45 AM

Dear Mr. Andrews:

On July 3, 2008, the County Council Education Committee received a briefing on the status of Montgomery County Public Schools' (MCPS) Division of Food and Nutrition Services. The Council packet noted that "the rapidly increasing costs in fuel, labor, and food prices are creating cost pressures as MCPS works to maintain its program." It reported that I had notified the Board of Education on April 10, 2008, of the impact of the cost increases and that a loss was projected in FY 2008. On June 9, 2009, I reported to the Board of Education that these adverse trends have continued (see enclosure). Federal and state reimbursements, combined with the price charged to students, do not cover the full cost to prepare and serve a meal for either paid or free meals.

The Division of Food and Nutrition Services operates as an enterprise fund to provide meals to MCPS students. Federal regulations require that the program operate at a breakeven status. The current national economic condition has had a significant impact on the school breakfast and lunch programs and has intensified long-term trends that impact the financial operation of the program. Despite multiyear initiatives to address the financial shortfall, it is necessary to provide limited general fund financial support for the enterprise fund. The reality is that costs are up, revenues are down, and the federal support received does not begin to offset these losses. As a result, we are facing a shortfall of about \$2 million.

The Division of Food and Nutrition Services is required by the United States Department of Agriculture (USDA) to manage on a non-loss, non-profit basis. It has been the practice to manage the enterprise fund entirely with revenues generated and not rely on local tax revenue. As households have experienced further economic stress, there has been an unanticipated increase of 2,211 students applying for the Free and Reduced-price Meals (FARMS) program from October through May and an unexpected reduction in the number of meals purchased by paying students. The elementary school paid participation has declined by 5.86 percent and the secondary school paid participation has declined by 1.73 percent. This has resulted in a \$457,000 reduction in FY 2009 revenue. Additionally, the "a la carte" sales and revenue generated from catering and other sources has dropped by \$470,000. During FY 2009, interest earnings declined \$443,000 from FY 2008. Bank account and investment interest fell \$148,000 short of projections. Overall, FY 2009 revenue is projected to increase by only \$750,000, or less than 2 percent from FY 2008.

Office of the Superintendent of Schools

850 Hungerford Drive, Room 122 ♦ Rockville, Maryland 20850 ♦ 301-279-3381

(10)

Food expenses have increased beyond expectations, especially in the area of meat, fish, poultry, and eggs. This line item increased 24 percent over FY 2008. All other line items for food purchases are within budgeted expectations. The higher food cost in the marketplace also has a negative impact on the purchasing power of the division when utilizing commodities provided by the USDA. The FY 2009 budget included a 4.6 percent compensation increase, including salaries and employee benefits. Actual expenditures for disposables and equipment are lower than budgeted. Total expenditures are expected to increase by \$2.1 million in FY 2009, or 5.4 percent more than FY 2008. Total losses for the year are estimated to be \$1.8 million.

The 10-cent increase in the price of lunch approved for the 2009-2010 school year is expected to increase revenue by only \$410,000. The net loss in the enterprise fund is expected to be \$2.6 million despite this price increase. Because the economy is expected to weaken further this year, it is not realistic to increase the price of lunch more than 10 cents.

The federal government provides a reimbursement of 24 cents for each "paid" lunch meal. The reimbursement for the students eligible for free lunch meals is \$2.57 and \$2.17 for students eligible for the reduced-price meals. Additionally, the USDA provides 21 cents for every lunch meal served in commodity dollars. These reimbursements do not cover the cost to prepare and serve a lunch meal. Therefore, the division loses money for each free or reduced-price eligible lunch meal it serves to students, as well as for each paid lunch meal served. Economies of scale have an impact and fixed costs are stable; therefore, the loss for each meal is reduced by an increase in meals served. However, the amount of loss that is covered by revenue raised through a la carte sales, catering sales, and meals provided to outside sources has declined significantly in the past several years.

The division has undertaken many initiatives to increase student participation in the lunch program. Examples include redesigning the menu to include popular items more frequently, redesigning the serving line areas to provide easier and quicker access for the students, holding focus groups with students to hear suggestions from the customer, scheduling informational evening sessions with parents to provide accurate information on the program, and disseminating program information through various sources; e. g., MCPS Instructional Television, student newsletters, Montgomery County Council of Parent Teacher Associations' newsletters, and the division's web page on the MCPS website. This year, the division has completed a Six Sigma project focusing on elementary school lunch participation, which has provided great insight into issues involving meal participation. This project has resulted in action plans that will be implemented in the upcoming school year.

The Division of Food and Nutrition Services has initiated many cost saving measures to improve efficiencies and service. The purchasing bids have been restructured to accept truckload quantities of food items, and the expansion of the freezer space in the Food Services Warehouse has greatly reduced the time spent on product handling. The division has taken advantage of all offerings through the Food Distribution Program and has received more than \$600,000 in bonus commodity items to be used in FY 2009 and FY 2010. Staffing allocations in schools have been

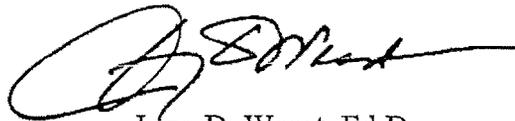
reviewed for adjustments and some positions have been frozen. Equipment purchases have been kept to a minimum and the division has taken advantage of grant opportunities. Truck routes have been reviewed, which has resulted in a decrease in mileage and fuel costs. Also, packaging materials have been reviewed and eliminated where possible. The division will not make savings that reduce the nutritional value of meals; indeed, improvements in nutritional choices have contributed to cost increases.

Despite projected price increases for the next four years that are similar to the price increase approved for FY 2010, it is clear that these increases will not bring the enterprise fund into a break-even status. Even with the recommended price increase for FY 2010, there is a projected loss of \$2.6 million.

As a result of these projections, it is necessary to begin providing general fund support to the Food and Nutrition Services Enterprise Fund. This will be done primarily through support for the cost of employee benefits. Because a large percentage of the division's employees work less than eight hours daily and the division schedules employees in positions with a minimum of four hours a day, the employee benefits costs are at 54.3 percent of salaries. The MCPS average for supporting services employees is approximately 40 percent (not including pre-funding of retiree health costs). For FY 2009, I have directed staff to reduce the charges to the enterprise fund for health care benefits by \$1.8 million to eliminate this year's deficit. In addition, a similar action will need to be taken in FY 2010 to eliminate the projected deficit. These actions will reduce the amount of the fund balance in the employee benefits program by about \$4 million by the end of FY 2010.

I have informed the Board of Education of the financial status of the Food and Nutrition Services program and the members of the Board and I look forward to working with you and other members of the Council to address the problem.

Respectfully,



Jerry D. Weast, Ed.D.
Superintendent of Schools

JDW:sz

Enclosure

Copy to:
Members of the Board of Education
Ms. McGuire

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

June 9, 2009

MEMORANDUM

To: Members of the Board of Education

From: Jerry D. Weast, Superintendent of Schools

Subject: Recommended FY 2010 Fees for the Food and Nutrition Services Program

The Montgomery County Public Schools' (MCPS) Division of Food and Nutrition Services is an enterprise fund that requires revenue to cover expenses. Due to the current and projected increases in expenditures in the food services program, I am recommending a 10-cent increase in the price of lunch for elementary and secondary school students. In FY 2009, the Board of Education approved a 15-cent increase for elementary and secondary school lunch prices and a 5-cent increase in the price of breakfast.

The Division of Food and Nutrition Services receives income in the following forms:

- Federal reimbursement for paid, free, and reduced-price breakfasts and lunches served to students; after-school snacks served to qualifying sites; and summer meals served in the Summer Food Program.
- State reimbursement for free and reduced-price breakfasts and lunches served to students.
- Cash from students purchasing paid and reduced-price breakfasts and lunches.
- Cash from other sales, including a la carte student sales, adult meals, meals served to non-MCPS sites, and other entrepreneurial activities.
- Bank account and investment interest revenue.

Federal reimbursement rates are expected to increase by 2 percent. There will be no increase in the state reimbursement. Additional revenues are expected as a result of projected increases in participation, largely due to the increase in free and reduced-price eligible students and secondary school students purchasing a reimbursable meal and not a la carte items. However, the projected increases will not generate enough income to cover the escalating costs.

Major cost-cutting measures have been in place over the past several years. However, negotiated salaries and employee benefits increased the division's base cost structure. The benefits costs are projected to increase 3.6 percent. At the present time, the large number of part-time staffing

that is necessary for the division's operations gives rise to a higher benefit rate of 55 percent when compared to the MCPS average of 38 percent for supporting services employees.

Below is a chart of benefit expenses as a percentage of position salaries.

FY08	FY09	FY10 (est.)
54.7%	54.3%	55.2%

Actual food costs increased 11 percent during FY 2009, with the largest increase seen in the meat, fish, and poultry category. This is the same trend seen in the wholesale food price indicators with increases expected to continue. A detailed financial management forecast of revenue and expenses, based on prior year data, estimates, and planned charges indicates expenditures will increase 3.3 percent in FY 2010, 3 percent in FY 2011, and 3.5 percent in FY 2012. In order to cover these increases, the price of student meals needs to be raised.

The division has implemented the following additional initiatives:

- Focusing on increasing student participation in the school meals program
- Postponing all equipment purchases except those necessary to maintain food safety
- Exploring additional rebate opportunities and taking full advantage of bonus offerings through the USDA food distribution program
- Examining bid structure for food and supply purchases
- Freezing positions or adjusting hours according to numbers served and revenue
- Increasing the a la carte food prices
- Freezing/reducing supply orders where possible
- Increasing the marketing of meal service to MCPS students, staff, and non-MCPS sites
- Increasing the price of meals at non-MCPS sites

Taking into consideration the financial management plan and steps already taken to control costs and enhance revenue, the price of lunch for elementary students should be increased from \$2.40 to \$2.50. The price of lunch for secondary students should be increased from \$2.65 to \$2.75. Adult lunches will be charged a la carte prices. The price of breakfast will remain at \$1.30 for both elementary and secondary students. Eligible low-income students in MCPS will continue to receive meals that are either free, or if reduced-price eligible, charged 30 cents for breakfast and 40 cents for lunch.

With the recommended meal price increases, MCPS remains within the price range of other local school systems (see Attachment).

WHEREAS, Expenditures in the food and nutrition services program for salaries and employee benefits, food, and supplies are expected to increase in FY 2010 by approximately 3.3 percent over the FY 2009 levels; and

WHEREAS, Federal reimbursement rates for meals will increase by two percent; and

WHEREAS, To maintain a financially solvent food service enterprise fund it is necessary to increase revenues in FY 2010; now therefore be it

Resolved, That the price of the elementary school lunch be increased from \$2.40 to \$2.50 and the price of secondary school lunch be increased from \$2.65 to \$2.75; and be it further

Resolved, That the price increases be effective August 31, 2009.

JDW:LAB:KCL:mb

Attachment

PRICE SURVEY RESULTS

	Montgomery County* (Proposed)	Alexandria City	Arlington County	Baltimore City	Baltimore County	Fairfax County	Frederick County*	Howard County*	Prince George's County*	Washington County
Breakfast	1.30	1.15	1.30	Provision II No Charge	1.80 1.95	1.50	1.10* 1.35*	1.50*	1.10* 1.25*	1.00
Elementary School Lunch	2.50	2.15	2.35, 2.50	2.50	2.90	2.65	2.00*	2.50*	2.00*	1.80
Middle School Lunch	2.75	2.45	2.60	2.75	3.00	2.75	2.25*	3.00*	2.25*	2.05
High School Lunch	2.75	2.45	2.60	2.75	3.00	2.75	2.25*	3.00*	2.25*	2.05
Milk	.60	.50	.55	.50	.60	.60	.40*	.50*	.40*	.50
Incremental Increase	Bkfst: n/c Lunch: Elem: .10 Sec: .10 Milk: n/c	Bkfst: n/c Lunch: n/c Elem: n/c Sec: n/c Milk: n/c	Bkfst: .25 Lunch: Elem: .30, .15 Sec: .25 Milk: n/c	Bkfst: n/c Lunch: n/c Elem: .25 Sec: .25 Milk: n/c	Bkfst: n/c Lunch: n/c Milk: n/c	Bkfst: n/c Lunch: .25 Milk: n/c	Bkfst: tbd Lunch: tbd Milk: tbd	Bkfst: tbd Lunch: tbd Elem: tbd Sec: tbd Milk: tbd	Bkfst: n/c Lunch: n/c Milk: n/c	Bkfst: n/c Lunch: n/c Milk: n/c

All prices are for FY 2010

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MCPS & M-NCPPC Maintenance Facilities Relocation -- No. 361109

Category
Subcategory
Administering Agency
Planning Area

Transportation
Mass Transit
General Services
Gaithersburg

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 08, 2010
No
None.
Planning Stage

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	4,447	0	0	4,447	2,577	1,870	0	0	0	0	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	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	4,447	0	0	4,447	2,577	1,870	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Interim Finance	4,447	0	0	4,447	2,577	1,870	0	0	0	0	0
Total	4,447	0	0	4,447	2,577	1,870	0	0	0	0	0

DESCRIPTION

This project is part of the County Executive's comprehensive Smart Growth Initiative and provides for the planning and design of the relocation of the Montgomery County Public Schools and Maryland-National Park and Planning Maintenance facilities from the County Service Park on Crabbs Branch Way to a site located on Snouffer School Road known as the Webb Tract.

ESTIMATED SCHEDULE

The design phase will commence during the fall of 2010 and is expected to last fifteen months.

JUSTIFICATION

In order to implement the County's Shady Grove Sector Plan which would capitalize on the existing investment in mass transit by creating a transit-oriented development community, the County Service Park must be relocated. Relocation of the facilities at the County Service Park will enable the County to realize both the transit-oriented development intended for the area and address unmet needs.

The County is faced with aging facilities that require extensive investment of funds to meet our needs. With the age of some of the facilities, the extent of the required investment must be weighed against the long-term ability of the facilities to satisfy current and future County needs.

Plans and studies for this project include: M-NCPPC Shady Grove Sector Plan, approved by the Montgomery County Council, January 2006, adopted by the M-NCPPC, March 15, 2006; "Montgomery County Property Use Study Updated Briefing to County Council," April 29, 2008 (based on Staubach Reports); "Montgomery County Smart Growth Initiative Update to County Council," September 23, 2008.

FISCAL NOTE

Interim financing will be used for land acquisition in the short term, with permanent funding sources to include G.O. Bonds and Land Sale Proceeds.

OTHER DISCLOSURES

- A pedestrian impact analysis will be performed during design or is in progress.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Date First Appropriation</td> <td style="text-align: center;">FY11</td> <td style="text-align: right;">(\$000)</td> </tr> <tr> <td>First Cost Estimate</td> <td style="text-align: center;">FY11</td> <td style="text-align: right;">4,447</td> </tr> <tr> <td>Current Scope</td> <td></td> <td></td> </tr> <tr> <td>Last FY's Cost Estimate</td> <td></td> <td style="text-align: right;">0</td> </tr> </table>	Date First Appropriation	FY11	(\$000)	First Cost Estimate	FY11	4,447	Current Scope			Last FY's Cost Estimate		0	Department of General Services Department of Transportation Montgomery County Public Schools Maryland-National Capital Park and Planning Commission Department of Permitting Services Department of Finance Department of Technology Services Office of Management and Budget Washington Suburban Sanitary Commission Pepco Upcounty Regional Services Center Washington Gas	
Date First Appropriation	FY11	(\$000)												
First Cost Estimate	FY11	4,447												
Current Scope														
Last FY's Cost Estimate		0												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Appropriation Request</td> <td style="text-align: center;">FY11</td> <td style="text-align: right;">4,447</td> </tr> <tr> <td>Appropriation Request Est.</td> <td style="text-align: center;">FY12</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Supplemental Appropriation Request</td> <td></td> <td style="text-align: right;">0</td> </tr> <tr> <td>Transfer</td> <td></td> <td style="text-align: right;">0</td> </tr> </table>	Appropriation Request	FY11	4,447	Appropriation Request Est.	FY12	0	Supplemental Appropriation Request		0	Transfer		0		
Appropriation Request	FY11	4,447												
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Supplemental Appropriation Request		0												
Transfer		0												
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Expenditures / Encumbrances	0													
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<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Partial Closeout Thru</td> <td style="text-align: center;">FY08</td> <td style="text-align: right;">0</td> </tr> <tr> <td>New Partial Closeout</td> <td style="text-align: center;">FY09</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Total Partial Closeout</td> <td></td> <td style="text-align: right;">0</td> </tr> </table>	Partial Closeout Thru	FY08	0	New Partial Closeout	FY09	0	Total Partial Closeout		0					
Partial Closeout Thru	FY08	0												
New Partial Closeout	FY09	0												
Total Partial Closeout		0												

MCPS Bus Depot and Maintenance Relocation -- No. 360903

Category	General Government	Date Last Modified	February 25, 2009
Subcategory	County Offices and Other Improvements	Required Adequate Public Facility	No
Administering Agency	General Services	Relocation Impact	None.
Planning Area	North Central Transit Corridor	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	150	0	0	150	150	0	0	0	0	0	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	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	150	0	0	150	150	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

G.O. Bonds	150	0	0	150	150	0	0	0	0	0	0
Total	150	0	0	150	150	0	0	0	0	0	0

DESCRIPTION

This project is part of the Smart Growth Initiative program and provides for a comprehensive feasibility study and planning for the relocation of the Montgomery County Public Schools Bus Depot from the County Service Park on Crabbs Branch Way.

JUSTIFICATION

In order to implement the County's Shady Grove Sector Plan which would capitalize on the existing investment in mass transit by creating a transit-oriented development community, the County Service Park must be relocated. Relocation of the facilities at the County Service Park will enable the County to realize both the transit oriented development intended for the area and address unmet needs.

The County is faced with aging facilities that require extensive investment of funds to meet our needs. With the age of some of the facilities, the extent of the required investment must be weighed against the long-term ability of the facilities to satisfy current and future County needs.

Plans and studies for this project include: M-NCPPC Shady Grove Sector Plan, approved by the Montgomery County Council, January 2006, adopted by the M-NCPPC, March 15, 2006; "Montgomery County Property Use Study Updated Briefing to County Council", April 29, 2008 (based on Staubach Reports); "Montgomery County Smart Growth Initiative Update to County Council", September 23, 2008.

OTHER

The project provides for only the planning phase. Final construction costs will be determined during the design development phase. A pedestrian impact analysis will be performed during the design of each project.

Funds may not be spent to study relocating the MCPS Bus Depot to the Gude Landfill.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation	Department of General Services	
First Cost Estimate	Department of Transportation	
Current Scope	Montgomery County Public Schools	
Last FY's Cost Estimate	Maryland-National Capital Park and Planning Commission	
Appropriation Request	Department of Permitting Services	
Appropriation Request Est.	Department of Finance	
Supplemental Appropriation Request	Department of Technology Services	
Transfer	Office of Management and Budget	
Cumulative Appropriation	Washington Suburban Sanitary Commission	
Expenditures / Encumbrances		
Unencumbered Balance		
Partial Closeout Thru		
New Partial Closeout		
Total Partial Closeout		

Shady Grove Maintenance Facility Relocation -- No. 098709

Category M-NCPPC
 Subcategory Development
 Administering Agency M-NCPPC
 Planning Area Shady Grove Vicinity

Date Last Modified
 Required Adequate Public Facility
 Relocation Impact
 Status

February 12, 2009
 No
 None

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	150	0	0	150	150	0	0	0	0	0	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	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	150	0	0	150	150	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

G.O. Bonds	150	0	0	150	150	0	0	0	0	0	0
Total	150	0	0	150	150	0	0	0	0	0	0

DESCRIPTION

This project provides for the feasibility analysis and site selection for the relocation of the Parks' Central Maintenance Facility at Shady Grove in order to facilitate the implementation of the Shady Grove Master Plan. This phase will include development of a program of requirements; an inventory of publicly and privately owned sites to be considered; conceptual design on preferred sites; due diligence activities including environmental, geotechnical, and traffic studies; community participation, and development of preliminary construction cost and land acquisition cost (if necessary) estimates. Final construction costs will be determined during later design phases.

The current maintenance complex is located on 12 acres of land in the County Service Park on the east side of Crabbs Branch Way in Galthersburg. The current facility includes 65,000 square feet of building space, with parking spaces for 370 staff and visitors, as well as storage for 220 maintenance vehicles and motorized equipment of various types. The facility houses the staff and equipment to support the 34,000 acre park system in the areas of fleet management, trades including carpentry, plumbing, HVAC, painting, masonry, electrical, heavy equipment, and construction. The facility operates Monday Friday, 6:00 a.m. - 4:00 p.m., and must be centrally located in the County.

JUSTIFICATION

The 2006 Shady Grove Sector Plan recommends transit oriented, mixed use development on the County Service Park property, to capitalize on the proximity of the Shady Grove Metro stop. The relocation of the Parks' Maintenance Facility is part of a comprehensive relocation plan of County facilities from the properties on Crabbs Branch Way and will be an integral part of the overall Service Park relocation project.

The Parks Department Shady Grove Maintenance Facility opened in 1981 and is undersized to serve the needs of the Park system which has nearly doubled over the last 30 years (now 34,000+ acres), including new facilities and maintained open space areas.

Plans and studies for this project include: 2006 adopted Shady Grove Sector Plan; Montgomery County Property Use Study/Smart Growth Initiative; and 2004 Space Utilization and Land Use Study.

OTHER

A pedestrian Impact Analysis will be completed during the design phase.

FISCAL NOTE

Funding for this project was originally recommended by the County Executive as a part of the Montgomery County Smart Growth Initiative - Planning Relocation, PDF #360902.

APPROPRIATION AND EXPENDITURE DATA			COORDINATION		MAP
			Montgomery County Smart Growth Initiative MC Department of General Services		
Date First Appropriation	FY09	(\$000)			
First Cost Estimate	Current				
Scope	FY09	150			
Last FY's Cost Estimate		0			
Appropriation Request	FY09	0			
Appropriation Request Est.	FY10	0			
Supplemental Appropriation Request		150			
Transfer		0			
Cumulative Appropriation		0			
Expenditures / Encumbrances		0			
Unencumbered Balance		0			
Partial Closeout Thru	FY06	0			
New Partial Closeout	FY07	0			
Total Partial Closeout		0			



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

OFFICE OF THE CHAIRMAN

February 6, 2009

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

Subject: Amendment of the FY09-14 Capital Improvements Program, and Supplemental Appropriation to the FY09 Capital Budget for the Maryland-National Capital Park and Planning Commission, for Shady Grove Maintenance Facility, #098709

Dear Mr. Andrews:

The Montgomery County Planning Board requests a Capital Improvements Program (CIP) amendment and a FY09 Supplemental Appropriation for the feasibility analysis and site selection for the relocation of the Parks' Central Maintenance Facility at Shady Grove in order to facilitate the implementation of the Shady Grove Master Plan. This request is submitted because the Smart Growth Initiative was not recommended by the County Executive when the FY09 CIP was adopted. This phase will include development of a program of requirements; an inventory of publically and privately owned sites to be considered; conceptual design on preferred sites; due diligence activities including environmental, geotechnical, and traffic studies; community participation, and development of preliminary construction cost and land acquisition cost (if necessary) estimates. Final construction costs will be determined during later design phases.

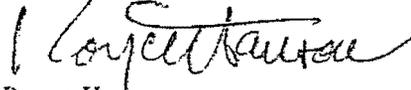
The current maintenance complex is located on 12 acres of land in the County Service Park on the east side of Crabbs Branch Way in Gaithersburg. The current facility includes 65,000 square feet of building space, with parking spaces for 370 staff and visitors, as well as storage for 220 maintenance vehicles and motorized equipment of various types. The facility houses the staff and equipment to support the 34,000 acre park system in the areas of fleet management, trades including carpentry, plumbing, HVAC, painting, masonry, electrical, heavy equipment, and construction. The facility operates Monday Friday, 6:00 a.m. – 4:00 p.m., and must be centrally located in the County.

The 2006 Shady Grove Sector Plan recommends transit oriented, mixed use development on the County Service Park property to capitalize on the proximity of the Shady Grove Metro stop. The relocation of the Parks' Maintenance Facility is part of a comprehensive relocation plan of County facilities from the properties on Crabbs Branch Way and will be an integral part of the overall Service Park relocation project.

The Parks Department Shady Grove Maintenance Facility opened in 1981 and is undersized to serve the needs of the Park system which has nearly doubled over the last 30 years (now 34,000+ acres), including new facilities and maintained open space areas.

We appreciate Council's immediate review and introduction, and hope for approval so that we can begin the planning process for the relocation of the Shady Grove Maintenance Facility. We look forward to discussing this request with the PS and T&E Committees on February 12.

Sincerely,



Royce Harrison

Also distributed to Isiah Leggett, County Executive

Attachments: Resolution and Proposed PDF

N:\CIP\Supplementals and Amendments\FY09\Shady Grove Maintenance Facility\Transmittal MCPB to MCC CE.Feb.2009.doc

MCPS DIVISION OF MAINTENANCE

The MCPS Division of Maintenance is located at 16651 Crabbs Branch Way, Rockville, Maryland in a building shared with MCPS Department of Transportation and identified as the Shady Grove Depot. The total existing net area of the Maintenance Division is approximately 75,400 square feet with 56,400 square feet at Shady Grove and 19,000 square feet at Lincoln Center. In addition to building maintenance the Division administers energy management systems, environmental services, indoor air quality and fleet maintenance. In order to provide adequate future services in an efficiently designed and consolidated facility, it is projected that a net area of ~~74,200~~ square feet will be required for the following spaces:

80,560

Division Office	3,390 NSF
Accounting Office	640 NSF
Automation Office	2,040 NSF
PLAR/Contracting Office	1,790 NSF
Electronics Shop	9,080 NSF
Material Fabrication & Rigging Shop	7,200 NSF
Industrial Equipment Repair Shop	5,980 NSF
Renovation/Carpentry Shop	13,200 NSF
Heavy Equipment Shop	15,640 NSF
Asbestos Abatement/Pest Control	5,760 NSF
Environmental Services	1,110 NSF
Indoor Air Quality	5,760 NSF
Energy Management	2,790 NSF
Locker Rooms	2,800 NSF
Toilets	800 NSF
Break Room & Kitchenette	1,280 NSF
Mechanical, Electrical, Telephone	1,300 NSF

Total Net Space	80,560
Circulation & Miscellaneous Factor 20%	16,112
Total Gross Area Required	96,672 square feet

SITE REQUIREMENTS

Employee and Visitor Parking	140 spaces
MCPS Vehicle/Equipment Parking	124 spaces
MCPS Heavy Equipment Parking	10 spaces
Fleet Maintenance Vehicle Staging	12 spaces
Storage Building (Covered)	12,000 SF
Bulk Material Storage (Uncovered)	3,600 SF

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ITEMIZED SPACE REQUIREMENTS

DIVISION OFFICE

Director		160 SF
Ass't. Director		160 SF
Admin. Secretary		120 SF
Reception Area		120 SF
Small Conference Room		200 SF
Program Analyst		120 SF
Admin. Assistant		120 SF
Admin. Support & Storage		200 SF
Photocopy Room		150 SF
Shipping & Receiving Room		200 SF
Large Conference Room		400 SF
Depot Assembly/Training Room		1,200 SF
Automation Work Station & Training Aid Storage		<u>240 SF</u>
Total		3,390 NSF

ACCOUNTING OFFICE

Maintenance Office Supervisor		120 SF
Accountants	4 @ 80	320 SF
Accounting Record Storage		<u>200 SF</u>
Total		640 NSF

AUTOMATION OFFICE

Supervisor		120 SF
User Support Specialist		120 SF
Automation Staff	2 @ 80	160 SF
Technical Work Stations	8 @ 60	480 SF
Computer Server Room		400 SF
Computer Server Switch Room		400 SF
Planning & Contract Support Room		200 SF
Hardware/Software Storage		<u>160 SF</u>
Total		2,040 NSF

PLAR/CONTRACTING OFFICE

Supervisor		120 SF
Asst. Supervisor		120 SF
Secretary		120 SF
Technical Staff	6 @ 80	480 SF
Admin. Support & Storage		150 SF
Small Conference Room		200 SF
Surplus/Reusable Material Storage		<u>600 SF</u>
Total		1,790 NSF

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ELECTRONICS SHOP

Supervisor		120 SF
Asst. Supervisor		120 SF
Technical Workstations	8 @ 80	640 SF
Trade Work Areas	4 @ 1,300	5,200 SF
Storage & Staging Areas		<u>3,000 SF</u>
Total		9,080 NSF

MATERIAL FABRICATION & RIGGING SHOP

Supervisor		120 SF
Painting Specialist/Supervisor		120 SF
Technical Workstations	2 @ 80	160 SF
Sheetmetal Fabrication		2,000 SF
Shade & Curtain Fabrication		2,400 SF
Storage Areas		<u>2,400 SF</u>
Total		7,200 NSF

INDUSTRIAL EQUIPMENT REPAIR SHOP

Supervisor		120 SF
Technical Workstations		120 SF
Trade Work Areas	3 @ 800	2,400 SF
Sensitive Items Storage Room		240 SF
Sand Blasting Room		100 SF
Spray Booth		120 SF
Fabrication & Welding Room		480 SF
Storage & Staging Areas		<u>2,400 SF</u>
Total		5,980 NSF

RENOVATION/CARPENTRY SHOP

Supervisor (Renovation)		120 SF
Asst. Supervisor (Carpentry)		120 SF
Sensitive Items Storage Room		120 SF
Technical Workstation	2 @ 80	160 SF
Carpenter Shop Work Area		6,000 SF
Renovation Shop Work Area		2,000 SF
Painting/Finishing/Drying Room		1,200 SF
Sign Shop		400 SF
Storage Areas		<u>3,000 SF</u>
Total		13,200 NSF

HEAVY DUTY EQUIPMENT SHOP

Supervisor		120 SF
Asst. Supervisors	2 @ 80	160 SF
Technical Workstation	2 @ 60	120 SF
Small Equipment Repair Shop		1,800 SF

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HEAVY DUTY EQUIPMENT SHOP, Cont.

Small Equipment Parts Storage		800 SF
Welding Shop		1,000 SF
Welding Shop Storage		600 SF
Vehicle Maintenance Work Bays	4 @ 800	3,200 SF
Vehicle Parts Storage		6,000 SF
Tool Storage		1,200 SF
Battery Storage/Charging Room		240 SF
Oil & Lubricant Storage		<u>400 SF</u>
Total		15,640 NSF

ASBESTOS ABATEMENT/PEST CONTROL

Supervisor/Environmental Health Specialist		120 SF
Supervisor/Environmental Design Asst/IPC		120 SF
Environmental Abatement Supervisor		120 SF
Technical/Admin. Workstations	4 @ 80	320 SF
Data Systems Operator		120 SF
Technical Asbestos/Pest Control Shop	10 @ 60	600 SF
Laboratory		400 SF
AHERA Document Storage		800 SF
Wet Chemical Storage		640 SF
Dry Chemical Storage		300 SF
Asbestos Abatement Supply Storage		1,400 SF
Pesticide Storage		<u>640 SF</u>
Total		5,580 NSF

ENVIRONMENTAL SERVICES

Environmental Safety Managers	3 @ 120	360 SF
Secretary		120 SF
Technical Workstations	2 @ 80	160 SF
Recycling Specialist		120 SF
Small Conference Room		200 SF
Admin. Support & Storage		<u>150 SF</u>
Total		1,110 NSF

INDOOR AIR QUALITY

Occupational Safety Specialists	2 @ 120	240 SF
Team Leaders	2 @ 120	240 SF
Technical Workstations	2 @ 80	160 SF
Technical Staff Members	12 @ 60	720 SF
Small Conference Room		200 SF
IAQ Technical Training Room		400 SF
Equipment Storage		3,000 SF
IAQ Supply Storage		<u>800 SF</u>
Total		5,760 NSF

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ENERGY MANAGEMENT

Supervisor		120 SF
Technical Staff Members	9 @ 80	720 SF
Computer Server Room		200 SF
Testing/Diagnostic Room		200 SF
Small Conference Room		200 SF
Admin. Support & Storage		150 SF
Drawing Storage & Library		400 SF
EMS Parts Storage		<u>800 SF</u>
Total		2,790 NSF

SUPPORT AREAS

Large Restrooms/Showers/Lockers	2 @ 800	1,600 SF
Medium Restrooms/Showers/Lockers	2 @ 600	1,200 SF
Small Restrooms	4 @ 200	800 SF
Large Break Room w/Vending		800 SF
Small Kitchenette/Break Area	2 @ 200	480 SF
Mechanical Room		1,000 SF
Electric/Telephone		<u>300 SF</u>
Total		6,180 NSF

