

Resolution No.: 16-83
Introduced: March 8, 2007
Adopted: March 27, 2007

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Special Appropriation to the FY07 Capital Budget and Amendments to the FY07-12 Capital Improvements Program
Montgomery County Public Schools, \$1,152,000

- HVAC Replacement: MCPS (No. 816633), \$160,000
- Planned Lifecycle Asset Replacement: MCPS (No. 896586), \$992,000

Source of Funds: State Aid – Qualified Zone Academy Bonds (QZAB)

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. Section 302 of the County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of six Councilmembers.
3. The Board of Education requested a special appropriation for the Montgomery County Public Schools' FY07 Capital Budget as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
HVAC Replacement: MCPS	816633	\$160,000	State Aid - QZAB
Planned Lifecycle Asset Repl.: MCPS	926575	<u>\$992,000</u>	State Aid - QZAB
TOTAL		\$1,152,000	

4. The Qualified Zone Academy Bond Grants (QZAB) program is authorized by the Federal government and enables the State of Maryland to sell bonds and allocate the proceeds to public school systems for capital improvements at eligible public school buildings. These funds can be used for capital improvements, repairs, and deferred maintenance work for existing public school buildings. These funds may not be used to construct new public schools or to build additions to existing public schools. Additionally, these funds may be used to renovate facilities that have not been previously used for education.

- 5. For a project to be eligible under the QZAB Program the applicable school must be located in either a Federal Empowerment or Enterprise Zone, or have 35% or more of the student body eligible for free or reduced-cost meals (FARMS) through the school lunch program under the National School Lunch Act.

For each project, a 10 percent contribution to the applicable school, either financial or in-kind, is required from a business or private sector entity to be provided during the life of the QZAB bonds.

- 6. The State Legislature allocated \$1,187,000 to Montgomery County Public Schools as part of the Qualified Zone Academy Bond Grants (QZAB) program. Payment for work completed under the Qualified Zone Academy Bond Program is through reimbursement to the school system after the work is completed.
- 7. Notice of public hearing was given and a public hearing was held on March 27, 2007.
- 8. The County Council declares this request is in the public interest to be acted upon without delay as provided for under special appropriation requirements described in Article 3-Section 308 of the Montgomery County Charter.

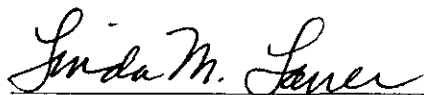
Action

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

A special appropriation to the FY07 Capital Budget is approved for the Montgomery County Public Schools as follows and amendments to the FY07-12 Capital Improvements Program are approved as shown on the attached project description forms.

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
HVAC Replacement: MCPS	816633	\$160,000	State Aid - QZAB
Planned Lifecycle Asset Repl.: MCPS	926575	<u>\$992,000</u>	State Aid - QZAB
TOTAL		\$1,152,000	

This is a correct copy of Council action.



 Linda M. Lauer, Clerk of the Council

HVAC Replacement: MCPS -- No. 816633

Category: MCPS
 Agency: Public Schools
 Planning Area: Countywide
 Relocation Impact:

Date Last Modified
 Previous PDF Page Number
 Required Adequate Public Facility

May 19, 2006
 19-18 (03 App)
 NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY05	Est. FY06	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision	3,831	181	350	3,300	550	550	550	550	550	550	0
Land											
Site Improvements and Utilities				20,860	3,610						
Construction	26,391	2,866	2,825	20,700	3,450	3,450	3,450	3,450	3,450	3,450	0
Other	30,382			2,416.0	4,160						
Total	30,222	3,047	3,175	24,000	4,000	4,000	4,000	4,000	4,000	4,000	0

FUNDING SCHEDULE (\$000)

Qualified Zone Academy Funds	896	561	175	160.0	160.0	0	0	0	0	0	0
G.O. Bonds	26,936	1,616	2,170	23,150	3,150	4,000	4,000	4,000	4,000	4,000	0
State Aid	2,550	870	830	850	850	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

This project provides for orderly replacement of heating, ventilating, air conditioning, control, and plumbing systems in facilities that are not on the modernization schedule. Related asbestos removal costs are included with each project. These systems or components are outdated or have become expensive to repair and maintain necessitating replacement. MCPS is participating in interagency planning and review of this program in order to share successful and cost effective approaches. In addition to HVAC replacement, the Council added \$725,000 in additional appropriations to the FY 1998 request for (FACE) Facilities Air Conditioning Equity (a pilot program to provide air conditioning at Cabin John Middle School and Luxmanor Elementary School). The FY 1999 appropriation had two components - \$2 million to continue the HVAC replacement program and \$1.2 million to provide additional planning and construction funds for the FACE initiative to provide air conditioning in three schools. An additional \$1.2 million was programmed in FY 2000 to complete an additional three schools.

The adopted FY 1999 and FY 2000 amounts would have allowed six schools to be air conditioned with unitary systems. There was no commitment for the remaining 11 schools to be air conditioned. The costs of providing central air conditioning was cost prohibitive. A supplemental appropriation of \$900,000 for completion of scheduled air conditioning at Cabin John Middle School and Luxmanor Elementary School was approved by the County Council in FY 1998. Two FY 1999 supplemental appropriations for the FACE initiative were approved -- the first in the amount of \$2.635 million the second in the amount of \$320,000. Also an FY 2000 amendment was funded to accelerate the air conditioning of all remaining non-air conditioned schools and holding schools for completion by September 2000. In FY 2000, \$175,000 was transferred from this project to the Elementary School Gymnasium PDF for the construction of Burnt Mills Elementary School gymnasium and \$20,000 was transferred to the local unliquidated surplus account. Funds approved in FY 2001 and FY 2002 continued this project.

An FY 2003 appropriation was approved to continue to provide for the replacement of heating, ventilating, air conditioning, and plumbing systems in facilities that are not on the modernization schedule. An FY 2004 appropriation was approved to continue this project at its current level of effort. An FY 2005 appropriation was approved to continue to provide heating, ventilating, air conditioning, and plumbing system replacements in facilities that are not scheduled to be modernized. Increases in expenditures shown for FY 2005 and beyond reflect the need to address the backlog of HVAC projects, partially due to the delay in the modernization schedule. For FY 2005, an additional \$745,000 in state aid was included in this project as a result of federal funding, issued by the state, through the Qualified Zone Academy Bond (QZAB) program. An FY 2006 appropriation was approved to continue this project. An FY 2007 appropriation was approved to continue this project. Expenditures shown in the adopted FY 2007-2012 CIP for this project have increased in order to address the backlog of HVAC projects, as well as the rise in construction costs.

* This project will continue indefinitely.

JUSTIFICATION

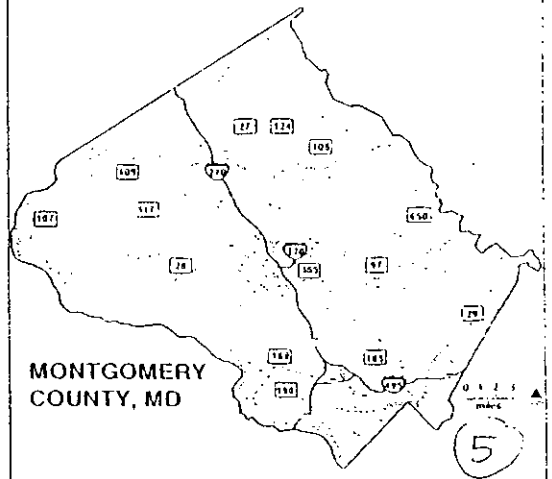
Criteria: needed for urgent health and safety needs.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY81	(\$000)
Initial Cost Estimate		643
First Cost Estimate		
Current Scope	FY96	16,388
Last FY's Cost Estimate		21,953
Present Cost Estimate		30,222
Appropriation Request	FY07	4,000
Appropriation Req. Est	FY08	4,000
Supplemental		
Appropriation Request	FY01	160.0
Transfer	FY06	0
Cumulative Appropriation		6,222
Expenditures/		
Encumbrances		2,740
Unencumbered Balance		3,482
Partial Closeout Thru	FY04	39,514
New Partial Closeout	FY05	2,697
Total Partial Closeout		42,211

COORDINATION

CIP Master Plan for School Facilities
 MCPS asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

MAP



Planned Life Cycle Asset Repl: MCPS -- No. 896586

Category
Agency
Planning Area
Relocation Impact

MCPS
Public Schools
Countywide

Date Last Modified
Previous PDF Page Number
Required Adequate Public Facility

June 13, 2006
21-48 (01 App)
NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY05	Est. FY06	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision	1,230	0	30	1,200	280	200	180	180	180	180	0
Land											
Site Improvements and Utilities	5,425	0	675	4,750	875	775	775	775	775	775	0
Construction	23,577	22,585	1,549	1,227	19,809	4,763	3,599	3,109	3,109	3,109	0
Other	30,277				20,801						
Total	30,277	22,585	1,549	1,932	25,759	5,921	4,929	4,574	4,064	4,064	0

FUNDING SCHEDULE (\$000)

Qualified Zone Academy Funds	1038	46	0	992	992	0	0	0	0	0	0
G.O. Bonds	29,194	1,503	1,932	25,759	4,929	4,574	4,064	4,064	4,064	4,064	0
State Aid	0	0	0	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

This project funds a comprehensive and ongoing plan to replace key facility and site components based on an inventory of their age and conditions. A comprehensive inventory of all such components has been assembled so that replacements can be anticipated and accomplished in a planned and orderly manner. The pace of the modernization schedule, due to fiscal constraints, justifies the need to increase the scope of this project in order to maintain buildings for longer periods before a capital project will upgrade all systems. Facility components included in this project are code corrections, physical education facility/field improvements, school facility exterior resurfacing, partitions, doors, lighting, media center security gates, bleachers, communication systems, and flooring. Roof replacements are funded in Project No. 766595. Coordination with scheduled modernizations is maintained to avoid redundancy.

An amendment to the FY 2003-2008 CIP was approved to provide two additional staff members for the Department of Facilities Management to manage the additional contracts within the PLAR project office. The approved amendment also provided cafeteria upgrades to four high schools and one middle school, and provided upgrades to the mechanical/electrical/emergency preparedness systems at the Carver Education Services Center (CESC). The Board of Education requested funds to provide minor improvements at the swimming pool at Piney Branch Elementary School; however, the County Council in the adopted CIP, moved these funds from this project in MCPS to the county government's PLAR project. An FY 2003 special appropriation and amendment to the FY 2003-2008 CIP in the amount of \$1.586 million was approved for systemic renovation projects and funded through the Federal School Renovation Program Funds via the Maryland State Department of Education.

An FY 2005 appropriation was approved to continue this project to provide for the necessary replacement of some building systems and playground equipment. The appropriation also includes funding for the replacement of walk-in and serving lines at various cafeterias throughout the system. Increased expenditures in the out-years of the CIP reflect the need to address more PLAR projects, partially due to the delay in the modernization schedule. For FY 2005, an additional \$428,000 in state aid was included in this project as a result of federal funding, issued by the state, through the Qualified Zone Academy Bond (QZAB) program. An FY 2006 appropriation was approved to continue this project at its current level of effort. An FY 2007 appropriation was approved to continue to address PLAR projects systemwide. The increase in expenditures shown above will address the rise in construction costs and a rising backlog of projects, as well as provide additional funding for playground equipment, and the replacement of a variety of cafeteria equipment throughout the school system. The County Council approved, in the FY 2007-2012 CIP additional funding to provide minor modifications to the Grosvenor holding facility.

* Expenditures in this project will continue indefinitely.

FISCAL NOTE

State Reimbursement: not eligible

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation	FY07	<p>MONTGOMERY COUNTY, MD</p>
Initial Cost Estimate	(\$000)	
First Cost Estimate	34,085	
Current Scope	FY06	
Last FY's Cost Estimate	24,802	
Present Cost Estimate	17,669	
Present Cost Estimate	29,240	
Appropriation Request	FY07	
Appropriation Req. Est	FY08	
Supplemental Appropriation Request	FY07	
Transfer	FY06	
Cumulative Appropriation	5,129	
Expenditures/Encumbrances	4,374	
Unencumbered Balance	992	
Partial Closeout Thru	FY04	
New Partial Closeout	FY05	
Total Partial Closeout	39,794	
	3,222	
	43,016	

COORDINATION
CIP Master Plan for School Facilities

	FY 07	FY 08-12
Salaries and Wages	201	1005
Fringe Benefits	81	405
Workyears	3	15

MAP

