



Committee: E&C
Committee Review: At a future date
Staff: Keith Levchenko, Senior Legislative Analyst
Purpose: To receive testimony – no vote expected
Keywords: #MCPSCIP and Relocatable Classrooms

AGENDA ITEM #8
March 31, 2020
Public Hearing

SUBJECT

Special Appropriation to the FY20 Capital Budget and Amendment to the FY19-24 Capital Improvements Program, Montgomery County Public Schools (MCPS)
- Relocatable Classrooms (No. 846540), \$6,000,000 (source of funds: Current Revenue)

EXPECTED ATTENDEES

None

DESCRIPTION/ISSUE

- On February 28, 2020, the County Council received a request from MCPS (see ©3-7) for an FY20 supplemental and amendment to the FY19-24 MCPS CIP for \$6.0 million for the leasing, purchase, movement, and rehabilitation of relocatable classrooms needed for the 2020-21 school year (see ©3-5). A draft resolution is attached on ©1-2. The Education and Culture (E&C) Committee will discuss this request on March 30. A public hearing is scheduled for March 31, 2020 at 1:30 p.m.
- MCPS' request would appropriate \$6.0 million in FY20 to allow MCPS to move forward with contractual work this spring, so that the relocatable classrooms can be ready by the start of the 2020-21 school year. The expenditures related to the appropriation would still occur in FY21.
- Within the Approved FY19-24 Amended CIP, the Relocatable Classrooms project includes \$5.0 million in expenditures in FY21. Since this request involves an additional \$1.0 million in appropriation and expenditures beyond what is currently approved, action also involves amending the FY19-24 CIP.
- On March 10 the Executive transmitted to the Council a memorandum expressing his support for the request.

This report contains:

- Resolution ©1-2
- Marked-Up Relocatable Classrooms Project Description Form ©3
- Transmittal Letter of February 26, 2020 from MCPS ©4-5
- March 10, 2020 Memorandum from the County Executive ©6-11

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Resolution No. _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Special Appropriation to the FY20 Capital Budget and Amendment to the FY19-24 Capital Improvements Program, Montgomery County Public Schools Relocatable Classrooms (No. 646540) \$6,000,000

Background

1. Article 3, Section 308 of the Charter of Montgomery County, Maryland provides that a special appropriation: (a) may be made at any time after public notice by news release to meet an unforeseen disaster or other emergency, or to act without delay in the public interest; (b) must specify the revenues to finance it; and (c) must be approved by no fewer than six members of the Council.
2. Section 5-306 of the Education Article of the Annotated Code of Maryland requires that the County Council adopt a six-year capital improvements program for the Board of Education. This section also allows the Council to make amendments, revisions, and modifications to the program.
3. 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.
4. The Board of Education has requested the following additional appropriation within the FY20 Capital budget:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Relocatable Classrooms	846540	\$6,000,000	Current Revenue: General

5. This request would accelerate the appropriation associated with \$5.0 million in approved expenditures in FY21 and appropriate \$1.0 million in new FY21 expenditures for a total of \$6.0 million.

- 6. This request will allow MCPS to begin contracting work during FY20 so that new and existing relocatable classrooms can be moved early in the summer of 2020 and be ready for use for the 2020-21 schoolyear.
- 7. 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.
- 8. Notice of public hearing was given, and a public hearing was held on March 31, 2020.

Action

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

A special appropriation to the FY20 Capital Budget and amendment to the FY19-24 Capital Improvements Program is approved as follows and as noted on the attached project description form:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Relocatable Classrooms	846540	\$6,000,000	Current Revenue: General

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Relocatable Classrooms

(P846540)

Category	Montgomery County Public Schools	Date Last Modified	05/16/19
SubCategory	Countywide	Administering Agency	Public Schools
Planning Area	Countywide	Status	Ongoing

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	5,475	5,225	3,725	1750	1,500	500	500	500	750	-	-
Construction	58,586	57,836	44,582	14,000	13,254	4,254	4,500	5,000	5,250	-	-
TOTAL EXPENDITURES	63,061	63,061	48,307	14,754	4,754	5,000	5,000	5,000	6,000	-	-
	64,061			15,754			6,000				

FUNDING SCHEDULE (\$000s)

Current Revenue: General	57,166	58,936	44,220	13,686	12,686	3,091	4,595	5,000	6,000	-	-
Recordation Tax		6,155	4,087		2,068	1,663	405				
TOTAL FUNDING SOURCES	63,061	63,061	48,307	14,754	4,754	5,000	5,000	5,000	6,000	-	-
	64,061			15,754			6,000				

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 20 Request	-	6,000	Year First Appropriation	FY84
Cumulative Appropriation	58,061	Last FY's Cost Estimate	63,061	
Expenditure / Encumbrances	48,307			
Unencumbered Balance	9,754			

PROJECT DESCRIPTION

For the 2015-2016 school year, MCPS has a total of 500 relocatable classrooms. Of the 500 relocatables, 381 are used to address over utilization at various schools throughout the system. The balance, 119 relocatables, are used to provide daycare at schools, are used at schools undergoing construction projects on-site, or at holding schools, or for other uses countywide. Units around 15-20 years old require general renovation if they are to continue in use as educational spaces. An FY 2015 supplemental appropriation of \$5.0 million was approved to accelerate the FY 2016 appropriation requested by the Board of Education to enter into contracts in order to have relocatables ready for the 2015-2016 school year. An FY 2016 supplemental appropriation of \$2.250 was approved to accelerate the FY 2017 appropriation requested by the Board of Education to enter into contracts in order to have relocatables ready for the 2016-2017 school year. The expenditure for FY 2017 reflects the ability to utilize some expenditures from FY 2106 due to the conversion of computer labs to classrooms at some elementary schools, as well as the rerating of the class-size reduction schools, which resulted in the placement of less units for the 2015-2016 school year. The expenditures showing in FY 2018 and beyond will once again show the level of effort for this project. An FY 2017 supplemental appropriation was approved for \$5.0 million to accelerate the FY 2018 request to enter into contracts to allow for the placement of relocatable classrooms by the start of the 2017-2018 school year. An FY 2018 supplemental appropriation was approved for \$5 million to accelerate the FY 2019 appropriation request to address enrollment growth and overutilization at schools throughout the system with the placement of relocatable classrooms. An FY 2019 supplemental appropriation was approved for \$5 million to accelerate the FY 2020 appropriation request for the placement of relocatable classrooms for the 2019-2020 school year to address enrollment growth and overutilization at schools throughout the county.

FISCAL NOTE

FY18 supplemental appropriation was approved for \$5.0M in Current Revenue: General to accelerate the FY2019 request to enter into contracts to allow for the placement of for relocatable classrooms by the start of the 2018-2019 school year. Funding switch in FY19 and in FY20 to reduce Current Revenue: General and increase Recordation Tax.

DISCLOSURES

Expenditures will continue indefinitely.

COORDINATION

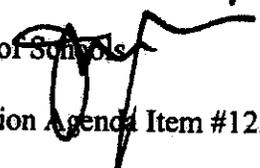
CIP Master Plan for School Facilities

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

February 26, 2020

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Sidney A. Katz, President, Montgomery County Council

From: Jack R. Smith, Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda Item #12.12

Fiscal Year 2020 Supplemental Appropriation Request for Relocatable Classrooms

BOE Meeting Date: February 10, 2020

Amount: \$6,000,000

Type of Action: Supplemental Appropriation—Relocatable Classrooms

JRS:AMZ:AK

Attachment

Copy to:

Dr. Zuckerman

Mr. Adams

Ms. Karamihas

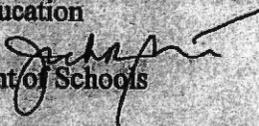
Montgomery County Office of Management and Budget

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

February 10, 2020

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools 

Subject: Fiscal Year 2020 Supplemental Appropriation Request for Relocatable Classrooms

WHEREAS, The *Board of Education Adopted FY 2021 Capital Budget and the FY 2021–2026 Capital Improvements Program* includes \$6,000,000 in Fiscal Year 2021 for relocatable classrooms to accommodate student population changes for the 2020–2021 school year; and

WHEREAS, These funds are programmed to be expended during summer 2020 but will not be available until the Montgomery County Council takes final action on the *FY 2021 Capital Budget and the Fiscal Year 2021–2026 Capital Improvements Program* request in May 2020; and

WHEREAS, The contracts for the leasing, relocation, and installation work for the Fiscal Year 2021 relocatable classroom moves must be executed prior to May 1, 2020, in order to have the units ready for the start of school in August 2020; and

WHEREAS, The appropriation authority to expend the funds programmed for Fiscal Year 2021 must be approved by the Montgomery County Council before the Board of Education can enter into contracts; now therefore be it

Resolved, That the Board of Education request a Fiscal Year 2020 supplemental appropriation in the amount of \$6,000,000 to accelerate the requested Fiscal Year 2021 appropriation to provide for the execution of contracts for leasing and relocatable classroom moves planned for summer 2020 to address school enrollment changes in time for the beginning of the 2020–2021 school year; and be it further

Resolved, That this request be forwarded to the county executive and the Montgomery County Council for action.

JRS:AMZ:SPA:dlg

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

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Marc Elrich
County Executive

MEMORANDUM

March 10, 2020

TO: Sidney A. Katz, President, County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Amendment to the FY19-24 Capital Improvements Program and Supplemental Appropriation 23-S20-CMCPS-6 to the FY20 Capital Budget
Montgomery County Public Schools
Relocatable Classrooms (No. 846540), \$6,000,000

I am recommending a supplemental appropriation to the FY20 Capital Budget in the amount of \$6,000,000 and an amendment to the FY19-24 Capital Improvements Program for Relocatable Classrooms (846540). Appropriation for this project will fund relocatable classrooms for the 2020-2021 school year.

This increase is needed to allow MCPS to begin contracting work related to FY21 Capital Budget Expenditures during FY20 so that the leasing, relocation, and installation work of the relocatable classroom units are ready for the start of school in August 2020. The recommended amendment is consistent with the criteria for amending the CIP.

I recommend that the County Council approve this supplemental appropriation to the FY20 Capital Budget in the amount of \$6,000,000 and amendment to the FY19-24 Capital Improvements Program and specify the source of funds as Current Revenue: General.

I appreciate your prompt consideration of this action.

ME:vmj

Attachments:

- Amendment to the FY19-24 Capital Improvements Program 23-S20-CMCPS-6
- Superintendent of School's Request

Resolution: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation 23-S20-CMCPS-6 to the FY20 Capital Budget
Montgomery County Public Schools
Relocatable Classrooms (No. 846540), \$6,000,000

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 five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six 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. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increases:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Relocatable Classrooms	846450	Planning, Design, and Supervision	\$ 750,000	Current Revenue: General
		Construction	<u>\$5,250,000</u>	
			\$6,000,000	

Supplemental Appropriation to the FY19-24 Capital Improvements Program
23-S20-CMCPS-6
Page Two

4. This increase is needed to allow MCPS to begin contracting work related to FY21 Capital Budget Expenditures during FY20, so leasing, relocation, and installation work of the units are ready for the start of school in August 2020.
5. Notice of public hearing was given and a public hearing was held.

Action

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

The FY19-24 Capital Improvements Program of the Montgomery County Public Schools is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Relocatable Classrooms	846450	Planning, Design, and Supervision	\$ 750,000	Current Revenue: General
		Construction	<u>\$5,250,000</u>	
			\$6,000,000	

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council



Relocatable Classrooms (P846540)

Category Montgomery County Public Schools
Date Last Modified 05/16/19
SubCategory Countywide
Administering Agency Public Schools
Planning Area Countywide
Status Ongoing

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	5,475	3,725	1,750	1,500	500	500	500	-	-	-
Construction	58,586	44,582	14,004	13,254	4,254	4,500	4,500	-	-	-
TOTAL EXPENDITURES	63,061	48,307	15,754	14,754	4,754	5,000	5,000	5,000	5,250	750

FUNDING SCHEDULE (\$000s)

Current Revenue: General	56,906	44,220	-	12,686	3,091	4,595	5,000	-	-	-
Recordation Tax	6,155	4,087	-	2,068	1,663	405	-	-	-	-
TOTAL FUNDING SOURCES	63,061	48,307	-	14,754	4,754	5,000	5,000	5,000	6,000	6,000

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 20 Request	-	-	-	Year First Appropriation	FY84
Cumulative Appropriation	58,061	-	-	Last FY's Cost Estimate	63,061
Expenditure / Encumbrances	48,307	-	-		
Unencumbered Balance	9,754	-	-	Supplemental	6,000

PROJECT DESCRIPTION

For the 2015-2016 school year, MCPS has a total of 500 relocatable classrooms. Of the 500 relocatables, 381 are used to address over utilization at various schools throughout the system. The balance, 119 relocatables, are used to provide daycare at schools, are used at schools undergoing construction projects on-site, or at holding schools, or for other uses countywide. Units around 15-20 years old require general renovation if they are to continue in use as educational spaces. An FY 2015 supplemental appropriation of \$5.0 million was approved to accelerate the FY 2016 appropriation requested by the Board of Education to enter into contracts in order to have relocatables ready for the 2015-2016 school year. An FY 2016 supplemental appropriation of \$2.250 was approved to accelerate the FY 2017 appropriation requested by the Board of Education to enter into contracts in order to have relocatables ready for the 2016-2017 school year. The expenditure for FY 2017 reflects the ability to utilize some expenditures from FY 2106 due to the conversion of computer labs to classrooms at some elementary schools, as well as the rerating of the class-size reduction schools, which resulted in the placement of less units for the 2015-2016 school year. The expenditures showing in FY 2018 and beyond will once again show the level of effort for this project. An FY 2017 supplemental appropriation was approved for \$5.0 million to accelerate the FY 2018 request to enter into contracts to allow for the placement of relocatable classrooms by the start of the 2017-2018 school year. An FY 2018 supplemental appropriation was approved for \$5 million to accelerate the FY 2019 appropriation request to address enrollment growth and overutilization at schools throughout the system with the placement of relocatable classrooms. An FY 2019 supplemental appropriation was approved for \$5 million to accelerate the FY 2020 appropriation request for the placement of relocatables classrooms for the 2019-2020 school year to address enrollment growth and overutilization at schools throughout the county.

FISCAL NOTE

FY18 supplemental appropriation was approved for \$5.0M in Current Revenue: General to accelerate the FY2019 request to enter into contracts to allow for the placement of for relocatable classrooms by the start of the 2018-2019 school year. Funding switch in FY19 and in FY20 to reduce Current Revenue: General and increase Recordation Tax. **FY20 supplemental appropriation for \$6.0 million to accelerate FY21 request in Current Revenue: General to enter into contracts to allow for the installation of relocatable classrooms for the start of school in August 2020.**

DISCLOSURES

Expenditures will continue indefinitely.

COORDINATION

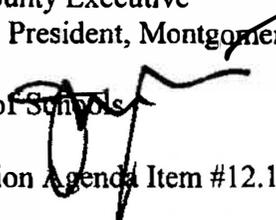
CIP Master Plan for School Facilities

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

February 26, 2020

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Sidney A. Katz, President, Montgomery County Council

From: Jack R. Smith, Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda Item #12.12

Fiscal Year 2020 Supplemental Appropriation Request for Relocatable Classrooms

BOE Meeting Date: February 10, 2020

Amount: \$6,000,000

Type of Action: Supplemental Appropriation—Relocatable Classrooms

JRS:AMZ:AK

Attachment

Copy to:

Dr. Zuckerman

Mr. Adams

Ms. Karamihas

Montgomery County Office of Management and Budget

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

February 10, 2020

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools 

Subject: Fiscal Year 2020 Supplemental Appropriation Request for Relocatable Classrooms

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WHEREAS, These funds are programmed to be expended during summer 2020 but will not be available until the Montgomery County Council takes final action on the *FY 2021 Capital Budget and the Fiscal Year 2021–2026 Capital Improvements Program* request in May 2020; and

WHEREAS, The contracts for the leasing, relocation, and installation work for the Fiscal Year 2021 relocatable classroom moves must be executed prior to May 1, 2020, in order to have the units ready for the start of school in August 2020; and

WHEREAS, The appropriation authority to expend the funds programmed for Fiscal Year 2021 must be approved by the Montgomery County Council before the Board of Education can enter into contracts; now therefore be it

Resolved, That the Board of Education request a Fiscal Year 2020 supplemental appropriation in the amount of \$6,000,000 to accelerate the requested Fiscal Year 2021 appropriation to provide for the execution of contracts for leasing and relocatable classroom moves planned for summer 2020 to address school enrollment changes in time for the beginning of the 2020–2021 school year; and be it further

Resolved, That this request be forwarded to the county executive and the Montgomery County Council for action.

JRS:AMZ:SPA:djg