

EXECUTIVE RECOMMENDATION



HVAC (Mechanical Systems) Replacement: MCPS (P816633)

Category	Montgomery County Public Schools	Date Last Modified	12/20/22
SubCategory	Countywide	Administering Agency	Public Schools
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Planning, Design and Supervision	40,800	12,650	6,450	21,700	3,200	5,700	3,500	3,100	3,100	3,100	-
Construction	211,419	75,279	28,340	107,800	16,800	29,300	15,500	15,400	15,400	15,400	-
Other	3,000	-	3,000	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	255,219	87,929	37,790	129,500	20,000	35,000	19,000	18,500	18,500	18,500	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
G.O. Bonds	171,216	78,127	11,489	81,600	12,600	21,350	12,250	11,800	11,800	11,800	-
Recordation Tax	3,000	3,000	-	-	-	-	-	-	-	-	-
State Aid	81,003	6,802	26,301	47,900	7,400	13,650	6,750	6,700	6,700	6,700	-
TOTAL FUNDING SOURCES	255,219	87,929	37,790	129,500	20,000	35,000	19,000	18,500	18,500	18,500	-

COMPARISON (\$000s)

	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years	FY 24 Approp.
Prior Year Approved	245,219	76,497	49,222	119,500	20,000	25,000	19,000	18,500	18,500	18,500	-	25,000
Agency Request	255,219	87,929	37,790	129,500	20,000	35,000	19,000	18,500	18,500	18,500	-	35,000
Recommended	255,219	87,929	37,790	129,500	20,000	35,000	19,000	18,500	18,500	18,500	-	35,000

CHANGE	TOTAL	%	6-YEAR	%	APPROP.	%
Agency Request vs Prior Year Approved	10,000	4.1%	10,000	8.4%	10,000	40.0%
Recommended vs Prior Year Approved	10,000	4.1%	10,000	8.4%	10,000	40.0%
Recommended vs Agency Request	-	-	-	-	-	-

RECOMMENDATION

Approve with Technical Modifications. State Aid updated with most recent assumption with agreement from MCPS and County Council staff.



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EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
Planning, Design and Supervision	40,800	12,650	6,450	21,700	3,200	5,700	3,500	3,100	3,100	3,100	-
Construction	211,419	75,279	28,340	107,800	16,800	29,300	15,500	15,400	15,400	15,400	-
Other	3,000	-	3,000	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	255,219	87,929	37,790	129,500	20,000	35,000	19,000	18,500	18,500	18,500	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
G.O. Bonds	159,366	78,127	11,489	69,750	10,000	22,500	9,500	9,250	9,250	9,250	-
Recordation Tax	3,000	3,000	-	-	-	-	-	-	-	-	-
State Aid	92,853	6,802	26,301	59,750	10,000	12,500	9,500	9,250	9,250	9,250	-
TOTAL FUNDING SOURCES	255,219	87,929	37,790	129,500	20,000	35,000	19,000	18,500	18,500	18,500	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 24 Request	35,000	Year First Appropriation	FY81
Cumulative Appropriation	145,719	Last FY's Cost Estimate	245,219
Expenditure / Encumbrances	-	Partial Closeout Thru FY22	64,581
Unencumbered Balance	145,719	New Partial Closeout	-
		Total Partial Closeout	64,581

PROJECT DESCRIPTION

This project provides for the systematic replacement of heating, ventilating, air conditioning, automated temperature controls, and plumbing systems for MCPS facilities. This replacement approach is based on indoor environmental quality (IEQ), energy performance, and maintenance data. Qualifying systems and/or components are selected based on the above criteria and are prioritized within the CIP through a rating system formula. MCPS is participating in interagency planning and review to share successful and cost effective approaches. The Indoor Air Quality and Energy Conservation projects are now merged with this project to better reflect the coordination of work performed. The work-years reflected in this project are from that merger. An FY 2020 appropriation was approved to continue this level of effort project to address mechanical system upgrades and/or replacements of systems at various schools throughout MCPS. An FY 2021 appropriation was requested for mechanical systems upgrades and/or replacements for Clarksburg, Brookhaven, Meadow Hall, and Ronald McNair elementary schools and the fourth phase of Quince Orchard High School.

However, due to fiscal constraints, the County Council reduced the FY2021 appropriation by \$9 million less than the Board of Education's request. Therefore, the list shown above will be aligned with the approved funding level for FY2021. An FY 2022 appropriation and amendment to the FY2021-2026 CIP was approved to reinstate expenditures in FY 2022 that were removed as part of the adopted FY2021-2026 CIP. In addition, the Board of Education's requested amended CIP included the FY 2021 supplemental appropriation of \$3.0 million to address Covid-19 related indoor air quality and HVAC enhancements, that was approved by the County Council. The approved FY 2022 appropriation and amendment will address mechanical system upgrades and/or replacements of schools systemwide. An FY 2023 appropriation was approved for mechanical systems upgrades and/or replacements at various schools throughout the county. However, the County Council, in the adopted FY2023-2028 CIP decreased expenditures in FY2023, therefore, the number of projects to be completed will be reduced to align with the approved expenditures. Implementation of this program will also be based on implications of construction cost increases and supply chain interruptions. An FY 2024 appropriation and amendment to the FY 2023-2028 CIP is requested to address the backlog of HVAC projects and provide additional funding due to the impact on construction costs as a result of the COVID-19 pandemic.

OTHER

Master Plan for School Facilities, Department of Environmental Protection, Department of Health and Human Services, American Lung Association, County Government, Interagency Committee--Energy and Utilities Management, MCPS Resource Conservation Plan, County Code 8-14a

FY 2023 -- Salaries and Wages: \$253K, Fringe Benefits: \$107K, Workyears: 3 FY2024-2028 -- Salaries and Wages: \$1.3M, Fringe Benefits: \$567K, Workyears: 15

FISCAL NOTE

Reflects MCPS correction for funding allocations prior to FY19. FY20 supplemental in State Aid for \$367,850 from the Maryland's Healthy Schools Facility Fund. FY21 supplemental in Recordation Tax for the amount of \$3,000,000 to enhance the HVAC systems and improve indoor air quality to support COVID-19 recovery planning. FY23 State Aid award for \$19.250 million for multiple years.

DISCLOSURES

Expenditures will continue indefinitely. MCPS asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.