


MEMORANDUM

February 10, 2020

TO: Health and Human Services Committee

FROM: Vivian Yao, Legislative Analyst 

SUBJECT: **Worksession – FY21-26 Capital Improvements Program (CIP) and FY21 Capital Budget, Department of Health and Human Services (DHHS)**

PURPOSE: Review and make recommendations on the FY21-26 DHHS CIP.

Those expected to attend this worksession:

- Raymond Crowel, DHHS Director
- Victoria Buckland, Chief Operating Officer, DHHS
- Amanda Harris, Chief, Special Needs Housing, DHHS
- Lindsay Lucas, Office of Management and Budget (OMB)
- David Dise, Director, Department of General Services (DGS)
- Greg Ossont, Deputy Director, DGS

The Health and Human Services (HHS) Committee will review the County Executive's recommendation for FY21-26 CIP projects that do not involve the public school system or are not education-related. The HHS and Education Committees met on February 10 to discuss education-related DHHS CIP projects. Excerpts of the Executive recommended CIP for Health and Human Services is attached at ©1-6.

I. OVERVIEW

For FY21-26, the Executive recommends a total of \$30.1 million for DHHS, which is a \$7.52 million or 33.3 percent increase from the Amended FY19-24 program. The Executive states that the increase results from the increase for the Child Care Renovations project, funding for construction of a High School Wellness Center at John F. Kennedy High School, funding for the construction of two Linkages to Learning sites, and repairs at Progress Place.

The Executive is recommending four ongoing projects. Three of these projects are education-related and are scheduled to be reviewed by the Joint HHS and Education & Culture Committee on February 10. During this meeting, the HHS Committee will review Progress Place and Avery Road Treatment Center projects.

II. PROJECT REVIEW

Progress Place (\$000) (PDF at ©4)

(in 000s)	Total	Total 6 years	FY21	FY22	FY23	FY24	FY25	FY26
Recommend	1,000	1,000	1,000	0	0	0	0	0

Recommended funding source is GO Bonds.

Requested FY21 appropriation: \$1 million

No estimated FY22 appropriation.

Project Description: This new project provides for modifications to the existing Progress Place building at 8131 Georgia Avenue in Silver Spring, which houses DHHS services to low-income, homeless residents of Montgomery County. The project will renovate interior spaces of the building by upgrading fixtures including toilets, sinks, and HVAC equipment. Interior finishes including countertops, floor sealants and walling will be upgraded commensurate with the intense use of the facility and reduce ongoing maintenance costs. The project will also create a year-round outdoor space for clients.

Executive staff has provided the following justification: “While the facility was completed in 2016, the building has received a higher level of usage than the original design anticipated. In hindsight, some features of the facility were not as durable as they needed to be. Investments will reduce ongoing repair costs.

Update on FY20 Improvements at Progress Place

For FY20, the Council approved \$273,323 to provide security staffing and security cameras at Progress Place. Executive staff reports that additional security funding was appropriated by the Council to MCPD, Security Services Division. Executive staff reports that all shifts have been filled except for one, (7am-3pm shift). MCPD has begun the hiring process for the shift that is not currently covered. The process of hiring security officers and police officers is a lengthy process and the background investigation eliminates a number of applicants. The remaining shift is expected to be in place by Spring.

In addition to the security improvements, HHS has funded approximately \$100,000 in upgrades to the 3rd floor to expand the useable area and permit winter sheltering.

Council staff recommendation: Approve as recommended by the Executive.

Avery Road Treatment Center (\$000) (Approved FY19-24 PDF at ©7-8)

(in 000s)	Total	FY19	FY20	FY21	FY22	FY23	FY24	Total 6 years FY21-26
Approved FY19-24	10,016	7,140	2,008	0	0	0	0	0

Recommended funding sources: 5.208 million in G.O. Bonds, \$669,000 in PAYGO, and \$4.139 million in State Aid. An additional contribution of \$5 million from the nonprofit partner was not included in the PDF.

No requested FY21 or estimated FY22 appropriations.

Project Description: The project provides for the replacement of the existing Avery Road Treatment Center (ARTC), which provides residential, non-hospital detoxification and intermediate care services for adults through 20 medical detox and 40 intermediate care beds. Potomac Health Care Foundation, Ltd¹ (PHF) will construct and operate a new 64 bed facility through a 30-year long-term land lease and program operation services delivery agreement. The new facility will provide medical detox and intermediate case services and will house an outpatient mental health and substance abuse treatment program supported by Medicaid reimbursements. The site will be master planned for future potential development of a 16-bed step-down program for transitional age youth.

Schedule: Project construction is in progress and completion and opening are anticipated by the end of calendar year 2020. The approved FY19-26 PDF anticipated completion of the project in FY20. The project is reflected as a close out or pending closeout in the Executive’s January CIP submission.

Expenditures: The total amount expended/encumbered as of January 1, 2020 is \$8,928,601. No expenditures or appropriations are indicated or requested in FY21-26 CIP.

Council staff recommendation: Because the latest schedule for the project shows project completion in FY21, Council staff recommends that the expenditure schedule for the project be updated to include the amount projected to be spent in FY21, along with a corresponding slippage adjustment. This information was not available at the time of packet publication.

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¹PHF is the not-for-profit foundation associated with Maryland Treatment Centers, the current program provider.



Health and Human Services

PROGRAM DESCRIPTION AND OBJECTIVES

The Department of Health and Human Services assures delivery of a full array of services to address the somatic and behavioral health, economic and housing security, and other emergent needs of Montgomery County residents. To achieve this, the Department (directly and/or via a network of community partners) develops and implements policies, procedures, programs, and services that: 1) offer customer-focused direct care and supports; 2) develop, enhance, and maintain a broad network of community-based organizations, public, and private agencies to promote and sustain partnerships, which increase the availability of needed services; 3) pilot and evaluate innovative approaches to service delivery and systems integration; and 4) maximize financial and staffing resources to deliver services through effective management, coordination, and pursuit of strategic funding opportunities.

The Department's services are administered under an organizational structure that includes six service areas: Aging and Disability Services; Children, Youth, and Family Services; Behavioral Health and Crisis Services; Public Health Services; Services to End and Prevent Homelessness; and Administration and Support.

HIGHLIGHTS

- Plan, design, renovate, and construct playgrounds to meet ADA requirements and renovate and replace outdated County owned child care facilities.
- Fund construction of a High School Wellness Center (HSWC) at John F. Kennedy High School and two Linkages to Learning sites (LTL) at Gaithersburg Elementary School #8 and Silver Spring International Middle School.
- Renovate and modify Progress Place to sustain the intense use of the facility.

PROGRAM CONTACTS

Contact Victoria Buckland of the Department of Health and Human Services at 240.777.1211 or Lindsay Lucas of the Office of Management and Budget at 240.777.2766 for more information regarding this department's capital budget.

CAPITAL PROGRAM REVIEW

Four active projects comprise the Recommended FY21-26 Capital Improvements Program for the Department of Health and Human Services, for a total six-year cost of \$30.1 million, which is a \$7.52 million, or a 33.3 percent increase, from the Amended FY19-24 total six-year cost of \$22.6 million. The change results from the increase for Child Care Renovations project, funding for construction of a High School Wellness Center at John F. Kennedy High School, funding for construction of two Linkages to Learning sites, and repairs at Progress Place.



Child Care Renovations (P601901)

Category Health and Human Services **Date Last Modified** 12/30/19
SubCategory Health and Human Services **Administering Agency** General Services
Planning Area Countywide **Status** Planning Stage

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	7,753	48	1,702	6,003	744	672	1,063	1,240	818	1,466	-
Construction	20,443	-	-	20,443	1,649	2,084	4,111	4,864	3,551	4,184	-
Other	298	-	-	298	34	37	29	68	42	88	-
TOTAL EXPENDITURES	28,494	48	1,702	26,744	2,427	2,793	5,203	6,172	4,411	5,738	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	28,494	48	1,702	26,744	2,427	2,793	5,203	6,172	4,411	5,738	-
TOTAL FUNDING SOURCES	28,494	48	1,702	26,744	2,427	2,793	5,203	6,172	4,411	5,738	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	2,427	Year First Appropriation	FY19
Appropriation FY 22 Request	2,793	Last FY's Cost Estimate	11,750
Cumulative Appropriation	1,750		
Expenditure / Encumbrances	48		
Unencumbered Balance	1,702		

PROJECT DESCRIPTION

This project provides for renovation or replacement of childcare facilities to ensure compliance with new laws pertaining to the Americans with Disabilities Act (ADA) and safety concerns.

The project addresses three major components:

1. Remedies ADA non-compliant features at childcare centers located in County buildings.
2. Provides for the design and construction of ADA compliant playgrounds at existing child care facilities while also incorporating other playground requirements included in COMAR 13A.16.01, National Association for the Education of Young Children Early Learning Standards and Accreditation Criteria, and the Maryland Program Accreditation Standards for Implementing Quality Childhood Programs.
3. Provides for replacement of modular facilities.

LOCATION

Twenty-two locations throughout the County.

ESTIMATED SCHEDULE

Project planning to take place in FY20-21. Design and construction will take place sequentially from FY21 through FY26.

COST CHANGE

Cost increase due to a preliminary planning analysis of facility needs.

PROJECT JUSTIFICATION

This project is designed to bring childcare facilities and playgrounds into compliance with Federal ADA requirements.

FISCAL NOTE

All costs are preliminary. Actual costs will be determined after the planning phase is completed.

COORDINATION

Health and Human Services, Montgomery County Public Schools, Department of General Services, Office of Management and Budget, Maryland National Capital Park and Planning Commission, and childcare center service providers



High School Wellness Center (P640902)

Category Health and Human Services **Date Last Modified** 01/02/20
SubCategory Health and Human Services **Administering Agency** General Services
Planning Area Countywide **Status** Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	391	56	335	-	-	-	-	-	-	-
Construction	6,119	3,838	1,081	1,200	1,200	-	-	-	-	-
Other	487	345	142	-	-	-	-	-	-	-
TOTAL EXPENDITURES	6,997	4,239	1,558	1,200	1,200	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Current Revenue: General	159	-	159	-	-	-	-	-	-	-
G.O. Bonds	6,838	4,239	1,399	1,200	1,200	-	-	-	-	-
TOTAL FUNDING SOURCES	6,997	4,239	1,558	1,200	1,200	-	-	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Program-Staff				1,921	-	385	384	384	384	384
Program-Other				3,890	-	778	778	778	778	778
NET IMPACT				5,811	-	1,163	1,162	1,162	1,162	1,162
FULL TIME EQUIVALENT (FTE)						4.88	4.88	4.88	4.88	4.88

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	1,200	Year First Appropriation	FY09
Appropriation FY 22 Request	-	Last FY's Cost Estimate	5,797
Cumulative Appropriation	5,797		
Expenditure / Encumbrances	5,284		
Unencumbered Balance	513		

PROJECT DESCRIPTION

This project provides for the placement of High School Wellness Centers (HSWC) at public schools. HSWCs provide health, mental health, and social services, as well as family support/youth development services which attempt 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 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 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.

ESTIMATED SCHEDULE

Wheaton HSWC was completed in FY16. Seneca Valley HSWC construction scheduled to be completed in FY21. Kennedy HSWC construction scheduled to be completed in FY22.

COST CHANGE

Add funding for construction for a HSWC at John F. Kennedy High School in FY21.

PROJECT JUSTIFICATION

This project is recommended by the SBWCPG, 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.

COORDINATION

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



Progress Place
(P602102)

Category Health and Human Services **Date Last Modified** 12/31/19
SubCategory Health and Human Services **Administering Agency** General Services
Planning Area Silver Spring and Vicinity **Status** Planning Stage

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Site Improvements and Utilities	1,000	-	-	1,000	1,000	-	-	-	-	-
TOTAL EXPENDITURES	1,000	-	-	1,000	1,000	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	1,000	-	-	1,000	1,000	-	-	-	-	-
TOTAL FUNDING SOURCES	1,000	-	-	1,000	1,000	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	-	1,000	-	Year First Appropriation
Appropriation FY 22 Request	-	-	-	Last FY's Cost Estimate
Cumulative Appropriation	-	-	-	
Expenditure / Encumbrances	-	-	-	
Unencumbered Balance	-	-	-	

PROJECT DESCRIPTION

Progress Place is an existing building located in the Ripley District of Silver Spring, MD, which houses services the Department of Health and Human Services provides to low-income, homeless residents of Montgomery County. These services, currently provided in conjunction with Interfaith Works and Shepard's Table, include medical, vision, vocational services, case management, winter overflow overnight shelter, and meals.

LOCATION

8131 Georgia Avenue, Silver Spring, Maryland (Next to the Silver Spring Fire Station No. 1 site)

ESTIMATED SCHEDULE

Renovations are scheduled to begin and end in FY21.

PROJECT JUSTIFICATION

The project provides for modifications to the existing facility in an effort to enhance the resiliency of the building and building fixtures. The project will renovate interior spaces of the building by upgrading fixtures including toilets, sinks, and HVAC equipment. Interior finishes, including countertops, floor sealants and walling will be upgraded commensurate with intense use of the facility and to reduce ongoing maintenance costs. The project also includes funding to create a year-round outdoor space for clients.

COORDINATION

Department of Health and Human Services and Department of General Services.



School Based Health & Linkages to Learning Centers (P640400)

Category Health and Human Services **Date Last Modified** 01/05/20
SubCategory Health and Human Services **Administering Agency** General Services
Planning Area Countywide **Status** Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,520	1,372	122	26	26	-	-	-	-	-
Construction	9,374	7,451	765	1,158	629	529	-	-	-	-
Other	1,634	1,464	170	-	-	-	-	-	-	-
TOTAL EXPENDITURES	12,528	10,287	1,057	1,184	655	529	-	-	-	-

FUNDING SCHEDULE (\$000s)

Current Revenue: General	286	140	120	26	26	-	-	-	-	-
Federal Aid	494	494	-	-	-	-	-	-	-	-
G.O. Bonds	11,883	9,588	937	1,158	629	529	-	-	-	-
Recordation Tax Premium (MCG)	65	65	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	12,528	10,287	1,057	1,184	655	529	-	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Program-Staff				2,787	-	-	612	725	725	725
Program-Other				-	-	-	-	-	-	-
NET IMPACT				2,787	-	-	612	725	725	725
FULL TIME EQUIVALENT (FTE)							1	1	1	1

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	629	Year First Appropriation	FY04
Appropriation FY 22 Request	529	Last FY's Cost Estimate	11,370
Cumulative Appropriation	11,370		
Expenditure / Encumbrances	10,286		
Unencumbered Balance	1,084		

PROJECT DESCRIPTION

This project provides for the placement of School Based Health Centers (SBHC) and Linkages to Learning (LTL) sites at public schools. SBHCs provide primary health, social services, mental health, and youth development services. The LTL program provides accessible services to at-risk children and their families to improve adjustment to and performance in school, home, and community. Services include health, mental health, social services, and educational support. Host schools are selected based on criteria recommended by the SBHC Interagency Planning Group and the LTL Advisory Group. Montgomery County Public Schools (MCPS) will oversee the construction of SBHC and LTL sites. The County will occupy the space with School Health Services and LTL personnel and contractors.

ESTIMATED SCHEDULE

Construction is scheduled to begin in FY22 for both Silver Spring International Middle School and Gaithersburg Elementary School #8, with completion in FY23.

COST CHANGE

Funds have been added in FY21 for construction of a LTL site at Gaithersburg Elementary School #8, and in FY22 for construction of a LTL site at Silver Spring international Middle School.

PROJECT JUSTIFICATION

This project is part of the recommendations of the Department of Health and Human Services and MCPS.

OTHER

Cost estimates are based on per square foot costs for school construction, adjusted by additional health care facility requirements such as examination rooms, a laboratory, and medical equipment. MCPS will provide maintenance and utilities by a Memorandum of Understanding. Site specific factors are to be determined, and will be provided during construction.

FISCAL NOTE

Reflects FY15 transfer of \$65,000 in GO Bonds from the High School Wellness Center (P640902) project and a subsequent funding switch from GO Bonds to Recordation Tax Premium.

COORDINATION

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



Avery Road Treatment Center (P601502)

Category Health and Human Services **Date Last Modified** 05/06/19
SubCategory Health and Human Services **Administering Agency** General Services
Planning Area Rockville **Status** Final Design Stage

Total	Thru FY18	Rem FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	945	428	199	318	197	121	-	-	-	-
Site Improvements and Utilities	1,987	-	-	1,987	1,398	589	-	-	-	-
Construction	7,076	233	-	6,843	5,545	1,298	-	-	-	-
Other	8	8	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	10,016	669	199	9,148	7,140	2,008	-	-	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	5,208	-	199	5,009	4,526	483	-	-	-	-
PAYGO	669	669	-	-	-	-	-	-	-	-
State Aid	4,139	-	-	4,139	2,614	1,525	-	-	-	-
TOTAL FUNDING SOURCES	10,016	669	199	9,148	7,140	2,008	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 20 Request	-	Year First Appropriation	FY15
Cumulative Appropriation	10,016	Last FY's Cost Estimate	8,516
Expenditure / Encumbrances	2,999		
Unencumbered Balance	7,017		

PROJECT DESCRIPTION

This project provides for the planning, design, and construction of a replacement facility for the existing Avery Road Treatment Center (ARTC). The existing facility provides residential substance abuse treatment for low-income County residents through 20 medical detox and 40 Intermediate Care Facility beds. In conjunction with a public-private partnership and with assistance from the State, a private partner will construct and operate a new ARTC facility over a 30-year term through a long-term land lease and program operation service delivery agreements.

LOCATION

14703 Avery Road, Rockville, Maryland

CAPACITY

The new ARTC will be a 64 bed, 36,500 gross square foot residential treatment facility providing medical detox and Intermediate Care Facility levels of care. The facility will also house an outpatient mental health and substance abuse treatment program supported by Medicaid reimbursements. The site will be master planned for future potential development of a 16-bed step-down program for transitional age youth.

ESTIMATED SCHEDULE

Design will be performed in FY17 and FY18. Construction is scheduled to begin in FY19 with completion in FY20.

COST CHANGE

Project costs have been increased to reflect project bids. A FY19 transfer of \$1,500,000 in GO Bonds from the Dennis Avenue Health Center will cover these costs. FY20 funding switch of State Aid (\$525,000) with GO Bonds to cover cost increases.

PROJECT JUSTIFICATION

The existing ARTC facility was constructed of pre-fabricated modular units in 1991 and needs to be replaced.

FISCAL NOTE

This project reflects updated County and State contributions to the facility. The State legislature approved funding of \$310,000 in FY15, \$104,000 in FY16, \$1,026,604 in FY17, and \$1,000,000 in FY18 in grants to the County to support the project. The County anticipates State funding approval of approximately \$1.3 million to design in FY19. State Aid is expected to total \$3.614 million. Not included in this project description form is a \$5 million contribution from the non-profit partner. FY19 GO Bond transfer of \$1,500,000 from Dennis Avenue Health Center. In FY20 the State approved \$525,000 to cover construction cost increases.

DISCLOSURES

A pedestrian impact analysis has been completed for this project. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

COORDINATION

Department of Health and Human Services, Department of General Services, County Attorney, Office of Procurement, Maryland Department of Health and Mental Hygiene, Private and/or non-profit substance abuse treatment providers Private developers