

MEMORANDUM

April 21, 2023

TO: Education & Culture (EC) Committee

FROM: Essie McGuire, Senior Legislative Analyst

SUBJECT: **FY23 Supplemental Appropriation:** MCPS Individuals with Disabilities Education Act \$1,629,727
FY23 Supplemental Appropriation: Montgomery County Public Schools, American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund - Homeless Children and Youth Grant, \$1,065,736
FY23 Supplemental Appropriation: Montgomery County Public Schools, Maryland Department of the Environment Volkswagen Environmental Mitigation Trust Grant, \$349,393

PURPOSE: Review three FY23 supplemental appropriations requested by the County Executive

Background

The Council President, at the request of the County Executive, has introduced three supplemental appropriations to provide addition FY23 grant funding for programs to support Montgomery County Public School (MCPS) students with disabilities, homeless students and their families, and transitioning the school bus fleet towards electric vehicles, respectively.

These special appropriations were introduced on April 11, 2023, and public hearings were held on April 25, 2023. Pending Committee approval, full Council action on all three items is scheduled for May 2, 2023.

Staff recommends Committee approve these special appropriations.

Supplemental Appropriation #23-85 to the FY23 Operating Budget, Montgomery County Public Schools, Individuals with Disabilities Education Act Part B Grant, \$1,629,727

The Council President, at the request of the County Executive, has introduced a special appropriation of \$1,629,727 to the Montgomery County Public Schools (MCPS) FY23 Operating Budget for an Individuals with Disabilities Education Act (IDEA) Part B Grant.

Federal funds are available for MCPS to improve educational services for students with disabilities. The funds will be used to support the salaries of special education instructors, social workers, and psychological services. The Board of Education Transmittal Memorandum states that grant activities will also promote racial equity and social justice by looking through the lens of equity and culturally responsive practices – resulting in perspectives, instruction, and interventions that promote equal access to learning and success for all students.

Supplemental Appropriation #23-86, Montgomery County Public Schools, American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth Grant, \$1,065,736

The Council President, at the request of the County Executive, has introduced a special appropriation of \$1,065,736 to the Montgomery County Public Schools (MCPS) FY23 Operating Budget for the American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth Grant.

Federal funds are available for MCPS to address the challenges facing homeless students. The funds will be used to support homeless students and their families through student transportation, supplies and materials, and temporary part-time salaries and associated benefits for employees engaged in this work.

MCPS has identified three major areas for supporting the needs of homeless to reconnect with school and its supports systems: reliable transportation, access to technology, and MCPS' outreach to families, shelters, and community organizations serving homeless students and families.

Supplemental Appropriation #23-88 to the FY23 Operating Budget, Montgomery County Public Schools, Maryland Department of the Environment Volkswagen Environmental Mitigation Trust Grant, \$349,393

The Council President, at the request of the County Executive, has introduced a special appropriation of \$349,393 to the Montgomery County Public Schools (MCPS) FY23 Operating Budget for a Maryland Department of the Environment Volkswagen Environmental Mitigation Trust Grant.

Funds are available to replace one diesel-powered school bus with an electric school bus. The funds will additionally pay for the required charging infrastructure at the bus depot.

This report contains:

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OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

M E M O R A N D U M

March 21, 2023

TO: Evan Glass, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Supplemental Appropriation #23-85 to the FY23 Operating Budget
Montgomery County Public Schools
Individuals with Disabilities Education Act Part B Grant, \$1,629,727

I am recommending a supplemental appropriation to the FY23 Operating Budget of Montgomery County Public Schools in the amount of \$1,629,727 for the Individuals with Disabilities Education Act Part B Grant. This appropriation will fund services for students with disabilities and their families.

This increase is needed because federal funds are available for Montgomery County Public Schools to improve educational services for students with disabilities. These funds will be used to support the salaries of special education instructors, social workers, and psychological services.

I recommend that the County Council approve this supplemental appropriation in the amount of \$1,629,727 and specify the source of funds as Federal Grant.

I appreciate your prompt consideration of this action.

ME: rhh

Enclosure: Supplemental Appropriation #23-85

cc: Jennifer Bryant, Director, Office of Management and Budget.

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #23-85 to the FY23 Operating Budget
Montgomery County Public Schools
Individuals with Disabilities Education Act Part B Grant, \$1,629,727

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY23 Operating Budget appropriation increases for Montgomery County Public Schools:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$797,723	\$832,004	\$1,629,727	Federal Grant

3. This increase is needed because federal funds are available for Montgomery County Public Schools to improve educational services for students with disabilities. These funds will be used to support the salaries of special education instructors, social workers, and psychological services.

4. The County Executive recommends a supplemental appropriation to the FY23 Operating Budget in the amount of \$1,629,727 for the Individuals with Disabilities Education Act Part B Grant and specifies that the source of funds will be Federal Grant.
5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A supplemental appropriation to the FY23 Operating Budget of Montgomery County Public Schools is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$797,723	\$832,004	\$1,629,727	Federal Grant

This is a correct copy of Council action.


Judy Rupp, Clerk of the Council

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 3, 2023

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Evan Glass, President, Montgomery County Council

From: Monifa B. McKnight, Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda Item # 8.10

Recommended Fiscal Year 2023 Supplemental Appropriation for Individuals with Disabilities
Education Act, Part B Grant

BOE Meeting Date: January 12, 2023

Amount: \$1,629,727

Type of Action: Approval

MBM:MBH:RR

Attachment

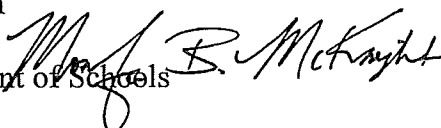
Copy to:
Mr. Hull
Mr. Reilly
Montgomery County Office of Management and Budget

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

January 12, 2023

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Superintendent of Schools 

Subject: Recommended Fiscal Year 2023 Supplemental Appropriation for Individuals with Disabilities Education Act, Part B Grant

Recommendation in Brief

Authorization is requested to receive and expend, subject to County Council approval, a Fiscal Year (FY) 2023 supplemental appropriation of \$1,629,727 for the *Individuals with Disabilities Education Act* (IDEA), Part B grant. Montgomery County Public Schools (MCPS) has been awarded \$36,328,495 for the FY 2023 IDEA, Part B grant from the United States Department of Education through the Maryland State Department of Education (MSDE). This award represents an increase of \$1,629,727 more than the amount of \$34,698,768 in the FY 2022 Operating Budget.

Background

The IDEA grant aims to support special education services for children with disabilities and their families. The grant funds instruction, services, materials, and supplies for students with disabilities. In addition, the grant aligns with MCPS's systemwide initiatives aimed at improving outcomes and aligning resources equitably for students with disabilities.

Support of Board of Education Mission

The IDEA grant aligns with the MCPS strategic priorities of academic excellence, well-being and family support, and professional and operational excellence, while assuring equity, access, and opportunity for achievement of academic, functional, and behavioral outcomes specific to MCPS's children and youth with disabilities and their families.

In collaboration with the MSDE, MCPS has established a complex plan that addresses multiple priorities, which include the following:

- Engaging parents through the Special Education Citizens Advisory Committee,
- Engaging Parentally Placed Private School Children with Disabilities (PPPSCD) in timely and meaningful consultation in determining the delivery of services
- Providing specially designed services for PPPSCD
- Building the capacity of families to make active and informed decisions contributing to their student's success through the Family Support Services Plan
- Proactively addressing the local systems identified significant disproportionality through a Comprehensive Coordinated Early Intervening Services Plan
- Facilitating effective, equitable, evidence-based services for students educated and assessed using the alternate framework that improves outcomes for all students, including students with the most significant cognitive disabilities.
- Addressing systemic change priorities aligned with the three *Moving Maryland Forward* Strategic Imperatives: Early Childhood, Secondary Transition, and Access-Equity-Progress, focused on the child, student, and family outcomes and specific disparities to the federal Indicators State Performance Plan and Annual Performance Results.

Additionally, the grant activities will promote racial equity and social justice by looking through the lens of equity and culturally responsive practices, resulting in perspectives, instruction, and interventions that promote equal access to learning and success for all students.

Use of Funds

Funds will be used to provide for the following:

- psychological services position salaries;
- special education instructional salaries;
- social worker position salaries; and
- associated employee benefits.

Recommended Resolution

WHEREAS, Montgomery County Public Schools has received notification from the Maryland State Department of Education that the district will receive an additional \$1,629,727 for the *Individuals with Disabilities Education Act*, Part B Grant; now therefore be it

Resolved, That the superintendent of schools be authorized to receive and expend, subject to County Council approval, an FY 2023 supplemental appropriation of \$1,629,727 from the *Individuals with Disabilities Education Act*, Part B Grant to fund the following categories:

Category	Positions*	Amount
03 Instructional Salaries		7,977
06 Special Education	2.625	762,334
07 Student Personnel Services		27,412
12 Fixed Charges		832,004
<u>Total</u>	<u>2.625</u>	\$ 1,629,727

Positions*

Positions	FTE
Teacher, Special Education	3.000
Paraeducator	(0.375)
<u>Total</u>	<u>2.625</u>

and be it further

Resolved, That a copy of this resolution be forwarded to the county executive and County Council; and be it further

Resolved, That the county executive be requested to recommend approval of this resolution to the County Council.

MBM:MBH:RR:iaw




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

March 21, 2023

TO: Evan Glass, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Supplemental Appropriation #23-86 to the FY23 Operating Budget
Montgomery County Public Schools
American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund –
Homeless Children and Youth Grant, \$1,065,736

I am recommending a supplemental appropriation to the FY23 Operating Budget of Montgomery County Public Schools in the amount of \$1,065,736 for the American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth Grant. This appropriation will fund services for unhoused students.

This increase is needed because federal funds are available for Montgomery County Public Schools to address the challenges of homeless students. The funds will be used to assist with transportation; technology access; and for outreach to families, shelters, and organizations serving homeless students and their families.

I recommend that the County Council approve this supplemental appropriation in the amount of \$1,065,736 and specify the source of funds as Federal Grant.

I appreciate your prompt consideration of this action.

ME: rhh

Enclosed: Supplemental Appropriation #23-86

cc: Jennifer Bryant, Director, Office of Management and Budget

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #23-86 to the FY23 Operating Budget
Montgomery County Public Schools
American Rescue Plan Elementary and Secondary Schools Emergency Relief
Fund –
Homeless Children and Youth Grant, \$1,065,736

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week’s notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.

2. The County Executive has requested the following FY23 Operating Budget appropriation increases for Montgomery County Public Schools:

<u>Personnel</u> <u>Services</u>	<u>Operating</u> <u>Expenses</u>	<u>Total</u>	<u>Source</u> <u>of Funds</u>
\$532,200	\$533,536	\$1,065,736	Federal Grant

3. This increase is needed because federal funds are available for Montgomery County Public Schools to address the challenges of homeless students. The funds will be used to assist with transportation; technology access; and for outreach to families, shelters, and organizations serving homeless students and their families.

4. The County Executive recommends a supplemental appropriation to the FY23 Operating Budget in the amount of \$1,065,736 for the American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth Grant and specifies that the source of funds will be Federal Grant.
5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A supplemental appropriation to the FY23 Operating Budget of Montgomery County Public Schools is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$532,200	\$533,536	\$1,065,736	Federal Grant

This is a correct copy of Council action.


Judy Rupp, Clerk of the Council

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 3, 2023

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Evan Glass, President, Montgomery County Council

From: Monifa B. McKnight, Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda Item # 8.11

Recommended Fiscal Year 2023 Supplemental Appropriation for American Rescue Plan
Elementary and Secondary Schools Emergency Relief Fund—Homeless Children and Youth
Grant

BOE Meeting Date: January 12, 2023

Amount: \$1,065,736

Type of Action: Approval

MBM:MBH:RR

Attachment

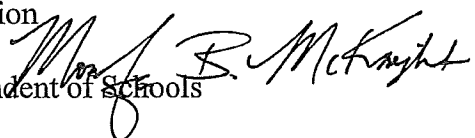
Copy to:
Mr. Hull
Mr. Reilly
Montgomery County Office of Management and Budget

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

January 12, 2023

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Superintendent of Schools 

Subject: Recommended Fiscal Year 2023 Supplemental Appropriation for American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund—Homeless Children and Youth Grant

Recommendation in Brief

Authorization is requested to receive and expend, subject to County Council approval, a Fiscal Year (FY) 2023 supplemental appropriation of \$1,065,736 for the American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund—Homeless Children and Youth (HCY) Grant.

Background

The outbreak of the COVID-19 pandemic has had a major impact on Montgomery County Public Schools (MCPS) and its ability to provide teaching and learning to its students. As a result of the pandemic, and in compliance with former Governor Lawrence J. Hogan, Jr., and former Maryland State Superintendent of Schools Karen B. Salmon's direction, MCPS closed its school buildings beginning March 16, 2020, and did not reopen buildings for the remainder of the 2019–2020 school year. MCPS instituted a Continuity of Learning plan that relied on distance learning for the remainder of the school year, summer school, and the start of the 2020–2021 school year.

To address the needs of schools and districts, the Maryland State Department of Education (MSDE) is providing supplemental aid grants funded through the federal *American Rescue Plan Act of 2021 (ARP)*, Coronavirus State Fiscal Recovery Funds to provide additional support to students who are enrolled with a *homeless* status. MCPS has a comprehensive program to support homeless children and their families. Homeless students face more risk factors that affect their academic success than their stably housed peers. Within MCPS, there is a large gap in achievement between homeless students and stable housed students. According to data collected during the 2020–2021 school year, 20 percent of the students enrolled with a homeless status in MCPS require additional

services such as Emerging Multilingual Learners. A large number of homeless students also live in motels and shelters, which are not considered to be stable homes, resulting in barriers to academic success.

Additionally, in recent years MCPS has had a large influx of immigrant families, many of whom are unaccompanied homeless youth.

Support of Board of Education Mission

MCPS will use the *ARP*—HCY grant funds to support homeless students and their families. MCPS has identified three major areas for supporting our homeless youths’ needs to reconnect with school and its support systems post-pandemic. These additional supports include increasing the availability of reliable transportation, access to technology, and MCPS’ outreach to families, shelters, and community organizations serving homeless students/families.

Use of Funds

Funds will be used to provide for the following:

- temporary part-time salaries;
- associated employee benefits
- supplies and materials; and
- student transportation.

Recommended Resolution

WHEREAS, Montgomery County Public Schools is requesting a supplemental appropriation approval from the County Council; now therefore be it

Resolved, That the superintendent of schools be authorized to receive and expend, subject to County Council approval, a Fiscal Year 2023 supplemental appropriation of \$1,065,736 for the American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund—Homeless Children and Youth Grant;

Category	Amount
02 Mid-level Administration	\$ 300,000
03 Instructional Salaries	232,200
04 Supplies and Materials	213,868
09 Student Transportation	278,955
12 Fixed Charges	40,713
<u>Total</u>	<u>\$ 1,065,736</u>

and be it further

Resolved, That a copy of this resolution be forwarded to the county executive and County Council; and be it further

Resolved, That the county executive be requested to recommend approval of this resolution to the County Council.

MBM:MBH:RR:iaw




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

March 21, 2023

TO: Evan Glass, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Supplemental Appropriation #23-88 to the FY23 Operating Budget
Montgomery County Public Schools
Maryland Department of the Environment Volkswagen Environmental Mitigation
Trust Grant, \$349,393

I am recommending a supplemental appropriation to the FY23 Operating Budget of Montgomery County Public Schools in the amount of \$349,393 for the Volkswagen Environmental Mitigation Trust Grant, funded through the Maryland Department of the Environment. This appropriation will pay for one new electric bus and related charging infrastructure.

This increase is needed because the funds are available to replace one diesel-powered school bus with an electric school bus. The funds will additionally pay for the required charging infrastructure at the bus depot. This grant helps advance the County's emissions goals by removing a diesel fuel-powered bus from the streets and replacing it with an electric bus.

I recommend that the County Council approve this supplemental appropriation in the amount of \$349,393 and specify the source of funds as State Grant.

I appreciate your prompt consideration of this action.

ME: rhh

Enclosed: Supplemental Appropriation #23-88

cc: Jennifer Bryant, Director, Office of Management and Budget

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #23-88 to the FY23 Operating Budget
Montgomery County Public Schools
Maryland Department of the Environment Volkswagen Environmental Mitigation
Trust Grant, \$349,393

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week’s notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.

2. The County Executive has requested the following FY23 Operating Budget appropriation increases for Montgomery County Public Schools:

<u>Personnel</u> <u>Services</u>	<u>Operating</u> <u>Expenses</u>	<u>Total</u>	<u>Source</u> <u>of Funds</u>
\$0	\$349,393	\$349,393	State Grant

3. This increase is needed because the funds are available to replace one diesel-powered school bus with an electric school bus. The funds will additionally pay for required charging infrastructure at the bus depot. This grant helps advance the County’s emissions goals by removing a diesel fuel-powered bus from the streets and replacing it with an electric bus.

4. The County Executive recommends a supplemental appropriation to the FY23 Operating Budget in the amount of \$349,393 for the Maryland Department of the Environment Volkswagen Environmental Mitigation Trust Grant and specifies that the source of funds will be State Grant.
5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A supplemental appropriation to the FY23 Operating Budget of Montgomery County Public Schools is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$349,393	\$349,393	State Grant

This is a correct copy of Council action.

Judy Rupp, Clerk of the Council

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

February 23, 2023

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Superintendent of Schools

Subject: Recommended Fiscal Year 2023 Supplemental Appropriation for Volkswagen Environmental Mitigation Trust Grant

Recommendation in Brief

Authorization is requested to receive and expend, subject to County Council approval, a Fiscal Year (FY) 2023 supplemental appropriation of \$349,393 for the Volkswagen Environmental Mitigation Trust grant from the Maryland Department of the Environment.

Background

The Maryland Department of the Environment is providing reimbursable funds to achieve greater reductions in emissions from diesel vehicles in Maryland. The trust fund supports replacing one diesel-powered school bus with one new electric-powered bus and installing the required charging infrastructure.

Montgomery County Public Schools (MCPS) is working with Highland Electric Fleets (HEF) through a Transportation Services Agreement (TSA) to procure turnkey electric school bus services. A TSA represents a Public-Private-Partnership model where the private partner provides design, build, financing, operations, and maintenance services for a turnkey electric school bus system, including Electric Vehicle Service Equipment. MCPS is provided with an electric school bus system with guaranteed performance at zero upfront cost and pays its private partner, HEF, for the service over time. This model helps to mitigate the cost barriers associated with transitioning to zero-emission transportation fleets with grant support available.

As a private partner, HEF is responsible for all project development, engineering, and construction tasks involved in electrifying the depot, providing the charger infrastructure and the electric school buses, coordinating training, and providing support throughout the life of the project. HEF will own and provide the electric school buses and will reimburse the school district for agreed maintenance costs. They will also provide for charging electricity, or fuel, for the electric school buses and will own and maintain the chargers that deliver electricity to the school buses.

Grants, such as the Maryland Volkswagen grant, allow HEF to provide the lowest price possible so that school districts can electrify their fleets and take advantage of leading clean technology. Grant funds passed through to HEF are used for bus and Electric Vehicle Supply Equipment procurement, installation, and other capital expenses directly related to the district. Grant funds are not used for HEF overhead expenses and are strictly used for providing a lower TSA price for the district.

Support of Board of Education Mission

The Volkswagen Environment Mitigation Trust is supported by the MCPS Strategic Plan priorities of professional and operational excellence by providing funds to offset the excess emissions resulting from the sale of non-compliant diesel vehicles. The grant funds will enable MCPS to continue to provide and maintain safe and clean facilities that ensure accessibility and support the learning environment.

Use of Funds

Funds will be used to provide for contractual services.

Recommended Resolution

WHEREAS, Montgomery County Public Schools is requesting a supplemental appropriation approval from the County Council; now therefore be it

Resolved, That the superintendent of schools be authorized to receive and expend, subject to County Council approval, a Fiscal Year 2023 supplemental appropriation for the Volkswagen Environmental Mitigation Trust grant in the following category:

<u>Category</u>	<u>Amount</u>
09 Student Transportation	\$ 349,393
<u>Total</u>	<u>\$ 349,393</u>

Resolved, That a copy of this resolution be forwarded to the county executive and County Council; and be it further

Resolved, That the county executive be requested to recommend approval of this resolution to the County Council.

MBM:MBH:RR:iaw



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE

Marc Elrich
County Executive

Tiffany Ward
Director and Chief Equity Officer

MEMORANDUM

April 21, 2023

To: Jennifer Bryant, Director
Office of Management and Budget

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #23-88
Montgomery County Public Schools (MCPS) Maryland Department of the
Environment Volkswagen Environmental Mitigation Trust Grant, \$349,393

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that SA #23-88 *Volkswagen Environmental Mitigation Trust Grant* will maintain current efforts to replace diesel-powered school buses with electric powered-school buses in MCPS. This program supports County and school system goals to reduce carbon emissions by removing a diesel fuel-powered bus from the streets and replacing it with an electric bus. ORESJ recognizes the intersectionality between environmental sustainability and racial equity and social justice. However, there is insufficient information to determine if the reimbursable funds supplemental will enhance or accelerate the school system's efforts to transition to an electric bus fleet and its effect on reducing racial disparities and gaps. Therefore, ORESJ's analysis is inconclusive.
- II. **BACKGROUND:** The purpose of SA #23-88 is to fund the replacement of one diesel-powered school bus with an electric-powered bus. The funding will also provide funds to install the required charging infrastructure at a bus depot. The SA funding source is a Volkswagen Environmental Mitigation Trust Grant¹ administered by the MD Department of the Environment (MDE).

¹ In 2015, a Partial Consent Decree was approved following Volkswagen's violations of the Clean Air Act for the inclusion of a "defeat device" in their diesel cars allowing excessive emissions of nitrogen oxides (NOx). An Environmental Mitigation Trust was established in 2016 to remediate the excess emissions.

Electrification of school buses is an emerging industry with costs that can be a barrier to transitioning existing diesel-powered school bus fleets to zero-emissions electric school buses (ESB). The costs for ESBs are in some cases up to three times the cost of a diesel-powered school bus². The funding from the State is intended to cover the incremental cost of one alternative fuel school bus over a diesel school bus³.

In 2021, MCPS entered into a Transportation Services Agreement with Highland Electric Fleets (HEF) to procure turnkey ESB services or Electrification as a Service (EaaS). HEF purchases, designs, builds and maintains the ESBs and charging equipment. The school system pays for the service over time. By 2025, HEF will have provided a total of 326 ESBs to MCPS and be operational in all five bus depot locations. The Bethesda Depot received the first set of 25 ESBs. Additionally, 61 buses were deployed in other depot locations in the fall of 2022. The remaining 240 ESBs are scheduled for delivery in 2023 and 2024. This aligns with the State's Climate Solutions Now Act of 2022 requiring all new school bus purchases and contracts to be electric by 2025. MCPS intends for the school bus fleet to be entirely electric by 2035.

III. **ANALYSIS:** According to MCPS, on a typical day, diesel-powered school buses use approximately 17,000 gallons of diesel fuel, which emit greenhouse gasses and harmful matter from tailpipes⁴. Studies show that diesel-powered transportation produces 5 million tons of carbon dioxide emissions⁵. Each time a diesel-powered school bus is replaced, 229,167 lbs. of carbon dioxide are removed annually⁶. When comparing ESBs to diesel-powered school buses, several benefits emerge for children, bus drivers, as well as the environment overall, which include:

- Electric school buses produce zero emissions and deliver an immediate and palpable health benefit to students and their communities;
- With fewer moving parts, electric bus drive trains require far less maintenance than one powered by fossil fuel;
- Electric school buses spend around 18 hours each day sitting at their depots, which creates an opportunity to use the buses as batteries on the electric grid to support local network stability and resilience; and
- And electricity is a far less expensive and more predictable fuel source than diesel⁷.

² <https://stnonline.com/partner-updates/behind-the-scenes-of-the-nations-largest-electric-school-bus-project/>

³ <https://mde.maryland.gov/programs/air/MobileSources/Documents/MDE%20Alt%20Fuel%20School%20Bus%20Appendix%20D-4.pdf>

⁴ <https://www.montgomeryschoolsmd.org/departments/facilities/sustainability/Electric-Vehicles.aspx>

⁵ <https://www.governing.com/next/theres-a-big-payoff-with-an-electrified-school-bus-fleet>

⁶ <https://www.proterra.com/products/transit-buses/fuel-economy/>

⁷ <https://stnonline.com/partner-updates/behind-the-scenes-of-the-nations-largest-electric-school-bus-project/>

According to MDE, the grant funding for one ESB will be assigned to a route along the I-270 corridor in schools with the highest number of at-risk students identified by English as a Second Language (ESOL), Free and Reduced Lunch Qualifiers, and students with special needs⁸. The Shady Grove North/South Depot serves the Gaithersburg, Magruder, Watkins Mill, Richard Montgomery, Rockville, and Wooten clusters.

Studies show diesel-powered school buses can negatively affect children's health and academic performance. As buses idle at streetlights, they emit pollutants and particulate matter, with additional exposure to pollutants inside the cabin. World Resources Institute's (WRI) Electric School Bus Initiative outlined the harms felt by students.

- The exhaust from diesel school buses is harmful to students' physical health, putting them at risk for serious conditions like cancer and asthma.
- Diesel exhaust pollution is linked to negative cognitive development impacts, endangering students' academic progress and learning.
- These diesel-powered buses also emit high levels of greenhouse gases like carbon dioxide, directly contributing to climate change that increasingly threatens our children's future.
- Communities of color face higher on-road air pollution, and students from Black households, low-income students, and students with disabilities are all more likely to ride the school bus than their counterparts⁹

Nationally, low-income students comprise 60% of school bus riders compared to 45% of non-low-income students¹⁰. This disparity reflects the need for intentionality to ensure that outcomes for minority and low-income communities are more equitable. WRI, the creator of the Equity Framework to Guide the Electric School Bus Initiative provides resources to help center equity-related indicators, (including racial, health, mobility, geographic access, education, etc.) in the transition to ESBs¹¹. According to WRI, putting equity first in electric school bus deployment means: embedding equity in program design; involving stakeholders in decision-making; strengthening partnerships with local organizations; prioritizing underserved school districts by providing funding and technical assistance; and following additional practices related to the supply chain and manufacturing¹².

While beyond the scope of this REIA, MCPS should explore the feasibility of purchasing retrofitted diesel-to-electric buses, also known as repowers, instead of or in addition to contracting replacement ESBs. The National Bureau of Economic Research shares how "diesel retrofits are an immediate and relatively inexpensive way to dramatically reduce

⁸ <https://mde.maryland.gov/programs/air/MobileSources/Documents/MDE%20Alt%20Fuel%20School%20Bus%20Appendix%20D-4.pdf>

⁹ <https://electricschoolbusinitiative.org/why-we-need-transition-electric-school-buses>

¹⁰ <https://www.bts.gov/topics/passenger-travel/back-school-2019>

¹¹ <https://electricschoolbusinitiative.org/sites/default/files/2023-01/Equity%20Framework%20to%20Guide%20the%20Electric%20School%20Bus%20Initiative%20%28Jan%202023%29.pdf>

¹² <https://www.wri.org/insights/electric-school-buses-equity-us>

diesel emissions¹³". New York City deployed one of the first repowered school buses and several companies are beginning to repower diesel buses. WRI offers information on some of the pros and cons of repowering older and newer diesel-powered school buses in comparison to purchasing new ESBs.

Tradeoffs of Repowering Internal Combustion Engine School Buses vs. New Electric School Buses

	Older school bus repower (>7 years)	Newer school bus repower (<4 years)	Brand new ESB
Pros	<ul style="list-style-type: none"> - Lower upfront price point. A bus can be more easily purchased without incentives - More flexibility to source chassis and body components during supply chain challenges - Ends internal combustion engine bus life and associated emissions - Avoids emissions with lesser material and manufacturing demands - Labor for installation can be local - Warranty on electric powertrain and battery - Potential for new business models for bus leasing after repowering 		<ul style="list-style-type: none"> - New condition for interior and exterior - Most generous federal and state incentives available - Longest useful life and maximizes any state limitations on bus age - Dedicated warranty and dealer support
	<ul style="list-style-type: none"> - Removes the most polluting buses from the road 	<ul style="list-style-type: none"> - Lightly used condition limits the need for interior or exterior refurbishing - State rules on maximum bus age can more easily be met 	---
Cons	<ul style="list-style-type: none"> - Variations by bus make, model, and model year; not all buses are good candidates for repowering - Fewer purchase incentives available - In most cases, OEM warranty on the base bus body and chassis are voided - May encounter regulatory hurdles to ensure the bus is up to local and state specifications 		<ul style="list-style-type: none"> - Higher upfront price point. Purchase often needs the support of incentives - All bus components dependent on functioning supply chain - Greater material demand and manufacturing needs
	<ul style="list-style-type: none"> - Heavily used condition likely needs more refurbishing or upgrades - Lesser longevity - State rules on maximum bus age may apply 	<ul style="list-style-type: none"> - If purchasing a used bus to repower, a newer model bus is more costly 	---

Source: World Resources Institute. Available at: <https://www.wri.org/insights/repowering-electric-school-buses>

Purchasing repowered school buses may help accelerate efforts to remove diesel-powered buses that pollute the environment and cause harm to the health and development of students and the community. If there is also potential to reduce the cost of procuring EaaS, savings could be used to create or enhance programs that reduce racial disparities and gaps within MCPS.

cc: Monifa McKnight, Superintendent, Montgomery County Public Schools
 Ken Hartman, Director, Strategic Partnerships, Office of the County Executive

¹³ https://www.nber.org/system/files/working_papers/w25641/w25641.pdf