

MEMORANDUM

April 20, 2015

TO: Transportation, Infrastructure, Energy and Environment Committee
FROM: Linda Price,  Legislative Analyst
SUBJECT: FY16 Operating Budget: Department of General Services

The T&E Committee will review the Executive's FY16 Department of General Services (DGS) Operating Budget. This review includes a number of DGS programs, including Facilities Management and the portion of the DGS budget funded by the Printing and Mail Internal Service Fund. Fleet Management Services will be reviewed separately. Those expected to attend this worksession include:

- David Dise, Director, Department of General Services (DGS)
- Beryl Feinberg, Chief Operating Officer, DGS
- Angela Dizelos, Division Chief, Central Services, DGS
- Richard Jackson, Division Chief, Facilities Management, DGS
- Michael Harkness, Operations Chief, Facilities Management, DGS
- Richard Taylor, Operations Chief, Printing and Mail Services, DGS
- Eric Coffman, Chief, Office of Energy and Sustainability
- Erika López-Finn, Office of Management and Budget

Relevant pages from the FY16 Recommended Operating Budget are attached on © 1 - 8.

Budget Summary:

- The Executive's recommended budget for DGS is \$34,245,921, a decrease of \$3,292,409 or 8.8 percent over the FY15 approved budget. This decrease is largely comprised of the \$3,861,096 shift of Procurement and the Office of Business Relations and Compliance to a separate department.

Council Staff Recommendation:

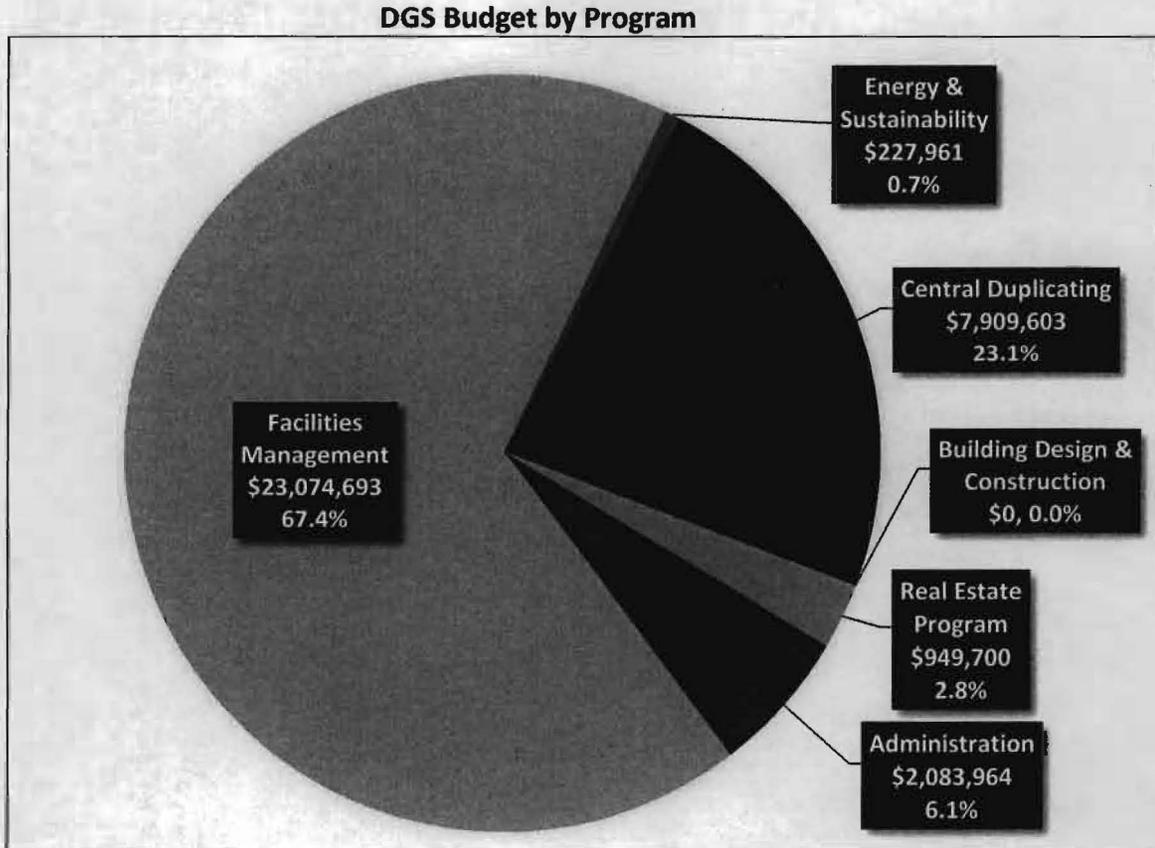
- Council staff recommends approval of the Executive's recommended DGS budget with potential items on the Reconciliation List for Environmental Sustainability activities.

OVERVIEW

The following table shows the FY13-FY16 funding levels for the Department.

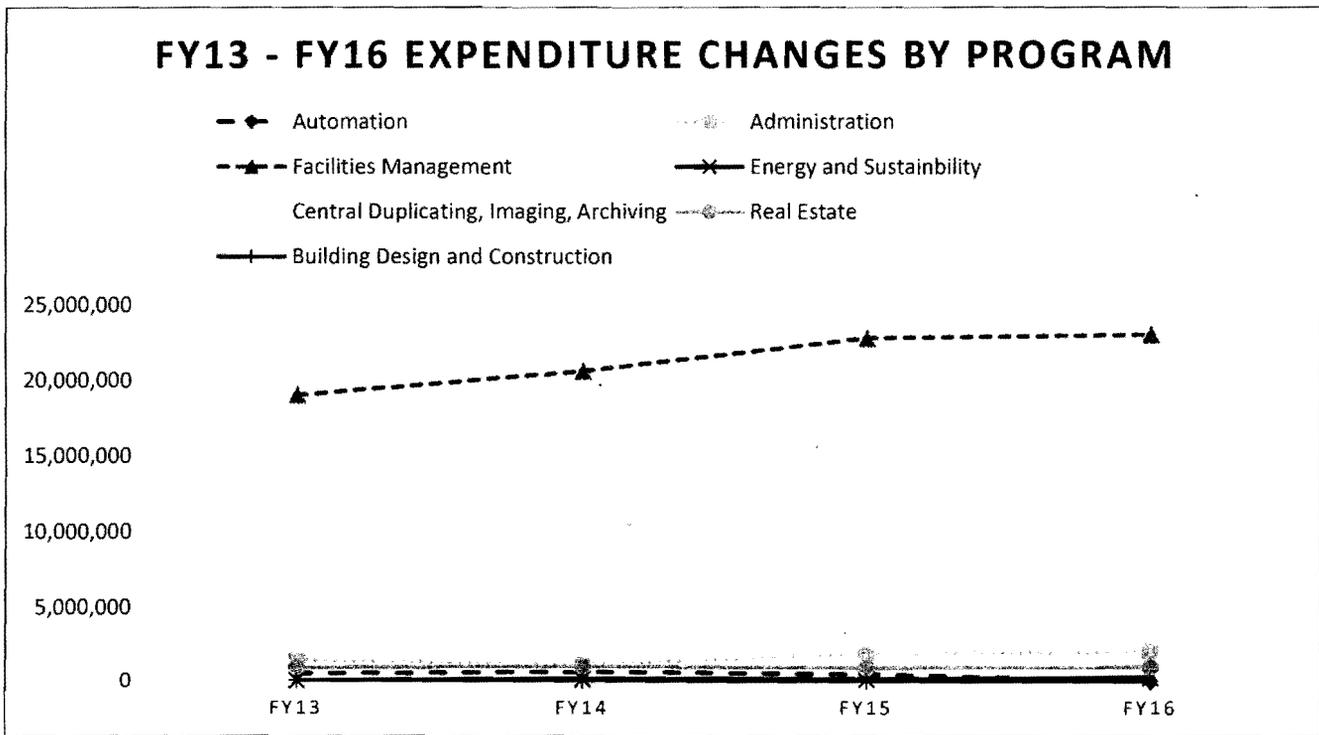
	<i>FY13 Actual</i>	<i>FY14 Actual</i>	<i>FY15 Approved</i>	<i>FY16 Recommended</i>	<i>% Change FY15 - FY16</i>
Expenditures by fund					
<i>General Fund</i>	30,998,919	38,344,008	29,468,025	26,336,318	-10.63%
<i>Grant Fund</i>	0	171,579	0	0	0%
<i>Internal Svc Fund</i>	8,276,951	6,231,685	8,070,305	7,909,603	-1.99%
Expenditures by type					
<i>Personnel Cost</i>	16,376,434	18,051,773	17,580,282	14,587,341	-17.02%
<i>Operating Expenses</i>	22,899,436	26,695,499	19,826,048	19,526,580	-1.51%
<i>Capital Outlay</i>	0	0	132,000	132,000	0%
Total Expenditures	\$39,275,870	\$44,747,272	\$37,538,330	\$34,245,921	-8.77%
<i>Full-Time</i>	246	249	252	221	-12.30%
<i>Part-Time</i>	7	4	4	2	-50.00%
Total Positions					
FTEs	183.58	183.08	190.75	158.55	-16.88%

The following chart illustrates recommended FY16 funding by program.



On March 17, 2015 the Council approved Bill 7-15 (Reorganization - Executive Branch - Procurement). This Bill shifted procurement functions from the Department of General Services into a standalone department. As a result of the reorganization, the Executive's recommended budget includes a total shift of \$3,861,096 and 32 FTEs for Procurement and the Office of Business Relations and Compliance to the newly established Office of Procurement. Additionally, procurement and compliance related operating expenses, personnel costs and FTEs were partially funded in the Automation program and Division of Facilities Management. An updated organization chart for DGS is attached at © 9.

The following chart and accompanying table illustrate the growth for each DGS program, Office or Division from FY13 through FY16.



	FY13	FY14	FY15	FY16	CHANGE	
					\$	%
<i>Automation</i>	511,270	601,258	442,468	0	-442,468	-100.0
<i>Administration</i>	1,508,526	1,163,838	1,980,378	2,083,964	103,586	5.23
<i>Facilities Management</i>	19,036,848	20,618,427	22,812,792	23,074,693	261,901	1.15
<i>Energy and Sustainability</i>	8,960	101,441	101,570	227,961	126,391	124.44
<i>Central Duplicating, Imaging, Archiving</i>	8,503,416	8,340,516	8,070,305	7,909,603	-160,702	-1.99
<i>Real Estate</i>	931,728	991,975	900,523	949,700	49,177	5.46

FY16 EXPENDITURE ISSUES

The Executive is recommending the following changes to the FY16 budget from the approved FY15 Operating Budget.

1. Multi-program Adjustments

The table below summarizes multi-program adjustments to the DGS General Fund Programs. Executive Branch staff estimate no service impacts will be caused by the following changes.

<i>Item</i>	<i>Amount</i>	<i>FTEs</i>
<i>FY16 Compensation Adjustment</i>	392,735	0.0
<i>Retirement Adjustment</i>	102,205	0.0
<i>Group Insurance Adjustment</i>	38,716	0.0
<i>Printing and Mail</i>	(18,857)	0.0
<i>Motor Pool Rate Adjustment</i>	(32,778)	0.0
<i>Annualization of FY15 Personnel Costs</i>	(124,056)	-0.2
<i>Reorganization and Creation of Office of Procurement</i>	(3,861,096)	-32.0
<i>Total Adjustments</i>	(3,503,131)	-32.2

2. Administration and Automation

The Automation program included four FTEs related to information systems and technology. One FTE for Information Technology (IT) Specialist III has been shifted to the Office of Procurement. The remaining positions are now being reflected within the program that funds the position. Two of the IT Specialist positions are funded within the Administration Program, with the remaining FTE belonging to Facilities Management.

The Executive's recommended Administration budget includes turnover savings of \$49,105 from a Property Manager I position.

Council staff concurs with the Executive's recommendation.

3. Facilities Management

The Division of Facilities Management is charged with providing comprehensive planning and delivery of maintenance services and oversight of building-related operations at County facilities used by County staff and residents. The Executive's FY16 budget reflects \$224,045 of contract adjustments due to inflation and an \$85,445 increase for annualization of maintenance costs for buildings opened in FY15. In addition, the Facilities budget has been increased by \$80,179 to accommodate the FY16 anticipated openings of the Silver Spring Library, Dennis Avenue Health Center, North Potomac Recreation Center and Ross Boddy Neighborhood Recreation Center.

A small reduction of \$25,081 has been made to supplies, equipment, and other operating expenses. This reduction is partially reflected by an increase in operating expense chargebacks to other departments and a reduction to soap and toilet paper purchases at public facilities. One additional reduction of \$51,442 relates to lapse savings for a Building Services Worker I. Executive staff estimate that these adjustments should not impact services.

The FY16 Recommended budget does not address any enhancements to service levels. The FY13 approved budget included \$1,000,000 in enhancements to cleaning and maintenance. A further enhancement of \$670,000 was added to the FY14 approved budget for grounds, custodial services and maintenance. The following table displays approved funding for Facilities Maintenance. While funding is slightly higher than FY09 levels, budget increases in FY15 and FY16 have been limited to contract inflation, annualization of maintenance for buildings recently opened and costs for new buildings opening.

FY09 App	FY10 App	FY11 App	FY12 App	FY13 App	FY14 App	FY15 App	FY16 Rec
\$22.198 m	\$21.610 m	\$17.967 m	\$15.885 m	\$19.036 m	\$20.618 m	\$22.812 m	\$23.074 m

Regarding janitorial services in the FY16 recommended budget, Executive staff provided the following information.

The FY16 budget for janitorial services includes \$5,742,310 in contractual services, and 27 FTEs for \$1,714,170 in personnel costs; a total of \$7,456,480. The CE's Recommended budget maintains the current level of service by keeping pace with contract inflation and by providing additional funding for new facilities opening in FY15 and FY16. This is despite a reduction target of 3% for DGS of about \$900,000. The County Executive ultimately chose to make cuts in other parts of the County budget – the cuts in DGS are relatively minor that won't impact maintenance activities – because he made it a priority to preserve facility maintenance.

Given the fiscal pressures associated with the FY16 budget, **Council staff concurs with the Executive's recommended Facilities Management budget.**

4. Energy and Sustainability

The Executive's budget recommends shifting \$107,383 and one FTE from the Capital Improvements Program (CIP) for a Capital Projects Manager. This position will manage the photovoltaic projects and other cost containing management duties. Executive staff report that this position was vacant in the Silver Spring Transit Center project and has been funded from a transfer from the Utilities NDA.

During the Council's consideration of the FY15 operating budget, the following items were added to the Reconciliation List to fund implementation of **Bill 2-14**, Environmental Sustainability - Buildings - Benchmarking, **Bill 6-14**, Environmental Sustainability - Office of Sustainability, and **Bill 8-14**, County Building - Clean Energy Renewable Technology.

- \$71,510 for a Sustainability Program Manager (to implement Bill 2-14, Benchmarking, and Bill 6-14, Office of Sustainability);
- \$150,000 operating funds to implement Bill 2-14, Benchmarking;
- \$51,725 for an Energy Technician (to implement Bill 6-14, Office of Sustainability);
- \$45,000 operating funds to implement Bill 6-14, Office of Sustainability; and
- \$75,245 for a Program Manager to implement Bill 8-14, Clean Energy Renewable Technology.

While none of the above items were funded, DGS has been able to accomplish a number of directives without extra funding. However, work has been completed at a much slower pace due to the lack of resources. They've contracted two utility analysts and have leveraged funds from the Utilities NDA. Program details and progress updates are included in the Annual Energy and Sustainability Report (see © 10 - 15).

The Committee may wish to consider putting these items back on the reconciliation list to enable the Office to move forward at a much quicker and efficient pace. The FY15 funding levels could serve as placeholder amounts until Executive Branch staff better identify FY16 costs for these items.

5. Real Estate

With the exception of multi-program adjustments, no changes have been recommended for the Real Estate Program.

Council staff recommends approval as submitted by the Executive.

6. Central Duplicating, Imaging, and Archiving

This portion of the DGS budget is funded by the Printing and Mail Internal Service Fund. This Program has undergone a number of productivity improvements that have streamlined and enhanced printing and copying services. The Digital Store Front program was launched to all using departments in March. Additionally, DGS implemented the Smart Copier Initiative, which has saved 529,000 sheets of paper.

The Executive's budget recommends abolishing one Printing Technician III position totaling \$84,254 at the Stonestreet print shop location. The County currently has an MOU with Montgomery County Public Schools (MCPS) to revert this position to MCPS when the incumbent retires. There are additional multi-program adjustments to supplies and other operating expenses \$111,634 and replacement costs \$98,000.

Council staff recommends approval of the Central Duplicating, Imaging and Archiving budget as submitted by the Executive.

OTHER ISSUES

The General Fund portion of the FY15 approved budget for DGS was \$29,468,025, with the estimated budget now at \$31,889,868. As the following table shows, there has been a history of the actual budget exceeding the approved amount for DGS General Fund programs.

	Approved	Actual	Overage
FY09	28,321,280	32,367,786	4,046,506
FY10	27,970,950	32,695,312	4,724,362
FY11	24,011,240	27,933,078	3,921,838
FY12	21,354,150	27,531,969	6,177,819
FY13	24,726,123	30,998,919	6,272,796
FY14	26,647,551	38,344,008	11,696,457
FY15	29,468,025	31,889,868*	2,421,843

*Estimated

Between late May and early June, a supplemental appropriation is sent over to cover snow and storm costs. For instance, DGS received a snow supplemental for \$7,531,880 in FY14 and \$3,554,450 in FY13. In addition to snow costs, DGS is projected to overspend their FY15 budget in Facilities Management by around \$2.3 million for incidents, which include items like emergency repairs needed in facilities or for equipment. The Committee should request more detailed information on the programs that are consistently overspent. If a trend does exist of overspending outside of snow and storm costs, the Committee should schedule a joint session with the Government Operations and Fiscal Policy Committee to review this item in greater detail during the summer.

This Packet contains:

Recommended FY16 Department of General Services Operating Budget	© 1 - 8
Updated Organizational Chart	9
Annual Energy and Sustainability Report	10 - 15
Responses to Council staff questions	16 - 19

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General Services

MISSION STATEMENT

The Department of General Services proactively serves the diverse business and service requirements of all County departments, providing a single point of government-to-government service, enabling departments to successfully complete their respective missions and, thereby, adding value to the services performed by Montgomery County to County residents. In so doing, the Department of General Services contributes directly towards the County Executive's objectives of "A Responsive and Accountable County Government," "Healthy and Sustainable Neighborhoods," and "A Strong and Vibrant Economy."

County Government Reorganization

In December 2014, the County Executive announced a Six Point Economic Development Plan which resulted in the creation of the Office of Procurement in order to improve effectiveness, customer service, accessibility, and efficiency. As part of this plan, the Office of Procurement was created to provide more emphasis on procurement programs. The new Office of Procurement will include procurement support, procurement operations, and Business Relations and Compliance which were previously housed in the Department of General Services.

BUDGET OVERVIEW

The total recommended FY16 Operating Budget for the Department of General Services is \$34,245,921, a decrease of \$3,292,409 or 8.8 percent from the FY15 Approved Budget of \$37,538,330. Personnel Costs comprise 42.6 percent of the budget for 221 full-time positions and two part-time positions, and a total of 158.55 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses and Capital Outlay account for the remaining 57.4 percent of the FY16 budget.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Healthy and Sustainable Neighborhoods***
- ❖ ***Strong and Vibrant Economy***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 recommended budget and funding for comparable service levels in FY17.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Office of Energy and Sustainability***
 - ***Recognized by Maryland Energy Administration as a Smart Energy Community***

Looking ahead:

- ***Deploy Solar Photovoltaic systems throughout County facilities.***
- ***Eliminate electricity supply disruptions to critical County facilities through microgrids and on-site generation.***
- ***Benchmark energy performance for County facilities.***
- ***Increase clean electricity purchases from 50 percent in FY15 to 100 percent in FY16.***
- ***Purchase the cleanest and most environmentally responsible energy supply for County operations.***
- ***Coordinate sustainability outreach with County building occupants.***
- ***Forge public private partnerships, grants and other funds to support sustainability initiatives.***

- ❖ **The Office of Real Estate is "greening" the County's leases to include language that will allow DGS to comply with new energy benchmarking requirements.**
- ❖ **The Division of Facilities Management:**
 - Oversees 10 million square feet of County properties consisting of 410 buildings and 5000+ acres.
 - Reprogrammed 1st District Police Station into a multipurpose office building to support swing space and interim office hoteling for County programs.
 - Provides daily operational and maintenance services on newly constructed LEED facilities, including Equipment Maintenance Transit Operations Center (EMTOC) and Judicial Center Annex requiring "green" operational and maintenance services.
 - Stabilized dam systems supporting the campus of the County Public Safety Office Building.
 - Installed a self-contained modular building at the Silver Spring Worker Center.
 - Provided snow removal services and maintained buildings throughout over 300 buildings for 26 snow and storm events during the 2015 winter season.
 - Renovated former animal shelter for use by the Department of Health and Human Services Employment and Training Program.
 - Renovated the Ken-Gar Community Center providing for the renovation/repair/stabilization of the facility with partial support through a State bond bill.
- ❖ **The Division of Central Services:**
 - Piloted state of the art Assistive Listening capabilities in Executive Office Building 9th floor conference room in its Americans with Disabilities Act Program.
- ❖ **Productivity Improvements**
 - **Office of Real Estate**
 - Implemented Oracle's Property Manager module to more efficiently manage the property portfolio.
 - **Information Services**
 - Implemented the Work Order Requester pilot program which allows the Department of Recreation to create and monitor DGS Facilities Work Order requests in the County's ERP production system.
 - **Print and Mail**
 - Converted to the Smart Copier Initiative that saved an estimated one million sheets of paper per year.
 - **Implemented the Digital Store Front to allow for 24 hour on-line access to submit print jobs, streamlining the billing process and report capabilities.**

PROGRAM CONTACTS

Contact Angela Dizelos of the Department of General Services at 240.777.6028 or Erika Lopez-Finn of the Office of Management and Budget at 240.777.2771 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Procurement

This program has been moved to the Office of Procurement. Please refer to section 31.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Percent of Procurements Completed in Agreed Upon Time ¹	81.0	84.0	79.0	79.0	79.0

¹ This figure represents the average for the following: Invitation For Bid - 73%; Request For Proposals - 84%; and Construction: 96% for FY14.

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	2,742,924	23.90
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-2,742,924	-23.90
FY16 CE Recommended	0	0.00

Business Relations and Compliance

This program has been moved to the Office of Procurement. Please refer to section 31.

<i>Program Performance Measures</i>	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Business Relations and Compliance: small, local business percentage of contract dollars	25	25	25	25	25
Percent of Contract Dollars Awarded to Minority/Female/Disabled owned businesses	20	20	20	20	20

<i>FY16 Recommended Changes</i>	Expenditures	FTEs
FY15 Approved	487,370	5.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-487,370	-5.00
FY16 CE Recommended	0	0.00

Automation

The Automation Program provides staffing, material, and support to develop and maintain information systems in support of the Department's business operations. This includes purchase and maintenance of Information Technology (IT) equipment, service and support for major end use systems on a County-wide basis. IT management of applications, databases, systems, and department website design and maintenance is included in this program as well as coordination with the County Department of Technology Services.

<i>FY16 Recommended Changes</i>	Expenditures	FTEs
FY15 Approved	442,468	4.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-442,468	-4.00
FY16 CE Recommended	0	0.00

Notes: This reduction is associated with shifting a portion of operations to the Office of Procurement and the rest of operations to Administration.

Facilities Management

The Division of Facilities Management's mission is to provide for the comprehensive planning and delivery of maintenance services and oversight of building-related operations at County facilities used by County staff and residents. Components of these programs are routine, preventive, correctional and conditional maintenance; housekeeping; grounds maintenance; recycling; building structure and envelope maintenance; electrical/mechanical systems operations and maintenance; small to mid-sized remodeling projects; snow removal, and damage repair from snow, wind, rain, and storm events; and customer service. The Energy Management Program provides technicians to monitor and maintain heating and cooling systems to ensure the most efficient use of these services. In addition, Facilities Management manages several comprehensive Capital Improvements Program (CIP) projects aimed at sustaining efficient and reliable facility operation to protect and extend the life of the County's investment in facilities and equipment.

<i>Program Performance Measures</i>	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Condition of Non-critical Building Systems and Aesthetics	4,512,148	6,335,328	7,343,395	7,343,395	7,343,395
Facilities Maintenance: (ELEVATOR) Number of hours offline for critical building systems such as heating, ventilation, and air conditioning	296	324	300	250	250
Facilities Maintenance: (Heating/Cooling) Number of hours offline for critical building systems such as heating, ventilation, and air conditioning	34	24	24	25	25
Facilities Maintenance: (POWER) Number of hours offline for critical building systems such as heating, ventilation, and air conditioning	243.0	89.0	250.0	250.0	250.0
Facilities Maintenance: (Water Sewage) Number of hours offline for critical building systems such as heating, ventilation, and air conditioning	15	30	30	30	30
Facilities: Customer rating of the aesthetics and comfort of County-maintained buildings	3.50	3.80	3.80	3.80	3.80

<i>FY16 Recommended Changes</i>	Expenditures	FTEs
FY15 Approved	22,812,792	103.90
Increase Cost: Contract Inflation	224,045	0.00
Increase Cost: Annualization of Maintenance Costs for Buildings Opened in FY15	85,445	0.00
Increase Cost: Maintenance Costs for Buildings Opening in FY16	80,179	0.00
Decrease Cost: Supplies, equipment, and other operating expenses	-25,081	0.00
Decrease Cost: Lapse Building Services Worker I	-51,442	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-51,245	-0.10
FY16 CE Recommended	23,074,693	103.80

Energy and Sustainability

The Office of Energy and Sustainability (ES) is responsible for facilitating comprehensive energy and sustainability strategies across County facilities. ES specifically will reduce the environmental impacts of government operations through collaboration, leadership, special projects, innovative partnerships, and performance measurement. Areas of engagement include building energy performance; planning; water; biodiversity; clean energy; fleet and transit; purchasing; materials and resource recovery; and culture and innovation. Specific core functions include executing the County's utility purchasing strategy, monitoring day-to-day utility activities, managing data related to the environmental impacts of operations (e.g., greenhouse gas emissions), deploying renewable energy initiatives, and implementing energy efficiency projects.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Environmental Stewardship: Carbon Footprint from Facilities and Fleet Operations (in metric ton carbon dioxide equivalents)	154,322	164,894	130,992	71,726	71,726

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	101,570	1.00
Shift: Capital Projects Manager position to Office of Energy and Sustainability from the CIP	107,383	1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	19,008	0.00
FY16 CE Recommended	227,961	2.00

Central Duplicating, Imaging, Archiving & Mail Svcs.

This program provides timely and efficient document management through: high-speed photocopying service to all County agencies; desktop and electronic publishing; high-speed color copying; bindery; digital imaging; and electronic and physical archiving of County records. This program also administers and manages the countywide paper and copier contracts. This program also provides for the daily receipt, sorting, and distribution of mail deliveries from the U.S. Postal Service and inter-office mail to County agencies.

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	8,070,305	30.75
Decrease Cost: Abolish Printing Technician III position- Stonestreet	-84,254	-1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-76,448	0.00
FY16 CE Recommended	7,909,603	29.75

Real Estate

This program provides for leasing, site acquisition/disposition, space management, and site evaluation. The leasing function recommends, plans, coordinates, implements, and administers the leasing of real property for both revenue and expense leases, including closed school facilities, at the best economic and operational value to the County. Site acquisition is the purchase of property for County use and disposition is the sale or lease of surplus property. The space management function provides for the efficient and aesthetic utilization of space in County-owned and leased facilities. The site evaluation function provides technical support to site evaluation committees for Capital Improvements Program (CIP) projects.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
County Rent vs. Average Market Rent for Leased Space	20.20	21.72	22.80	23.95	25.15
Real Estate: Average amount Montgomery County pays in rent (in dollars per square foot)	20.20	22.74	23.53	24.36	25.21

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	900,523	7.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	49,177	0.00
FY16 CE Recommended	949,700	7.00

Building Design and Construction

This program provides for the overall management of the Department's Capital Improvements Program (CIP) for facilities. This program includes the comprehensive, timely, economic and environmentally efficient planning, designing and construction of buildings for County use as well as public venues owned by the County. This program also provides comprehensive architectural and engineering services from planning through design. Functional elements include programming, contract administration, planning management, design management, and project management. The planning, design, and construction of facilities is accomplished in accordance with LEED Silver standards as required by County regulation, and following best practices in project design and

construction estimating, and the timely delivery of facilities based on project schedules developed for and published in the County CIP. This program is fully charged to the CIP.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Building Design and Construction – Percent of projects meeting initial design timeline	75	83	83	83	83
Building Design and Construction: Percent of projects meeting initial construction costs	94	93	93	93	93
Building Design and Construction: Percent of projects meeting initial construction timeline	88	86	86	86	86
Building Design and Construction: Percent of projects meeting initial design costs	83	83	83	83	83

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	0	0.00
FY16 CE Recommended	0	0.00

Notes: This program is funded through the Capital Improvements Program budget, not the operating budget.

Administration

Administration services in the Department are provided in three key areas:

- The Director’s Office provides overall leadership for the Department, including policy development, planning, accountability, service integration, and customer service. The Director’s Office also handles administration of the day-to-day operations of the Department, including direct service delivery, operating and capital budget preparation and administration, training, contract management logistics, and facilities support and human resources.
- The County Executive’s Strategic Growth Initiative and other key strategic capital initiatives are also directed through the Office of Planning and Development in the Director’s office.
- The Division of Central Services provides oversight and direction of the preparation and monitoring of the Operating and Capital Improvements Program (CIP) budgets for the department; fuel management; payment processing, inventory and facility management; the management and administration of computer and office automation activities; oversight of all personnel activities of the Department of General Services; Strategic Planning for the Director; and oversight and management for increasing access to County facilities for residents and employees with disabilities.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Customer Satisfaction: Average Score Given to all DGS Operations in a Survey across Montgomery County Government	2.85	2.90	2.90	3.00	3.00

FY16 Recommended Changes	Expenditures	FTEs
FY15 Approved	1,980,378	15.20
Decrease Cost: Turnover Savings from Property Manager I	-49,105	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	152,691	0.80
FY16 CE Recommended	2,083,964	16.00

BUDGET SUMMARY

	Actual FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	11,514,321	11,060,595	11,743,600	8,698,611	-21.4%
Employee Benefits	4,265,866	4,105,273	4,612,903	3,447,667	-16.0%
County General Fund Personnel Costs	15,780,187	15,165,868	16,356,503	12,146,278	-19.9%
Operating Expenses	22,563,821	14,302,157	15,533,365	14,190,040	-0.8%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	38,344,008	29,468,025	31,889,868	26,336,318	-10.6%
PERSONNEL					
Full-Time	220	222	222	192	-13.5%
Part-Time	3	3	3	1	-66.7%
FTEs	153.58	160.00	160.00	128.80	-19.5%
REVENUES					
Miscellaneous Revenues	100,571	85,000	120,000	120,000	41.2%
County General Fund Revenues	100,571	85,000	120,000	120,000	41.2%
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	8,263	0	0	0	—
Employee Benefits	2,272	0	0	0	—
Grant Fund MCG Personnel Costs	10,535	0	0	0	—
Operating Expenses	161,044	0	0	0	—
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	171,579	0	0	0	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
PRINTING AND MAIL INTERNAL SERVICE FUND					
EXPENDITURES					
Salaries and Wages	1,580,429	1,697,306	1,572,607	1,716,797	1.1%
Employee Benefits	680,622	717,108	716,116	724,266	1.0%
Printing and Mail Internal Service Fund Personnel Costs	2,261,051	2,414,414	2,288,723	2,441,063	1.1%
Operating Expenses	3,970,634	5,523,891	5,533,891	5,336,540	-3.4%
Capital Outlay	0	132,000	0	132,000	—
Printing and Mail Internal Service Fund Expenditures	6,231,685	8,070,305	7,822,614	7,909,603	-2.0%
PERSONNEL					
Full-Time	29	30	30	29	-3.3%
Part-Time	1	1	1	1	—
FTEs	29.50	30.75	30.75	29.75	-3.3%
REVENUES					
Imaging/Archiving Revenues	1,381,446	0	3,100,000	1,300,249	—
Mail Revenues	2,010,942	2,424,973	2,335,317	2,328,351	-4.0%
Miscellaneous Revenues	30,675	0	0	0	—
Print Revenues	2,803,591	3,357,627	1,561,724	2,851,559	-15.1%
Other Charges/Fees	1,302,876	3,094,244	1,749,159	1,500,000	-51.5%
Printing and Mail Internal Service Fund Revenues	7,529,530	8,876,844	8,746,200	7,980,159	-10.1%
DEPARTMENT TOTALS					
Total Expenditures	44,747,272	37,538,330	39,712,482	34,245,921	-8.8%
Total Full-Time Positions	249	252	252	221	-12.3%
Total Part-Time Positions	4	4	4	2	-50.0%
Total FTEs	183.08	190.75	190.75	158.55	-16.9%
Total Revenues	7,630,101	8,961,844	8,866,200	8,100,159	-9.6%

FY16 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY15 ORIGINAL APPROPRIATION	29,468,025	160.00
Other Adjustments (with no service impacts)		
Increase Cost: FY16 Compensation Adjustment	392,735	0.00
Increase Cost: Contract Inflation [Facilities Management]	224,045	0.00
Shift: Capital Projects Manager position to Office of Energy and Sustainability from the CIP [Energy and Sustainability]	107,383	1.00
Increase Cost: Retirement Adjustment	102,205	0.00
Increase Cost: Annualization of Maintenance Costs for Buildings Opened in FY15 [Facilities Management]	85,445	0.00
Increase Cost: Maintenance Costs for Buildings Opening in FY16 [Facilities Management]	80,179	0.00
Increase Cost: Group Insurance Adjustment	38,716	0.00
Decrease Cost: Printing and Mail	-18,857	0.00
Decrease Cost: Supplies, equipment, and other operating expenses [Facilities Management]	-25,081	0.00
Decrease Cost: Motor Pool Rate Adjustment	-32,778	0.00
Decrease Cost: Turnover Savings from Property Manager I [Administration]	-49,105	0.00
Decrease Cost: Lapse Building Services Worker I [Facilities Management]	-51,442	0.00
Decrease Cost: Annualization of FY15 Personnel Costs	-124,056	-0.20
Shift: Reorganization and Creation of Office of Procurement	-3,861,096	-32.00
FY16 RECOMMENDED:	26,336,318	128.80
PRINTING AND MAIL INTERNAL SERVICE FUND		
FY15 ORIGINAL APPROPRIATION	8,070,305	30.75
Other Adjustments (with no service impacts)		
Increase Cost: FY16 Compensation Adjustment	75,409	0.00
Increase Cost: Retirement Adjustment	27,080	0.00
Increase Cost: Retiree Health Insurance Pre-funding Adjustment	19,260	0.00
Increase Cost: Group Insurance Adjustment	8,789	0.00
Increase Cost: Anniversary Circle lease	6,060	0.00
Decrease Cost: Motor Pool Rate Adjustment	-60	0.00
Decrease Cost: Annualization of FY15 Personnel Costs	-375	0.00
Decrease Cost: Printing and Mail	-2,977	0.00
Decrease Cost: Abolish Printing Technician III position- Stonestreet [Central Duplicating, Imaging, Archiving & Mail Svcs.]	-84,254	-1.00
Decrease Cost: Replacement Equipment Purchases	-98,000	0.00
Decrease Cost: Supplies and other operating expenses	-111,634	0.00
FY16 RECOMMENDED:	7,909,603	29.75

PROGRAM SUMMARY

Program Name	FY15 Approved		FY16 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Procurement	2,742,924	23.90	0	0.00
Business Relations and Compliance	487,370	5.00	0	0.00
Automation	442,468	4.00	0	0.00
Facilities Management	22,812,792	103.90	23,074,693	103.80
Energy and Sustainability	101,570	1.00	227,961	2.00
Central Duplicating, Imaging, Archiving & Mail Svcs.	8,070,305	30.75	7,909,603	29.75
Real Estate	900,523	7.00	949,700	7.00
Building Design and Construction	0	0.00	0	0.00
Administration	1,980,378	15.20	2,083,964	16.00
Total	37,538,330	190.75	34,245,921	158.55

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY15		FY16	
		Total\$	FTEs	Total\$	FTEs
COUNTY GENERAL FUND					
CIP	CIP	7,701,345	57.58	7,872,539	55.80

Charged Department	Charged Fund	FY15		FY16	
		Totals	FTEs	Totals	FTEs
Fleet Management Services	Motor Pool Internal Service Fund	561,065	3.10	553,836	2.80
Liquor Control	Liquor Control	348,960	1.20	359,565	1.20
Parking District Services	Bethesda Parking District	6,165	0.05	0	0.00
Parking District Services	Silver Spring Parking District	6,165	0.05	0	0.00
Solid Waste Services	Solid Waste Disposal	105,717	0.60	48,223	0.10
Transit Services	Mass Transit	23,533	0.20	0	0.00
Undefined Work Orders	Undefined Fund	749,029	3.50	749,029	3.50
Total		9,501,979	66.28	9,583,192	63.40

FUTURE FISCAL IMPACTS

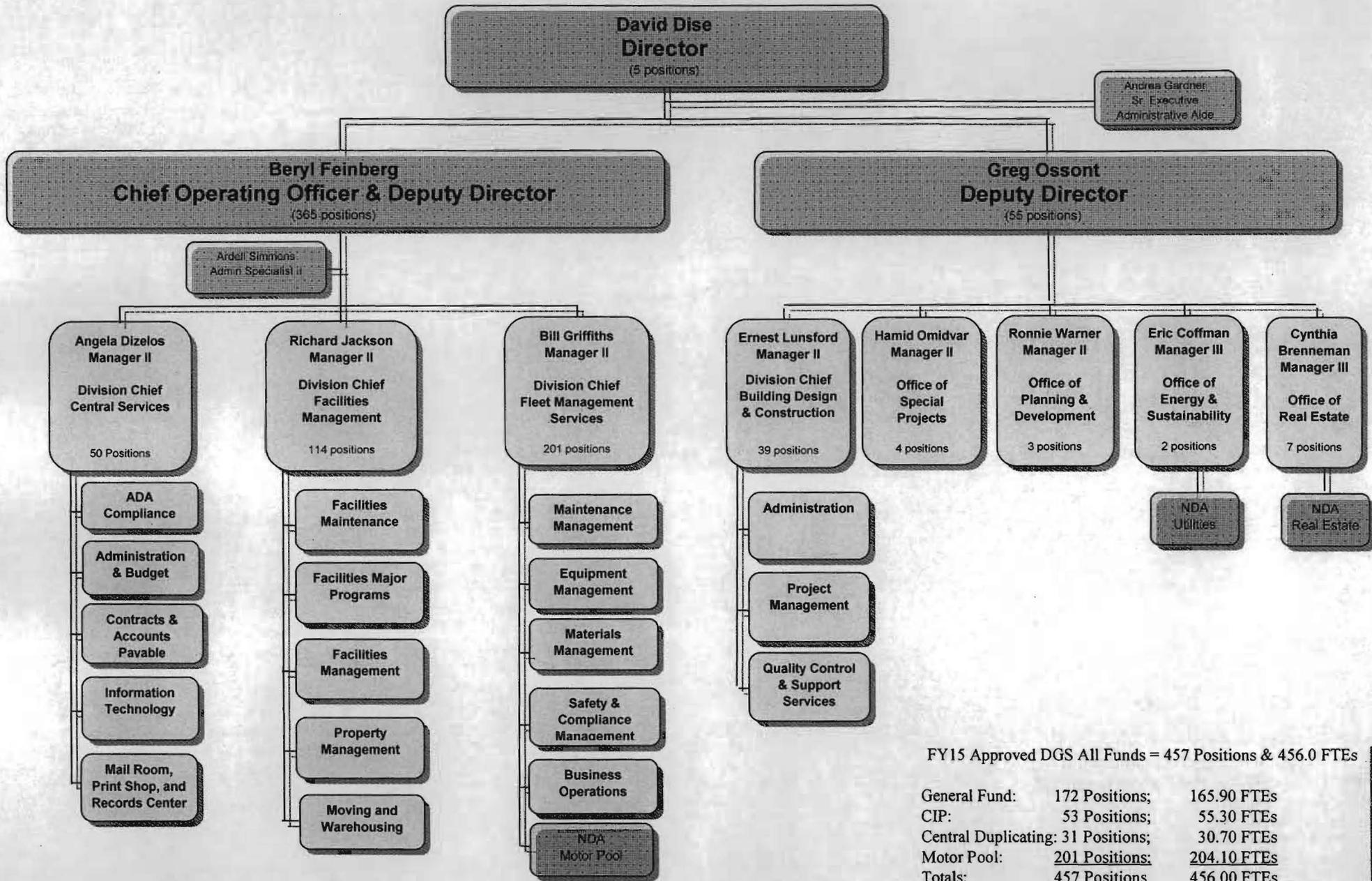
Title	CE REC.			(S000's)		
	FY16	FY17	FY18	FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY16 Recommended	26,336	26,336	26,336	26,336	26,336	26,336
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	47	47	47	47	47
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Subtotal Expenditures	26,336	26,383	26,383	26,383	26,383	26,383
PRINTING AND MAIL INTERNAL SERVICE FUND						
Expenditures						
FY16 Recommended	7,910	7,910	7,910	7,910	7,910	7,910
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	16	16	16	16	16
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Retiree Health Insurance Pre-funding	0	0	-6	-12	-15	-18
These figures represent the estimated cost of pre-funding retiree health insurance costs for the County's workforce.						
Subtotal Expenditures	7,910	7,925	7,920	7,914	7,910	7,907



FY15 DEPARTMENT OF GENERAL SERVICES

FY15 Mid-Year Reorganization = 425 positions*

5



FY15 Approved DGS All Funds = 457 Positions & 456.0 FTEs

General Fund:	172 Positions;	165.90 FTEs
CIP:	53 Positions;	55.30 FTEs
Central Duplicating:	31 Positions;	30.70 FTEs
Motor Pool:	201 Positions;	204.10 FTEs
Totals:	457 Positions	456.00 FTEs

*Expedited Bill 7-15, Reorganization-Executive Branch-Procurement, effective March 26, 2015. 32 DGS positions shifted to the new Office of Procurement.

Annual Energy Montgomery County Sustainability Report Office of Energy and Sustainability, Department of General Services, Montgomery County Government

I. Background:

A. Scope

The Office of Energy and Sustainability (OES) was established within the Department of General Services (DGS) to implement comprehensive and crosscutting initiatives to reduce the environmental footprint of County operations.

This report documents activities underway by the County Government to reduce the environmental footprint of operations. This report includes key efforts by the Department of General Services and other partner Departments. This report represents a significant piece, but not the full breadth of efforts to green operations. Over the next year, OES will work with County Departments and other stakeholders to compile information on Montgomery County Government sustainability and energy measure into a common annual report.

B. Responsibilities:

Montgomery County Council Bill 6-14 defines the Office of Energy and Sustainability's responsibilities as:

- Develop an energy baseline, energy unit savings plan, and energy cost savings plan for the County's building portfolio;
- Develop a comprehensive plan to reduce the energy consumption and impact of fleet operations, which may include the use of alternative fuels, reductions in vehicle miles traveled, improvements in vehicle efficiency, or vehicle electrification;
- Execute plans to use Energy Performance Contracting to improve the efficiency of County buildings;
- Develop and execute the County's renewable energy plans, including the purchase of renewable energy and deployment of solar and other clean energy sources across County facilities;
- Coordinate with the Office of Procurement to develop green and environmentally preferable purchasing plans;
- Develop initiatives, plans and projects to reduce the environmental impact of County operations and foster a culture of sustainability within the County Government; and
- Prepare and submitting data summarizing efforts to reduce the environmental impact of County operations to any annual Sustainability report prepared by the County.

C. How OES Operates:

OES works closely with peers across the County to foster cross-departmental initiatives and joint projects. OES focuses on facilitating actions, reporting on progress of County government focused green initiatives, and overseeing innovative high-value projects. OES currently

- Administer utility purchasing and management.

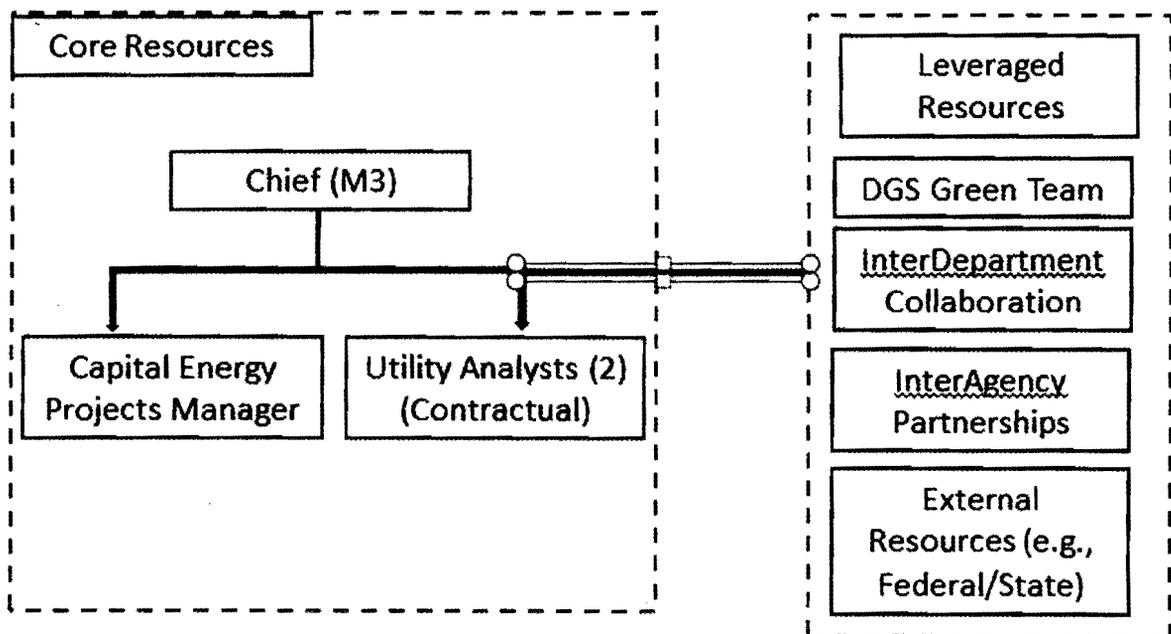
- Implement public private partnerships to install onsite solar, wind, and microgrid installations on County facilities.
- Coordinate green initiatives across the Department of General Services including building design and construction, maintenance and fleet efforts.
- Coordinate expansion of green purchasing activities with the Office of Procurement
- Advise and serve as an internal consultant to County Departments on sustainability and energy issues.
- Collect and disseminate information on County sustainability efforts to peer Departments, Agencies and the general public
- Collaborate energy and sustainability metrics with CountyStat and the Office of Management and Budget
- Identify innovative and new ways to embed sustainability into County business and operational practices.
- Seek external resources and partnerships to advance County sustainability projects.

D. Structure and Resources:

Staffing

OES is currently staffed with one Chief, a Capital Projects Manager and two contracted utility analysts.

Organization Chart:



The Office organized a collaborative network of staff within each Division of DGS. This effort is coordinated through a "Green Team". The "Green Team" is a Departmental pilot, but DGS ultimately envisions working with peer Departments to establish their own teams to foster a

culture of sustainability in County operations. The County has invited other Departments to participate in team activities.

The team will contribute to a sustainable operations plan with green actions related to energy, air, water, fleet, environmentally preferable products, innovation and more across County operations. Team members will also serve as ambassadors to Green day-to-day work activities amongst their peers. The team will rotate periodically and is encouraged to form green “squads” in their home Divisions and Offices.

The “Green Team”



Front Left to Right: Anita Brady (OHR), Annette Cheng, Eric Coffman, Brenda Salas (Formerly OHR – left organization since photo), Brian Donohue, Grace Denno, Maurice Betaharon, Yung Kang, Angela Dizelos. Back Left to Right: Bob Norris, Ernie Lunsford, Lisa Alderson, Jan Wilson (Retired), Homer Bakhtiary, Hamid Omidvar, Calvin Jones, Peter McGinnity, Victor Sousa. Not Shown: Melissa Boone-Miller (OHR), Cindy Brenneman, Rassa Davoodpour, Bill Griffiths, Richard Jackson, Pam Jones, Rick Taylor, Ronnie Warner, Doug Weisburger (DEP) Jennifer Woolfer (Facilitator – Strategic Sustainability Consulting)

Leveraging Utility Budgets

A key component of the County’s sustainability strategy, is to leverage the County’s Utilities NDA and other utility budgets to fund improvements to facilities, long term contracts for energy from sustainable sources, and other improvements. This approach allows the County to spend utility budgets effectively with the same end result. Similar to an Enterprise fund, paying for the utility savings, capital cost avoidance, and other operational cost reductions through energy savings. For example, the County is funding its Energy Performance Contracting initiative by shifting funding from the utilities NDA to the County debt service fund where energy savings pay for the principle and interest of debt. The County is also leveraging its energy purchasing authority to create long term contracts for renewable energy hosted on County facilities. These systems are designed, financed, built, owned and maintained by third parties. The County agrees to purchase the electricity for a long period of time at a cost-effective negotiated rate. Similarly, the County is developing comprehensive microgrids on County facilities that combine efficient gas driven generator, energy storage, energy conservation measures to provide uninterrupted energy supply for critical facilities while containing energy costs.

E. County Government Green Efforts and Achievements:

Below is a summary of key accomplishments and efforts by DGS Divisions and other Departments in coordination with OES:

A. Energy Efficiency and Conservation:

- Executing a contract for an advanced energy data management system to process, validate, and analyze utility data. The system will allow DGS to identify savings opportunities, track the results of improvements, and automatically performance benchmark projects.
- Developed, in partnership with the Institute for Market Transformation (IMT), a green leasing tool to assist in negotiating future leases that include utility data transparency, energy efficient building systems (e.g., lighting, heating and cooling) and other green features (e.g., electric vehicle charging stations).
- Initiated a 6 year plan, with \$81 million dollars of alternative financing, to implement energy efficiency improvements to over a dozen facility vial energy performance contracting. The County has completed the first of these projects, a \$4.1 million dollar retrofit of the 401 Hungerford Building which is anticipated to reduce costs by over \$159,000 annually and reducing the County's greenhouse gas footprint over 650 metric tons carbon dioxide equivalent (MTCO₂E). Three additional projects are underway, with a pipeline of additional projects in planning.
- Implemented a demand response program to reduce peak electricity consumption in County facilities. The County's participation in this program contributes to efforts to preserve the regional utility grid during periods of peak demand. The County has received rebates exceeding \$70,000 for its efforts.
- Constructed 14 United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) facilities with additional buildings in planning/design. Facilities incorporate a variety of green features including on-site renewable energy systems, vegetative roofs, energy efficient building features, and water capture and reuse.

B. Alternative Energy and Clean Energy Purchasing

- Issued a Request for Energy Proposals (RFEP) for Solar Photovoltaic Systems on County facilities. The County awarded the Contract to SolarCity Corporation. The county has contracted for solar on 13 facilities, including 15 solar arrays. The project as contracted totals over 5 megawatts of capacity, generating enough power for 500 single family homes.
- Issued an RFEP for additional 11 solar projects reserved for Local Small Business Reserve Program (LSBRP) participants. Responses due April 24, 2015.
- Purchased 50% of the County's electricity supply from renewable sources in FY15, an increase of 30% from FY14. The County will purchase 100% clean electricity in FY16.
- Issued an RFEP for microgrids on three County facilities including Public Safety Headquarters, the Equipment Maintenance and Transit Operations Center (EMTOC), and the Clarksburg Correctional Institution. Microgrids localize energy generation to enhance reliability, reduce operating costs, and generate cleaner power than the utility grid. The County received 14 responses and created a short list of 6 companies, final proposals are due April 23, 2014.

C. Fleet Reductions and Transportation Efficiency

- Developed a County Green Fleet Plan, establishing a long term fuel neutral approach to an efficient, environmentally responsible fleet.
- Reduced fleet size by 350 vehicles while maintaining the same level of functionality.
- Increased the number of Alternative Fuel Vehicles from 491 in FY09 to 787 in FY14. This includes vehicles powered by ethanol, compressed natural gas, and electricity.
- Increased consumption of alternative fuels from 18.7% in FY09 to 22% in FY14.
- Increased the average fuel efficiency of the administrative fleet from 14.5 miles per gallon (MPG) in FY12 to 25.5 MPG in FY14.
- Increased the average fuel efficiency of the public safety fleet from 12.3 MPG in FY12 to 15.6 MPG in FY14.
- Deployed the electric charging infrastructure to support the County's Electric Vehicle Pilot. This includes 8 charging stations to support five electric vehicles and ten plug hybrids.
- DGS will start deploying publically available charging stations in FY15.
- Deployed an innovative telematics pilot to track the idling time of select administrative vehicles. The results of this pilot have been used to provide feedback to users. For vehicles under the pilot, idling time has been reduced 40%.
- Preparing comprehensive plans for heavy duty vehicle electrification, including a proposed pilot for three electric buses.

The County is not currently using biodiesel due to performance issues incurred in previous pilots. The County is evaluating options to incorporate biodiesel into County operations. The County's primary focus is a fleet that is fuel neutral, emphasizing improved fleet efficiency, optimization and right sizing.

D. Green Purchasing

- The Office of Procurement and the Montgomery County Interagency Purchasing Committee – Green Initiative developed a comprehensive web tool to help County purchasing staff and project managers select green products or services. . The website includes a green policy, green guidelines and a tool-kit to assist purchasers in vetting appropriate options.
- Added Montgomery County Green Business Certification as a searchable field in the County's vendor database, enabling buyers to identify suppliers that incorporate green practices in their operations.
- Conducted an office supply fair featuring an expo of green products concurrent with the launch of the County's new office supply contract.
- Eliminated expanded and rigid polystyrene (Styrofoam) from County food contracts

E. Central Duplicating

- Purchased 35% post-consumer content paper, with a goal of buying 50% recycled, for all print shop supplied paper.
- Instituted the new copier contract that includes a wide variety of energy and cost saving features. The copiers require that a user swipe their badge to print; copiers delete unprinted files; default to black and white; double sided printing, and allow users to delete unwanted files. Combined, these features have saved 529,000 sheets of paper

equivalent to over 15 MTCO₂E of greenhouse gas emissions and 814,000 gallons of water savings.

- Collected and recycle used copier toner cartridges, from County printers, at key facilities
- Preparing to issue an request for proposals RFP for Forest Stewardship Council – Chain of Custody Certification (COCC). COCC certification recognizes organizations that are incorporating sustainable practices throughout the lifecycle of the product and service.
- Launched “digital storefront” that will allow print jobs to be ordered online, eliminating paper requisition forms.

F. Recognition and Awards:

- Montgomery County was designated a *Maryland Smart Energy Community (MSEC)*, receiving a total of \$1,000,000 of grant funds over the last two years.
- Received Five National Association of Counties awards for sustainability focused initiatives to reduce energy consumption, enable smarter growth, and cutting edge green facilities and campuses.
- The Montgomery County Clean Energy Purchasing Group is currently ranked Number 5 amongst local government purchasers of renewable energy and 22nd amongst all purchasers tracked by the Environmental Protection Agency’s (EPA) Green Power Partnership.
- Montgomery County was recognized by the White House for its aggressive commitment to develop 6 MW of renewable energy across the County portfolio.
<http://www.whitehouse.gov/the-press-office/2014/09/18/fact-sheet-white-house-announces-executive-actions-and-commitments-acros>

G. Upcoming Initiatives:

OES is currently expanding efforts as the Office's infrastructure is established. Key upcoming efforts through FY16 include.

- Establishing core sustainability goals, in partnership with CountyStat for all County Departments.
- Developing an annual report and sustainability scorecard to communicate progress towards key goals, analogous to a Corporate Sustainability Report.
- Publishing energy performance and other indicators in key public facilities.
- Expanding outreach initiative to educate the Montgomery County community on the green efforts underway in County facilities.
- Developing a renewable energy goal and standards for incorporating renewable energy into new and existing public facilities. These standards will be incorporated in the County via Executive Regulation.
- Develop and maintain analytical efforts to track and report on the social cost of carbon. The social cost of carbon is the U.S. Environmental Protection Agency’s estimate for the amount of global social harm from the emission of greenhouse gases.

**Council Staff Questions
FY16 Operating Budget**

General

1. Please provide an updated organization chart. See attached
2. Please provide an updated department presentation (excluding Procurement and OBRC).
See attached
3. Please provide additional details and breakout for multi-program adjustments made in Automation, Administration, Facilities Management, and Energy and Sustainability, and the Real Estate Program.

Multi-program adjustments are the difference between personnel costs from the FY15 Council approved budget and the FY16 CE Recommended budgets and then adjusted by the personnel cost amounts from other line items. The leftover is what is referred to as the multi-program adjustment line item. This item reflects the annualization of the current fiscal year service increments, benefit rate changes, and salary/benefit adjustments based on staff turnover, reclasses, etc.

For publication purposes, this item is automatically calculated within each program.

Automation

4. Please provide breakout of total funds and FTEs shifted to the Office of Procurement and to DGS –Administration.

Program	FY15 FTEs	FY16 FTEs	Comments
Automation	4.0	0.0	<p>In FY15, the Automation program was a sub-section displayed under Administration. Four IT positions were displayed under Automation even though positions were categorized in other programs. For the FY15 display, 4.0 FTEs were split out from the following programs and added to the Automation program.</p> <ul style="list-style-type: none"> • 2.0 FTEs – Central Service Administration (Sr IT Spec and IT Spec) • FTE – Facilities (IT Specialist) • FTE – Procurement (IT Specialist) <p>In FY16, departments reflected where positions were budgeted. For FY16, the 4.0 FTEs previously displayed under Automation are now displayed under the following programs where the position is funded.</p> <ul style="list-style-type: none"> • 2 FTEs costing \$217,123 (Sr Info Technology Spec, Grade 28 and Info Technology Spec III, Grade 26) displayed under Administration -General Fund; both positions are under Central Services. • 1 FTE costing \$98,958 (Info Technology Tech III, Grade 19) displayed under Facilities-General Fund • 1 FTE costing \$109,132 (Info Technology Spec III, Grade 26), shifted to and is displayed under the new Office of Procurement

Facilities Management

5. Please provide any additional information on \$25,000 reduction of supplies, equipment and other operating expenses.

Cost Center	Program	\$\$	Description
36000/69999	Director's Office	-1,000	FY16 Reduction in miscellaneous operating expenditures
36100/69999	Central Services	-3,000	FY16 Reduction in miscellaneous operating expenditures
36400/69999	Facilities	-1,000	FY16 Reduction in miscellaneous operating expenditures
36400/62028	Facilities	-10,000	FY16 Reduction in soap and toilet paper purchases at public facilities that are not covered in contracts.
\$10,081/63700	Facilities	-10,081	Decrease related to increasing OE chargebacks to other departments based on May 2014 CPI increase of 2.1%. DGS maintenance was not decreased.

6. Please provide an update on the Work Order Requester pilot program that the Department of Recreation is participating in. Have plans been established to expand this pilot to other departments or launch for all County departments?

The pilot program for the Work Order Requester was implemented in November 2014. Recreation received training and access to the Oracle work order system to be able to submit maintenance requests. A total of 15 Recreation staff received training and access to the work order system. The department has submitted 113 works from November 2014 to March 2015. The plan is to expand this pilot to HHS prior to launching for all County departments.

7. What facilities have opened in FY15?
 The Division of Facilities Management assumes maintenance responsibilities of a new project upon issuance of a Use and Occupancy (U&O) permit. In FY15, we received Use and Occupancy of Scotland Neighborhood Recreation Center in October 2014. In addition, we renovated and re-purposed the old 1D Police Station to become swing space in support of office renovations and refresh work associated with the ESCO projects.
8. What new facilities are anticipated to open in FY16? Please also indicate for each facility the square foot area and expected occupancy date. What maintenance costs are estimated for the new facilities?

Between the end of FY15 and all of FY16, the following facilities are anticipated to open (receive U&O):

- Silver Spring Library (17,650 sq ft; April 2015; \$ \$85,445 for FY16)

- Dennis Avenue Health Center (additional 21,583 sq ft; Dec 2015; no change from existing facility)
- North Potomac Recreation Center (48,084; February 2016; \$64,110 for FY16)
- Ross Boddy Neighborhood Recreation Center (additional 8,764 sq ft; May 2016; \$16,070 for FY15)

9. The following six elements were identified for Facilities Management in the March 2014 Infrastructure Maintenance Task Force report. Please provide updated totals for the amount included in the recommended budget for each item.

Infrastructure Element	Component	Maintenance Activity	Annual Requirement	FY14 Approved Budget	FY15 Proposed Budget	FY16 Recommended Budget
HVAC	Heating, ventilation, air conditioning systems and components of facilities	Preventative maintenance of HVAC systems and components	\$1,901,200	\$489,132	\$489,132	\$814,475
Electrical	Electrical Systems and components of facilities	Preventative maintenance of electrical systems and components	\$1,425,900	\$441,352	\$441,352	\$457,000
Structural	Structural systems and components of facilities	Preventative maintenance of structural systems and components	\$1,425,900	\$1,406,244	\$865,002	\$1,202,657
Roofing	Roofing systems and components of facilities	Preventative maintenance of roofing systems and components	\$250,000	\$158,000	\$158,000	\$60,000
Exterior Painting	Facilities maintained by Division of Facilities Management	Painting	\$475,300	\$0	\$0	\$20,000
Grounds	Grounds areas adjacent to facilities	Preventative maintenance of grounds areas adjacent to facilities	\$2,400,000	\$1,729,927	\$1,611,367	\$1,889,564

The FY16 Recommended Column reflects a reallocation of budgeted amounts per each category based on FY14 and FY15 actual expenditures. In the case of HVAC, Electrical, Structural, and Roofing, level of effort projects in the CIP also contribute funds for necessary maintenance.

10. Please provide budgeted expenses for janitorial services? Also, please describe what activities are not supported by the total recommended funding level?

The FY16 budget for janitorial services includes \$5,742,310 in contractual services, and 27 FTEs for \$1,714,170 in personnel costs; a total of \$7,456,480. The CE's Recommended budget maintains the current level of service by keeping pace with contract inflation and by providing additional funding for new facilities opening in FY15 and FY16. This is despite a reduction target of 3% for DGS of about \$900,000. The County Executive ultimately chose to make cuts in other parts of the County budget – the cuts in DGS are relatively minor that won't impact maintenance activities – because he made it a priority to preserve facility maintenance.

11. So far, what are the FY15 overtime totals?

As of April 9, 2015, FY15 overtime dollars totaled \$677,567.

12. What non-budgeted resources were deferred to inclement weather and other emergencies?

DGS does not receive an appropriation for snow and storm costs. This fiscal year, costs for snow and storm are estimated at \$8.9 million. In addition, based on second quarterly analysis, DGS is expected to overspend its budget by \$2.3million on facility maintenance for non-budgeted incidents.

Energy and Sustainability

13. What is the rationale for shifting the Capital Projects Manager position from the CIP? Which CIP project is this position being shifted from?

The Capital Project Manager was shifted from the CIP to the General Fund to manage the upcoming solar photovoltaic projects and other cost containing energy management duties. The position was vacant in the Silver Spring Transit Center. Savings from the solar photovoltaic projects will accrue to the utilities NDA starting as early as FY16, and \$107,383 was transferred from the Utilities NDA to accommodate this position.

14. Please provide an update on new initiatives (Microgrids, Solar Photovoltaic systems, carbon footprint reductions, grant opportunities, etc.) within this Office.

See attached Sustainability Report

Central Duplicating

15. Are there any service impacts associated with the Printing Tech III position abolishment?

There are no service impacts associated with this position abolishment. Per MOU with Montgomery County Public Schools, this position assigned to the Stonestreet Print Shop reverts to MCPS when the incumbent retires. Montgomery County Public Schools can choose to fill or not fill the position.

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