



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich
County Executive

Tiffany Ward
Director and Chief Equity Officer

MEMORANDUM

February 8, 2024

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) #24-56
HVAC/Elec Replacement: Fire Stations (P458756)

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that *Supplemental Appropriation #24-56 HVAC/Elec Replacement: Fire Stations (P458756)* is unlikely to reduce racial disparities and inequities related to fire-related risk and resiliency in the County. A new HVAC system at Fire Station #3 will benefit Rockville Volunteer Fire Department members operating out of Fire Station #3, enabling continued service provision in the Rockville area. Ultimately, the fire department's policies, practices, procedures, and culture will impact the community and help reduce disproportionate fire-related and health risks among communities of color and low-income communities, particularly youth and older adults.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation #24-56 HVAC/Elec Replacement: Fire Stations (P458756) in the amount of \$397,000 (from General Obligation Bonds) is to replace the Heating, Ventilation, and Air Conditioning (HVAC) equipment at Rockville Fire Station 3 which has reached the end of its service life. Projects within the HVAC/Elec Replacement were identified through a 2019 HVAC and electrical systems condition assessment study for 20 fire stations¹. This project supports one station per fiscal year.

¹ Information from the Montgomery County Capital Improvement Program Project Justification for HVAC/Elec Replacement: Fire Stations (P458756).

<https://www.montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy24/ciprec/P458756.pdf> ORESJ could not locate a publicly available version of this assessment to ascertain the specific needs associated with Rockville Station #3.

The Rockville Volunteer Fire Department (RVFD), including its administrative and operational functions, is housed in Station 3. It's unclear, from available information, if/when the HVAC system in Fire Station 3 was last replaced, though the information that accompanied this request stated that the station is currently operating a temporary HVAC system. According to the Eighth Report of the Infrastructure Maintenance Task Force from February 2020, the Acceptable Life Span of a Fire Station HVAC & Electrical System is 20 years².

There are several methods for assessing the extent to which Capital Improvements Programs (CIP) advance racial equity and social justice. Montgomery County's Office of Racial Equity and Social Justice (ORES) developed a CIP Budget Equity Tool (BET) and Guidance Manual to help stakeholders incorporate a racial equity lens into project development and resource decisions. Best practices for using a racial equity tool, such as the CIP BET, suggest that the tool should be used early and often in project development and involve diverse stakeholders, including community members. ORESJ has previously documented the importance of using a racial equity lens regarding projects that involve upgrades to County facilities. Our analysis can be found in the following REIAs:

1. Supplemental Appropriation FY23-28 Capital Improvements Program for the Public Safety Communications Center Phase II
<https://www.montgomerycountymd.gov/ore/Resources/Files/23-70.pdf>
2. Supplemental Appropriation FY23-28 Capital Improvements Program for the construction of a new 6th District Police Station
<https://www.montgomerycountymd.gov/ore/Resources/Files/23-69.pdf>

III. **ANALYSIS:** The first appropriation associated with the HVAC/Elec Replacement: Fire Stations (P458756) project was in FY87, decades before the passage of the RESJ Act. In addition, this supplemental appropriation request does not propose substantive changes to the project. According to available information, there is currently insufficient appropriation to support the expected cost of HVAC replacement based on recent bid experiences³. Taken together, it is unlikely a racial equity lens was used in assessing project need or impact (as required by the RESJ Act), and because this supplemental appropriation is focused on funding within an existing project (and for a known and costly HVAC issue), there are—in this context—limited opportunities to identify project changes that may support the reduction of racial disparities and inequities. Within the scope of this REIA, opportunities for using the CBET to assess and address concerns related to the project's racial equity impacts are limited, particularly given that some of the most significant impacts of this project are related to the operations of Fire Station #3, including the demographic makeup and representativeness of the beneficiaries of the supplemental appropriation, who in this case are the volunteers based at Fire Station #3.

² https://www.montgomerycountymd.gov/COUNCIL/Resources/Files/2020/Infrastructure_Maintenance_Task_Force.pdf

³ At the time of this analysis, information about the bid process and pricing was not publicly available.

To model the application of the CBET to this Supplemental Appropriation, ORESJ offers the following:

STEP 1: Establish the context and need for the project.

1. What need does this project fulfill, and what benefit (or outcome) does this project seek to create in the community? *Answered in the background section of this REIA.*
2. What informed the project request— how did you learn about this need? *Answered in the background section of this REIA⁴.*

STEP 2: Apply a Racial Equity Lens to the problem or issues the project seeks to address.

3. What does data, community feedback, and broader research (historical and/or current) tell you about who is most impacted/burdened by what this project seeks to address?

The primary beneficiaries of an upgraded HVAC system are the volunteer firefighters who work or live in Fire Station #3. RVFD concluded 2023 with 220 operational volunteers and a membership of over 340⁵. A Fire Station supports members' readiness and ability to serve the community. Communities around the fire station are, therefore, secondary beneficiaries of this improvement. A full demographic analysis of both the 220 operational volunteers and the service area of Fire Station #3 would help to determine a) how representative the makeup of the volunteer service is of the Rockville area and b) the extent to which communities most impacted by fire-related risks (low-income communities, communities of color, particularly older adults and younger kids) are represented in the service area.

4. What unintended consequences does this project potentially create (at any point in the project's lifespan) for communities of color and other marginalized groups?

If the project creates any downtime or displacement of officers at the Fire Station, it could cause additional stress on the system, which would need to be absorbed by surrounding Fire Stations. The precise impact of this stress is best quantified by MCFRS.

STEP 3: Explain how the project responds to the information generated using a racial equity lens.

⁴ The particular processes involved with assessing fire station facilities were not available at the time of this analysis; it is therefore difficult to understand how HVAC replacement involved with this supplemental appropriation was prioritized compared to issues in other fire stations.

⁵ <https://rvfd.org/rvfd-2023-year-in-review/>

5. How does this project respond to data, community feedback, and broader research (historical and/or current) about racial disparities and inequities related to what this project seeks to address?

This project aims to ensure a functioning HVAC system at Fire Station #3 and responds to the need as outlined in the information that accompanied this request (details about the process and any history related to fire station investments were not included for review); addressing the known disparities related to fire-related risk and resiliency as well as acute/emergency health outcomes is not the intended or primary purpose of this project.

6. What racial disparities or inequities will this specific project help to reduce or widen because of its implementation/completion?

This project will not help reduce racial disparities in fire-related risk and resiliency. Upgrading the HVAC at Fire Station #3 will help maintain current operations and service in the Fire Station #3 area. There's not enough information to determine how the current services carried out by Fire Station #3 shrink or widen gaps in fire-related risks and resilience or emergency health outcomes.

7. How will you mitigate any unintended consequences for communities of color and other marginalized groups resulting from the project's development, construction, or implementation?

A response to this question is best answered by MCFRS, as it pertains to the processes and procedures involved with managing construction and/or utility maintenance taking place at the Fire Station and any disruptions it may cause.

In addition to reviewing this supplemental appropriation using the CBET, ORESJ encourages the consideration of the equitable use of minority contracting. Using available data on County spending⁶, between FY20-23⁷, Fire and Rescue Services had 1,090 HVAC-maintenance-related transactions. These transactions were split amongst six vendors and purchase-card transactions where the vendor information was unavailable. A search of the Montgomery County Central Vendor Registration System (MCCVRS) returned 14 Minority Female and Disabled-owned (MFD) vendors with HVAC-related NIGP codes⁸. None of these 14 firms were listed among the vendors utilized in FRS' HVAC maintenance transactions. It is possible that of several HVAC transactions may be coded under a different invoice description, such as construction or another category that

⁶ Data Montgomery. County Spending. Available at: <https://data.montgomerycountymd.gov/Finance-Tax-Property/County-Spending/vpf9-6irq>

⁷ These dates reflect the timeframe during which the RESJ ACT was in effect.

⁸ National Institute of Government Purchasing (NIGP) Code is a universal taxonomy for identifying commodities and services in procurement systems.

we did not review. Information about processes involved with selecting firms to perform HVAC-related activities was not available at this analysis, nor was data about whether any reviewed transactions involved MFD subcontractors. While beyond the scope of this REIA, further research around the policies and processes used to contract firms to sell goods, design, construct, install, repair facilities and equipment, or perform preventative maintenance is needed to help ensure that BIPOC-owned businesses can participate in the County procurement process.

cc: Gary Cooper, Interim Fire Chief, Montgomery County Fire and Rescue Service
Ken Hartman, Director, Strategic Partnerships, Office of the County Executive