

**ORGANIZATIONAL REFORM COMMISSION**  
**Monday, September 13, 2010**  
**5th Floor Conference Room**  
**Council Office Building**

**Commission Members Present:**

Vernon Ricks, Jr., Co-Chair  
Richard Wegman, Co-Chair  
Cristina Echavarren  
Joan Fidler  
Scott Fosler  
Susan Heltemes  
Daniel Hoffman  
Len Simon (by phone)

**Staff:**

Justina Ferber, County Council Staff  
Karen Pecoraro, County Council Staff  
Joe Beach, Director, OMB  
Fariba Kassiri, County Executive Office

**Guests:**

Yale Wiesberg, Montgomery County  
Taxpayers League  
Elaine Apter, President, Montgomery County  
League of Women Voters  
Ginanne Italiano, Director, BCC Chamber  
Jane Redicker, Director, Greater SS Chamber  
Kristin Tribble, President, MCCPTA

**Attendees:**

Lou D'Ovidio, Councilmember Berliner Office  
Joyce Garcia, Park & Planning  
Erin Cunningham, Reporter, Gazette  
Newspapers

**Commission Co-Chair Dick Wegman** began the meeting at 3:59 p.m.

- Welcomed everyone and introduced the Commissioners.
- Len Simon participated by speaker phone.
- Peggy Dennis, President of the Montgomery County Civic Federation was invited to participate but was not in attendance.

**MAJOR MONTGOMERY COUNTY ORGANIZATIONS**

It was noted by the representative of each organization that their comments were not the official positions adopted by their organizations but were either previous positions taken or comments received from organizational leadership in order to facilitate discussion with the Commission.

Commissioners were asked to hold their questions until all presenters had completed their comments.

**Yale Wiesberg, Montgomery County Taxpayers League:**

Mr. Wiesberg read a written statement on behalf of the Taxpayers League with their comments and recommendations to help the county save money.

“The Montgomery County Taxpayers League appreciates the Organizational Reform Commission allowing us to comment on our recommendations to save the County millions of dollars to address the structural deficit between \$600 million - \$1 billion.

-For the budget it had been recommended from one of their leaders to take a look at an outside consultant, an expert that understands government budgets, to do a top down review of the County budget. There are consultants that will do this for a stipend based on the percentage of savings realized by the government so if they are not successful they do not get paid.

**-The Chamber recommends that the Commission review all the responsibilities of the Department of Economic Development (DED). They believe the primary responsibility of Economic Development should be business retention and recruitment of businesses here in Montgomery County. They questioned whether agriculture or workforce development issues should be part of DED or placed in another department. They suggested a look at what other jurisdictions are doing with their workforce development and agriculture programs. They noted that the main focus of Fairfax and Howard Counties is on business retention and recruitment.**

-They expressed strong support for the Regional Services Centers (RSC). In Bethesda-Chevy Chase there is a great relationship and cohesive partnership among the Bethesda Urban Partnership, the RSC, the Chamber, the Police and all the other organizations that work closely together in the BCC area. The Chamber does not agree there should be any consolidation of the Regional Service Centers throughout the county. They believe the RSC serve a distinct area and they provide focus and attention and serve the businesses and community members. Related to Economic Development, they suggest that the RSC could serve as a representative for recruitment and retention of businesses.

-They feel the County has a lot of work to do as far as contracts with unions. County employees get free parking and that doesn't happen in the private sector and they don't think it should be happening in the County government either. County employees should be paying for parking like everyone else. County employees also get free transit and that should be reviewed too.

**Jane Redicker, Director, Greater Silver Spring Chamber of Commerce:**

**Bill Kominers, Member Board of Directors and Chair of Economic Development Committee:**

-The Greater Silver Spring Chamber believes the County needs to look at itself the way businesses look at themselves. The County needs to live within its means, not trying to figure out a way to create a new program just because somebody wants it or decide to impose another tax just to start another program that may or may not really be needed. There has been a lot of raising taxes in order to accommodate programs and from the business community's perspective that is not the way to go.

-They agree the County should bring employee compensation and benefits in line with that provided by businesses in the County. Many employers a long time ago figured out that health insurance costs were increasing dramatically and so they stopped offering defined benefit health care plans. One of their members calculated that just passing along a higher percentage of the cost of coverage to each employee at \$10 a week for \$40 a month for 15,000 employees can save more than \$7.2 million.

-They also agree with their colleagues from the BCC Chamber that free parking and free transit for County employees should to be eliminated which is another way for the County to look at itself more like a business and operate more like the businesses in the County.

-Another thing that should be addressed is long-term costs. So often when projecting and budgeting the amount of money to build a project, the County ignores future costs such as staffing and maintenance. The Silver Spring Civic Building is a perfect example; its budget for security is not sufficient as there is only a \$30,000 a year budgeted for security for the entire building.

-When considering consolidation of services, the County should make sure that consolidation does not mean less service. One of the frustrations that members and businesses in Silver Spring have who pay the Urban District Tax is that they feel that the base services, which were once first class and they are paying the same amount of money for in taxes that they have paid for over the years, have been drastically reduced because money has been moved here and there to pay for other things. The County should ensure that they are not taking away the service that tax was meant to support.

-They also agree with their colleague from BCC about a review of the Department of Economic Development.

-As far as consolidation, there are a couple things that need to be looked at. There's a transportation department and an environmental department in both Park and Planning and in the Executive branch in County government. The Chamber is not sure it is necessary to have the same departments in both agencies.

-They also agree with their colleague from BCC that the Regional Services Centers should remain independent.

**Kristin Tribble, President, Montgomery County Council of Parent Teacher Associations (MCCPTA)** stated that her goal was to listen and hopefully communicate the benefits of whatever reforms the Commission decided upon.

**Dick Wegman** thanked all the presenters for their comments. He asked Mr. Wiesberg if it was his view that there was a conflict of interest having the OHR representative conduct negotiations with unions and are there precedents in other jurisdictions that he might want to cite. He asked for examples of what other jurisdictions do that is different.

**Yale Wiesberg** stated that he felt there was a clear conflict in negotiating your own contract. There is a clear conflict when the Executive and Council are getting the same benefits as employees. Every county does not have collective bargaining.

**Susan Heltemes** stated that with regard to economic development, she is a member of the Workforce Investment Board housed under DED and workforce development is mandated by the federal government and has got to go somewhere. She noted that the Workforce Investment Board is going through a strategic planning process right now to discuss this very thing and whether it currently works appropriately and if the focus should be on employers, not employees. She asked what the Chambers would like to see in terms of economic development.

**Ginanne Italiano stated that she would like to see the focus of Department of Economic Development on recruitment and retention of business and not on workforce, although workforce is an important aspect. She suggested a look at successful workforce development**

operations elsewhere. What does D.C do, what does northern Virginia do, and what do some of the other jurisdictions in Maryland like Prince George's and Howard Counties do? She was not as familiar with agriculture so she did not want to comment on where it should be placed.

**Jane Redicker** stated in response to Susan's question, it's the focus. It seems DED is not focused on economic development as its primary reason for being. We're losing our battle with Fairfax County and Howard County because their focus is on bringing businesses and bringing jobs into those counties. That's what builds our tax base.

**Bill Kominers** suggested looking at where and at what percentage DED's resources are directed. DED should be looking at the kinds of things they are doing to be competitive or not be competitive elsewhere and planning what economic development's direction and goals should be. You first need to know what's out there and how you stack up.

**Vernon Ricks** asked if the Urban District Tax supported the urban district services and suggested the County may have reduced the services so that they can take money and use it somewhere else.

**Joe Beach** advised that there were reductions in all of the urban districts, however all the urban district tax that was collected remained within the urban district tax fund. Reductions were taken in every department so general funds previously used for some basic urban district services were not available so urban district tax funds may have been used.

**Vernon Ricks** asked the Chambers if they could please send in their written suggestions to Justina. If the programs mentioned can be done without the impact of raising taxes or additional revenue, then the Chambers should include that type of information with their suggestions.

**Joan Fidler** directed her question to the Chambers and MCCPTA. One of the draws to Montgomery County is the school system and yet the school system is a huge drain on the budget. What do you suggest we do about the cost of the school system?

**Bill Kominers** referred to a Washington Post article quoting the Superintendent about potential budget reductions; to save \$16 million it would cost 240 teaching positions and to save \$16 million it would cost 60 administrative positions. He suggested the Commission first look at how the school system meets its principal goal of educating the students in the classroom with everything else as secondary. What's their principal mission and how is that mission being fulfilled?

**Kristin Tribble** said she was not sure but something has to be done about costs. She felt the system should be run like a business. MCCPTA met with parents and their biggest concerns were cuts in school staff.

**Scott Fosler** directed his questions to Yale Wiesberg and his suggestion about the consolidation of the County government and the MCPS transportation systems. Is this a proposal that the League has looked at in any detail? Are you familiar with any other jurisdictions that do that? Do you have any further thoughts on that?

**Yale Wiesberg** said it was not the League's position but his comment because the issue has been in the newspaper lately. He also noted that studies have shown that starting school so early in the morning adversely affects the quality of education. The rationale used by the school system not to