


M E M O R A N D U M

April 14, 2010

TO: Health and Human Services Committee
Education Committee

FROM: Vivian Yao, Legislative Analyst 

SUBJECT: **Worksession – Amendment to the Recommended FY11-16 Capital Improvements Program and FY11 Capital Budget: Department of Health and Human Services**

On March 29, the Executive recommended an amendment to the High School Wellness Center CIP project for the Department of Health and Human Services (DHHS). Representatives from DHHS, Montgomery County Public Schools (MCPS), the Office of Management and Budget (OMB), and the Department of General Services (DGS) are expected to participate in this worksession. The amended PDF, the original PDF, and the PDF tentatively approved by the Council in a straw vote are attached at ©1-3.

Background

The Council met on March 16 to review the FY11-16 Capital Improvements Program (CIP) for the Department of Health and Human Services (DHHS). The Council in a straw vote tentatively approved the HHS Committee's recommendation regarding the High School Wellness Center project as follows:

- the Gaithersburg High School Wellness at the reduced scope recommended by the Executive;
- the Wheaton High School Wellness Centers at the full scope recommended by the Executive; and
- the Watkins Mill High School Wellness Center at a 10% reduced scope.

During the discussion, the Department updated the Council that the Executive intended to amend the umbrella CIP project to provide for a full scope project at Gaithersburg High School instead of the reduced scope originally recommended. DHHS Director Ahluwalia suggested that the full scope project at Gaithersburg High School could be accommodated without additional cost increases to the umbrella CIP project because of savings realized from the Northwood High School Wellness Center. **Councilmembers Navarro, Ervin, and Andrews expressed support for a full scope project because of low construction costs and high needs and enrollment at Gaithersburg High School.**

Amended Project

The Executive's Amended PDF includes the following expenditures (\$000s) (©5):

Site	Est. FY10	FY11	FY12	FY13	FY14	FY15	FY16	6 Yr Total	Total Cost
Gaithersburg	60	16	771	180	0	0	0	967	1,027
Watkins Mill	0	0	232	1,347	324	0	0	1,903	1,903
Wheaton	0	30	57	24	827	194	0	1,132	1,132
Total	60	46	1,060	1,551	1,151	194	0	4,002	4062

The County Executive is recommending expenditures over the six-year period of \$4.002 million, **an increase of \$586,000 for the six-year period from the PDF tentatively approved by the Council in a straw vote. The \$586,000 increase results from the following changes:**

- \$206,000 in additional construction costs in FY12 and FY13 for a full scope project at Gaithersburg High School instead of a reduced scope project;
- The shifting of \$232,000 for planning and design of the Watkins Mill project from FY10 to FY12, the year before construction is scheduled to begin;
- \$148,000 in additional construction costs in FY13 and FY14 for a full scope project at Watkins Mill High School instead of a reduced scope project recommended by the HHS Committee and tentatively approved by the Council in a straw vote.

In addition, the appropriation requested for FY11 decreased from \$30,000 to -\$837,000, and the FY12 appropriation request increased from \$70,000 to \$204,000. Executive staff explains that the net decrease to the appropriation requested in FY11 and FY12 and increased costs for the Gaithersburg center are accommodated by the amount that costs for the Northwood center have come in below the appropriated budget. The total cost of the Northwood project is estimated at \$823,000.

The Gaithersburg center is currently in the design phase, and Watkins Mill will start design in the spring. Both centers are scheduled to open in FY14. The feasibility study for Wheaton is scheduled for completion by summer 2011, and the center is scheduled to open in August 2016.

Construction of the Wellness Centers at Gaithersburg and Wheaton are planned in conjunction with major construction at the school. The Watkins Mill site is to be constructed as a stand-alone project.

The estimated annual operating budget impact for the Gaithersburg and Watkins Mill sites is \$852,390 each. The total annual operating budget impact for both programs is \$1,704,780. The Wheaton Wellness Center is scheduled to open after the six-year period of this CIP. **Council staff notes that the opening of the Gaithersburg center has been delayed one year to FY14, and the Watkins Mill center is also scheduled to open that year.**

Full Scope and Reduced Scope Cost Estimates

The HHS and Education Committees met last October to discuss the Wellness Center Projects and requested that MCPS design and bid future wellness centers based on the original Wellness Center Program of Requirements and a reduced scope project comparable to the smaller scope option presented for the Northwood Wellness Center.

The following table provides the full and reduced scope costs along with 2008-2009 school enrollment data:

High School	2008-2009 Enrollment	Major School Construction Status	Full Scope Cost	Reduced Scope Cost
Gaithersburg	2,002	Tied to Construction	\$1,027,000	\$821,000 (20%)
Watkins Mill	1,593	Stand Alone	\$1,903,000	\$1,755,000 (10%)*
Wheaton	1,320	Tied to Construction	\$1,132,000	\$870,000 (20%)

*MCPS reports that a 20% scope reduction is not feasible at Watkins Mill because MCPS is renovating existing space.

The Executive originally recommended a reduced scope for the Gaithersburg center, and a full scope for the Watkins Mill and Wheaton centers. The amended PDF provides for full scope projects for all three centers.

The Department explained that the Watkins Mill Center is much more expensive than the other two projects because it will need to displace three classrooms in the school and a three classroom addition is needed. A small 300 square foot addition is also needed in the front of the building to accommodate the full Wellness center POR. **MCPS recommended proceeding without the small addition to accommodate the center within the existing building and keeping the POR intact as much as possible by making minor reductions to program space. The Department was amenable to the MCPS recommendation, and the HHS Committee recommended this reduced scope to the Council, who supported it with a straw vote. However, the Executive did not formally change his recommendation and resubmitted the amended PDF with costs for a full scope project for Watkins Mill.**

Council staff recommendation:

- **Gaithersburg:** Approve the full scope project for the Gaithersburg Wellness Center as recommended by the Executive. The high enrollment and needs of the student population support building a larger services space.
- **Watkins Mill:** Approve the reduced scope project as tentatively approved in a straw vote by the Council instead of the full scope recommended by the Executive. Lower enrollment supports the reduction in the program, and the reduced scope will obviate the need for a small addition at the front of the school. The revised PDF at ©4 reflects changes to the Executive's Amended PDF based on a reduced scope project at Watkins Mill.
- **Wheaton:** Approve the full scope project as tentatively approved in a straw vote by the Council and as recommended by the Executive.

High School Wellness Center -- No. 640902

Category
Subcategory
Administering Agency
Planning Area

Health and Human Services
Health and Human Services
General Services
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

March 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	459	2	98	359	46	289	24	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	57	0	57	0	0	0	0	0	0	0	0
Construction	4,143	0	650	3,493	0	721	1,477	1,101	194	0	0
Other	175	0	25	150	0	50	50	50	0	0	0
Total	4,834	2	830	4,002	46	1,060	1,551	1,151	194	0	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	90	0	60	30	30	0	0	0	0	0	0
G.O. Bonds	4,744	2	770	3,972	16	1,060	1,551	1,151	194	0	0
Total	4,834	2	830	4,002	46	1,060	1,551	1,151	194	0	0

OPERATING BUDGET IMPACT (\$000)

Program-Staff				360	0	0	0	72	144	144
Program-Other				3,900	0	0	0	780	1,560	1,560
Net Impact				4,260	0	0	0	852	1,704	1,704
Work Years					0.0	0.0	0.0	1.0	2.0	2.0

DESCRIPTION

This project provides for the placement of High School Wellness Centers (HSWC) at public schools. High School Wellness Centers provide health, mental health, and social services, as well as family support/youth development which attempts to address the needs of youth and to build their skills and strengths to be more successful in all sectors of their lives. Services are further targeted to meet the specific needs of the school. This project is in accordance with the recommendations of the School Based Wellness Center Planning Group (SBWCPG), the Department of Health and Human Services (DHHS) and Montgomery County Public Schools (MCPS). The selection of the "host" public school is based upon criteria recommended by the SBWCPG. MCPS will oversee the construction of the HSWC sites. The County will occupy the space with DHHS personnel and contractors. The HSWC are similar in design to School Based Health Centers with modifications to accommodate the older student population's needs and services. Site specific factors are to be determined, and will be provided during construction.

ESTIMATED SCHEDULE

Northwood High School High School Wellness Center opened in January 2010 (FY10). Design for Gaithersburg High School began in FY10 and Watkins Mill High School will begin in FY12. Construction for Gaithersburg High School is scheduled to begin in FY12, Watkins Mill High School in FY13, and Wheaton High School in FY14.

COST CHANGE

Increase due to the addition of construction costs for Gaithersburg High School, Watkins Mill High School and Wheaton High School Wellness Centers.

JUSTIFICATION

This project is recommended by the SBWCPG, the DHHS, and MCPS. Each HSWC will provide services to address the physical health, mental health, and social service needs, as well as provide youth development opportunities to the students.

FISCAL NOTE

Construction cost for Northwood High School Wellness Center came in under bid and some of the savings have been reprogrammed for a full scope Gaithersburg High School Wellness Center. In FY11, \$30,000 in current revenue funds will be used for a Wheaton feasibility study.

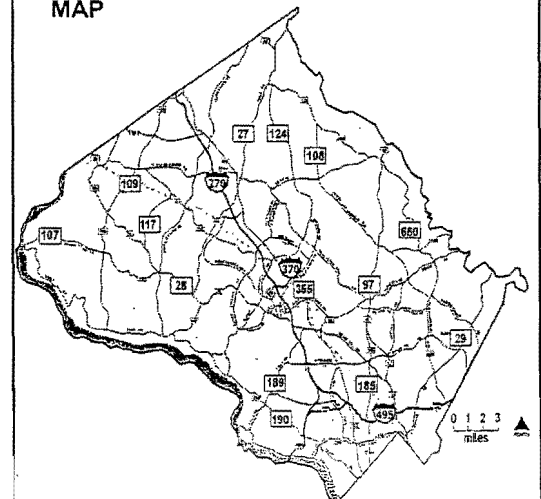
APPROPRIATION AND
EXPENDITURE DATA

Date First Appropriation	FY09	(\$000)
First Cost Estimate	FY11	4,834
Current Scope		
Last FY's Cost Estimate		3,213
Appropriation Request	FY11	-837
Appropriation Request Est.	FY12	204
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,775
Expenditures / Encumbrances		2
Unencumbered Balance		2,773
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

COORDINATION

Department of Health and Human Services
Department of General Services
Montgomery County Public Schools

MAP



High School Wellness Center -- No. 640902

Category
Subcategory
Administering Agency
Planning Area

Health and Human Services
Health and Human Services
General Services
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

March 11, 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	498	2	385	111	30	57	24	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	57	0	57	0	0	0	0	0	0	0	0
Construction	4,664	0	1,509	3,155	0	569	1,320	1,072	194	0	0
Other	200	0	50	150	0	50	50	50	0	0	0
Total	5,419	2	2,001	3,416	30	676	1,394	1,122	194	0	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	90	0	60	30	30	0	0	0	0	0	0
G.O. Bonds	5,329	2	1,941	3,386	0	676	1,394	1,122	194	0	0
Total	5,419	2	2,001	3,416	30	676	1,394	1,122	194	0	0

OPERATING BUDGET IMPACT (\$000)

Program-Staff				360	0	0	0	72	144	144
Program-Other				3,900	0	0	0	780	1,560	1,560
Net Impact				4,260	0	0	0	852	1,704	1,704
Work Years					0.0	0.0	0.0	1.0	2.0	2.0

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ESTIMATED SCHEDULE

Northwood High School is under construction and is scheduled to open in FY10. Design for Watkins Mill High and Gaithersburg High Schools began in FY10. Construction for Gaithersburg High School is scheduled to begin in FY12, Watkins Mill High School in FY13, and Wheaton High School in FY14.

COST CHANGE

Increase due to the addition of construction costs for Gaithersburg High School, Watkins Mill High School and Wheaton High School Wellness Centers.

JUSTIFICATION

This project is recommended by the SBWCPG, the DHHS, and MCPS. Each HSWC will provide services to address the physical health, mental health, and social service needs, as well as provide youth development opportunities to the students.

FISCAL NOTE

Construction cost for Northwood High School Wellness Center came in under bid. Upon direction from County Council, MCPS submitted Gaithersburg High School at a smaller scope as compared to Watkins Mill and Wheaton High Schools. In FY11 \$30,000 in current revenue funds will be used for a Wheaton feasibility study.

APPROPRIATION AND EXPENDITURE DATA			COORDINATION		MAP
Date First Appropriation	FY09	(\$000)	Department of Health and Human Services		
First Cost Estimate			Department of General Services		
Current Scope	FY11	5,567	Montgomery County Public Schools-		
Last FY's Cost Estimate		3,213			
Appropriation Request	FY11	30			
Appropriation Request Est.	FY12	70			
Supplemental Appropriation Request		0			
Transfer		0			
Cumulative Appropriation		2,775			
Expenditures / Encumbrances		2			
Unencumbered Balance		2,773			
Partial Closeout Thru	FY08	0			
New Partial Closeout	FY09	0			
Total Partial Closeout		0			

High School Wellness Center -- No. 640902

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Subcategory
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Planning Area

Health and Human Services
Health and Human Services
General Services
Countywide

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January 09, 2010
No
None.
On-going

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Planning, Design, and Supervision	498	2	385	111	30	57	24	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	57	0	57	0	0	0	0	0	0	0	0
Construction	4,812	0	1,509	3,303	0	569	1,439	1,101	194	0	0
Other	200	0	50	150	0	50	50	50	0	0	0
Total	5,567	2	2,001	3,564	30	676	1,513	1,151	194	0	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	90	0	60	30	30	0	0	0	0	0	0
G.O. Bonds	5,477	2	1,941	3,534	0	676	1,513	1,151	194	0	0
Total	5,567	2	2,001	3,564	30	676	1,513	1,151	194	0	0

OPERATING BUDGET IMPACT (\$000)

Program-Staff				360	0	0	0	72	144	144
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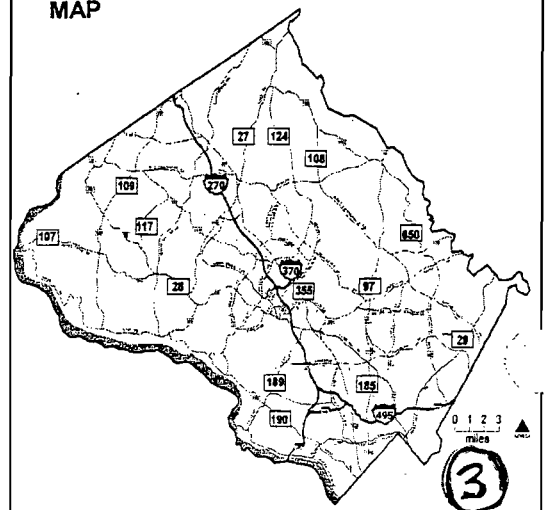
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COORDINATION

Department of Health and Human Services
Department of General Services
Montgomery County Public Schools

MAP



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Category
Subcategory
Administering Agency
Planning Area

Health and Human Services
Health and Human Services
General Services
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

March 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	459	2	98	359	46	289	24	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	57	0	57	0	0	0	0	0	0	0	0
Construction	4,143	0	650	3,493	0	721	351,477	107,211	194	0	0
Other	175	0	25	150	0	50	50	50	0	0	0
Total	4,834	2	830	3,854,002	46	1,060	1,321,551	1,221,151	194	0	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	90	0	60	30	30	0	0	0	0	0	0
G.O. Bonds	4,744	2	770	3,243,972	16	1,060	321,551	1,221,151	194	0	0
Total	4,834	2	830	3,854,002	46	1,060	321,551	1,221,151	194	0	0

OPERATING BUDGET IMPACT (\$000)

Program-Staff				360	0	0	0	72	144	144
Program-Other				3,900	0	0	0	780	1,560	1,560
Net Impact				4,260	0	0	0	852	1,704	1,704
WorkYears					0.0	0.0	0.0	1.0	2.0	2.0

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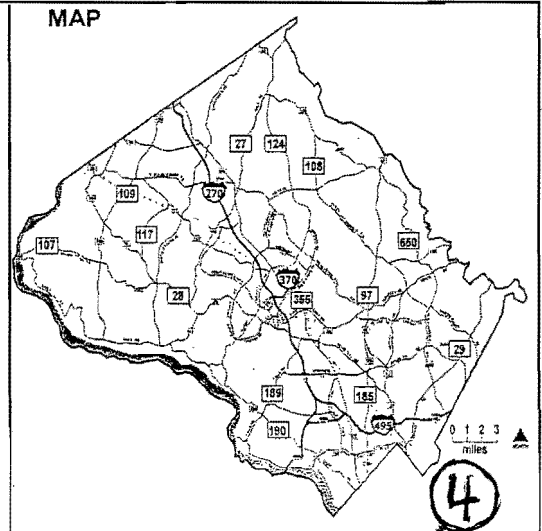
APPROPRIATION AND EXPENDITURE DATA

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New Partial Closeout	FY09	0
Total Partial Closeout		0

COORDINATION

Department of Health and Human Services
Department of General Services
Montgomery County Public Schools

MAP



High School Wellness Centers											
Summary Expenditure Schedule on PDF											
	FY10	FY 11	FY12	FY13	FY14	FY15	FY16	Total FY11-16 Cost	TOTAL Project Cost		COMMENTS
Planning and Design	60	46	289	24							30K is current revenue
Construction	0	0	721	1477	1101	194					
Site Development	0										
Other	0	0	50	50	50						
TOTAL	60	46	1060	1551	1151	194		4,002			
Detailed Breakdown by School											
Gaithersburg											
Planning and Design	60	16	0								
Construction			721	180							
Site Development											
Other			50								
TOTAL Gaithersburg	60	16	771	180				967	1027		
Watkins Mill											
Planning and Design		0	232								
Construction		0	0	1297	324						
Site Development											
Other				50							
TOTAL Watkins Mill	0	0	232	1347	324			1903	1671		
Wheaton											
Planning and Design	0	30	57	24							Feasibility study in FY11
Construction					777	194					
Site Development											
Other					50						
TOTAL Wheaton	0	30	57	24	827	194		1132	1132		
TOTAL FOR ALL PROJECTS	60	46	1060	1551	1151	194		4002			

