

Resolution No.: 16-520
Introduced: April 1, 2008
Adopted: April 22, 2008

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Special Appropriation to the FY08 Capital Budget and Amendment to the FY07-12 Capital Improvements Program
Montgomery County Public Schools, \$821,000
Planned Lifecycle Asset Replacement: MCPS (No. 896586)
Source of Funds: State Aid – Qualified Zone Academy Bonds (QZAB)

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' FY08 Capital Budget as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Planned Lifecycle Asset Repl.: MCPS	926575	<u>\$821,000</u>	State Aid - QZAB
TOTAL		<u>\$821,000</u>	

4. The Qualified Zone Academy Bond Grants (QZAB) program is authorized by the Federal government and enables the State of Maryland to sell bonds and allocate the proceeds to public school systems for capital improvements at eligible public school buildings. These funds can be used for capital improvements, repairs, and deferred maintenance work for existing public school buildings. These funds may not be used to construct new public schools or to build additions to existing public schools. Additionally, these funds may be used to renovate facilities that have not been previously used for education.

- 5. For a project to be eligible under the QZAB Program the applicable school must be located in either a Federal Empowerment or Enterprise Zone, or have 35% or more of the student body eligible for free or reduced-cost meals (FARMS) through the school lunch program under the National School Lunch Act.

For each project, a 10 percent contribution to the applicable school, either financial or in-kind, is required from a business or private sector entity to be provided during the life of the QZAB bonds.

- 6. The State Legislature allocated \$821,000 to Montgomery County Public Schools as part of the Qualified Zone Academy Bond Grants (QZAB) program. Payment for work completed under the Qualified Zone Academy Bond Program is through reimbursement to the school system after the work is completed.
- 7. Notice of public hearing was given and a public hearing was held on April 22, 2008.
- 8. 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 FY08 Capital Budget is approved for the Montgomery County Public Schools as follows and amendments to the FY07-12 Capital Improvements Program are approved as shown on the attached project description forms.

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Planned Lifecycle Asset Repl.: MCPS	926575	\$821,000	State Aid - QZAB
TOTAL		\$821,000	

This is a correct copy of Council action.


 Linda M. Lauer, Clerk of the Council

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

Category
Agency
Planning Area
Relocation Impact

MCPS
Public Schools
Countywide

Date Last Modified
Previous PDF Page Number
Required Adequate Public Facility

May 24, 2007
21-48 (01 App)
NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY06	Rem. FY06	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision	1,200	0	0	1,200	280	200	180	180	180	180	0
Land											
Site Improvements and Utilities	4,750	0	0	4,750	875	775	775	775	775	775	0
Construction	21,108	0	307	20,801	4,766	4,400 3,599	3,109	3,109	3,109	3,109	0
Other											
Total	27,058	0	307	26,751	5,921	4,574	4,064	4,064	4,064	4,064	0

FUNDING SCHEDULE (\$000)

Qualified Zone Academy Funds	992	0	0	992	992	821	0	0	0	0	0
G.O. Bonds	26,066	0	307	25,759	4,929	4,574	4,064	4,064	4,064	4,064	0
State Aid	0	0	0	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

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. The pace of the modernization schedule, due to fiscal constraints, justifies the need to increase the scope of this project in order to maintain buildings for longer periods before a capital project will upgrade all systems. 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. Roof replacements are funded in Project No. 766595. Coordination with scheduled modernizations is maintained to avoid redundancy.

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 to provide for the necessary replacement of some building systems and playground equipment. The appropriation also includes funding for the replacement of walk-in and serving lines at various cafeterias throughout the system. Increased expenditures in the out-years of the CIP reflect the need to address more PLAR projects, partially due to the delay in the modernization schedule. 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.

* Expenditures in this project will continue indefinitely.

FISCAL NOTE

State Reimbursement: not eligible

APPROPRIATION AND EXPENDITURE DATA	
Date First Appropriation	FY89 (\$000)
Initial Cost Estimate	34,085
First Cost Estimate	
Current Scope	FY96 24,802
Last FY's Cost Estimate	29,240
Present Cost Estimate	27,058
Appropriation Request	FY08 4,374
Supplemental	
Appropriation Request	FY05 821
Transfer	FY07 0
Cumulative Appropriation	6,428
Expenditures/	
Encumbrances	3,048
Unencumbered Balance	3,380
Partial Closeout Thru	FY05 43,016
New Partial Closeout	FY06 3,174
Total Partial Closeout	46,190

COORDINATION		
CIP Master Plan for School Facilities		
Salaries and Wages	FY 07 201	FY 08-12 1005
Fringe Benefits	81	405
Workyears	3	15

