

Subject: Public Hearing/Action – Supplemental Appropriation to the FY19 Operating Budget, Montgomery County Public Schools Entrepreneurial Activities Fund, \$5,600,000 for the School Bus Camera Safety Program	
Purpose: To receive testimony/final action - vote expected	
Analyst: Craig Howard, Senior Legislative Analyst	Committee: Directly to Council
Keywords: #MCPS, schools, bus camera, safety	

DESCRIPTION/ISSUE

The County Council will hold a public hearing and consider action on a supplemental appropriation to the FY19 Operating Budget, Montgomery County Public Schools Entrepreneurial Activities Fund in the amount of \$5,600,000 for the School Bus Camera Safety Program. The source of funds is the School Bus Safety Camera Program citation revenue in the County Government General Fund.

SUMMARY OF KEY DISCUSSION POINTS

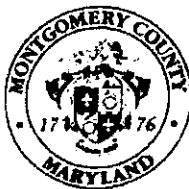
- The Board of Education requested this appropriation on February 12. The County Executive recommended approval on May 6. The Council introduced this supplemental appropriation on May 15.
- As authorized by the Board of Education on May 26, 2016, MCPS entered into: 1) a contract with Bus Patrol America (BPA) (formerly Force Multiplier Solutions, Inc.) to provide a comprehensive school bus safety system to MCPS; and, 2) a memorandum of understanding with Montgomery County Government to set forth the parties' respective obligations for effective implementation of the School Bus Safety Camera Program.
- Pursuant to the contract and the MOU, all citations are reviewed and approved by the Montgomery County Police Department and citation revenues are received in the County's General Fund. Revenues are then transferred from the County General Fund to the MCPS Entrepreneurial Activities Fund to enable MCPS to compensate BPA for the school bus safety system until such time that BPA recovers the cost of its capital investment.
- This appropriation is needed to provide MCPS spending authority for payments to the contractor. The FY19 budget assumed \$2.0 million in citation revenues, the actual revenues have been approximately \$7.6 million. The Executive notes that this FY19 supplemental and transfer is assumed in his FY20 Recommended Operating Budget.
- **Council staff recommends approval.**

This report contains:

County Executive Recommendation (May 6, 2019)
Draft Supplemental Appropriation Resolution
Board of Education Request (February 12, 2019)

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

May 6, 2019

TO: Nancy Navarro, President, Montgomery County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Supplemental Appropriation #19-437 to the FY19 Operating Budget
Montgomery County Public Schools
Entrepreneurial Activities Fund
School Bus Safety Camera Program, \$5,600,000

I am recommending a supplemental appropriation to the FY19 Operating Budget of Montgomery County Public Schools (MCPS) in the amount of \$5,600,000 for the School Bus Safety Camera Program. These funds are used to improve student safety and enforce traffic violations.

This supplemental appropriation is needed to provide MCPS spending authority for payments to the contractor that provides the cameras and other systems necessary to issue citations. While citations need to be reviewed and approved by law enforcement, and the citation revenues are received in the County's General Fund; the buses are the property of the school system, so the contract with the vendor was entered into by MCPS. Fine revenues are transferred from the County's General Fund to the MCPS Entrepreneurial Activities Fund to cover MCPS' payments to the vendor. The FY18 Budget assumed \$2,000,000 in revenues, actual revenues have been approximately \$7.6 million. This FY19 supplemental and transfer were assumed in my Recommended FY20 Operating Budget.

I recommend that the County Council approve this supplemental appropriation in the amount of \$5,600,000 and specify the source of funds as School Bus Safety Camera Program Citation Fines Revenues.

I appreciate your prompt consideration of this action.

ME:brm

Attachment

Resolution No: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

**SUBJECT: Supplemental Appropriation #19-437 to the FY19 Operating Budget
Montgomery County Public Schools
Entrepreneurial Activities Fund
School Bus Safety Camera Program, \$5,600,000**

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. The County Executive has requested the following FY19 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>
\$0	\$5,600,000	\$5,600,000	School Bus Safety Camera Program Citation Fines Revenue – County General Fund

Supplemental Appropriation #19-437

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3. This supplemental appropriation is needed to provide MCPS spending authority for payments to the contractor that provides the cameras and other systems necessary to issue citations.
4. Appropriation of these funds to the MCPS Entrepreneurial Activities Fund will not impact Maintenance of Effort (MOE) calculations for FY20.
5. The County Executive recommends a supplemental appropriation to the FY19 Operating Budget of the Montgomery County Public Schools Entrepreneurial Activities Fund in the amount of \$5,600,000 for the School Bus Safety Camera Program and specifies that the source of funds will be School Bus Safety Camera Program Citation Fines Revenues.
6. Notice of public hearing was given, and a public hearing was held.

Action

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

A supplemental appropriation to the FY19 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	\$5,600,000	\$5,600,000	School Bus Safety Camera Program Citation Fines Revenue – County General Fund

This is a correct copy of Council action.

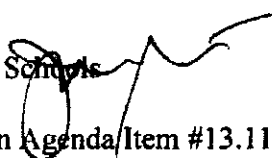
Megan Davey Limarzi, Esq.
Clerk of the Council

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

February 21, 2019

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Nancy Navarro, President,
Montgomery County Council

From: Jack R. Smith, Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda/Item #13.11

Recommended Fiscal Year 2019 Supplemental Appropriation for School Bus Safety Camera Program

BOE Meeting Date: February 12, 2019

Amount: \$5,600,000

Type of Action: Approval

JRS:ND:jp

Attachment

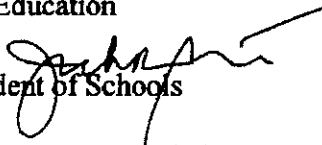
Copy to:
Ms. Diamond
Montgomery County Office of Management and Budget

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

February 12, 2019

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools 

Subject: Fiscal Year 2019 Supplemental Appropriation for School Bus Safety Camera Program

Montgomery County Public Schools (MCPS) is collaborating with the Montgomery County Police Department (MCPD) to implement a school bus safety program for the use of monitoring cameras on all operating school buses to improve student safety and enforce school bus traffic violations ("School Bus Safety Camera Program"). Drivers in Montgomery County illegally overtake or pass school buses at an alarming rate. In a national survey conducted during the past six years, MCPS bus operators consistently reported 800 to 1,200 drivers illegally overtaking or passing school buses in a single day. Under Maryland law, vehicle owners who illegally overtake or pass stopped school buses may be issued a citation with a \$250 fine.

As authorized by the Board of Education on May 26, 2016, Resolution No. 260-16, MCPS entered into (1) a contract with Bus Patrol America (BPA) (formerly Force Multiplier Solutions), a firm specializing in security and safety solutions for the school transportation industry, to provide its Bus Patrol School Bus Safety System™, to MCPS; and (2) a Memorandum of Understanding (MOU) with Montgomery County to set forth the parties' respective obligations for effective implementation of the School Bus Safety Camera Program. The Bus Patrol School Bus Safety System™ is capable of equipping every school bus in MCPS' fleet with interior, exterior, and stop-arm enforcement video cameras with recording and real-time viewing capabilities, and live and historical Global Positioning System (GPS) location reporting. BPA also provides school systems with ongoing maintenance and upgrades for all equipment installed on the school buses. Through a unique business model, where BPA is compensated entirely from the citation fines paid by drivers who illegally overtake or pass stopped school buses, BPA is able to offer its Bus Patrol School Bus Safety System™ at no cost to its clients.

Pursuant to the contract and MOU, all revenue generated from citation fines are to be transferred from the County General Fund to the MCPS Entrepreneurial Activities Fund to enable MCPS to compensate BPA for the Bus Patrol School Bus Safety System™ until such time that BPA recovers the cost of its capital investment, including the cost of equipment and operating costs.

After BPA recovers its capital investment costs, revenue from citation fines will be shared between BPA and Montgomery County. Currently, 1,000 MCPS school buses are operating the Bus Patrol School Bus Safety System™ and approximately 63,500 citations have been issued. The remainder of the school bus fleet is scheduled to be equipped with the Bus Patrol School Bus Safety System™ by the start of the 2019–2020 school year.

Authorization is requested to receive and expend, subject to County Council approval, a Fiscal Year 2019 supplemental appropriation of the estimated revenue generated from the payment of citation fines in the amount of \$5,600,000 to the MCPS Entrepreneurial Activities Fund for MCPS to compensate BPA for the installation and operation of the Bus Patrol School Bus Safety System™ on MCPS school buses.

Recommended Resolution

WHEREAS, Pursuant to Board Action on May 26, 2016, Montgomery County Public Schools entered into a contract with Bus Patrol America (formerly Force Multiplier Solutions) to provide the school system with a comprehensive school bus safety camera system, the Bus Patrol School Bus Safety System™, at no cost to the school system; and

WHEREAS, Pursuant to Board Action on May 26, 2016, Montgomery County Public Schools entered into a Memorandum of Understanding with Montgomery County defining each party's obligations regarding the School Bus Camera Safety Program; and

WHEREAS, The Memorandum of Understanding states that all fine revenue collected by Montgomery County from vehicle owners who illegally overtake or pass stopped school buses will be transferred to Montgomery County Public Schools for payment to Bus Patrol America for its Bus Patrol School Bus Safety System™ until such time that Bus Patrol America recovers its capital investment, after which, fine revenue will be shared between Bus Patrol America and Montgomery County; now therefore be it

Resolved, That the superintendent of schools be authorized to receive and expend, subject to County Council approval, a Fiscal Year 2019 supplemental appropriation of \$5,600,000 to the Montgomery County Public Schools Entrepreneurial Activities Fund for payment to Bus Patrol America as compensation for the Bus Patrol School Bus Safety System™; and be it further

Resolved, That a copy of this resolution be sent to the county executive, the Montgomery County Police Department, and the County Council; and be it further

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

JRS:ND:jp