

M E M O R A N D U M

October 18, 2021

TO: Education and Culture Committee

FROM: Essie McGuire, Senior Legislative Analyst
Nicole Rodríguez-Hernández, Legislative Analyst

SUBJECT: **Worksession – Transfers of Unexpended Project Balance within the FY22 Capital Budget and Amendments to the FY21-26 Capital Improvements Program, Montgomery County Public Schools (MCPS)**

PURPOSE: Review and make recommendation to full Council

Expected Participants:

Seth Adams, Director, Department of Facilities Management, MCPS
Adrienne Karamihas, Director, Division of Capital Planning/ Real Estate, MCPS

The Education and Culture Committee will consider four resolutions to transfer funds within the approved FY21-26 Capital Improvements Program (CIP) for Montgomery County Public Schools (MCPS). These transfers are necessary to maintain project schedules and support increased construction costs for several projects within the CIP. The Board of Education approved the FY22 capital budget and FY21-26 CIP amendments on September 9, 2021.

Project Cost Increases

MCPS is experiencing significant cost increases in projects due to ongoing impacts to the construction industry and the supply chain for materials related to the COVID-19 pandemic. These construction cost increases are not unique to MCPS and are being experienced across a wide range of industries. MCPS reports a construction cost increase of approximately 23 percent overall, evidenced in actual project bid experience. Specific industries are affected differently; for example, since January 2021 steel prices have increased approximately 40 percent and concrete approximately 30 percent. Supply chain delays also add to the cost volatility.

This widespread construction cost increase has created a shortfall between the CIP project budgets approved in the FY21-26 CIP and the actual costs to award contracts at this point in time. The Board of Education has approved an approach to address the cost increases in these projects within the approved CIP funding. This approach uses unexpended surplus in projects that are closing out

and nearing completion; reduces the scope of the Charles W. Woodward High School Reopening project to mitigate the additional funding needed; and defers the Dufief Elementary School Addition/Facility Upgrade project to reallocate those funds to support other project priorities.

The impact of these ongoing industry disruptions may ultimately also be reflected in the Superintendent's Recommended FY23-28 CIP, which will be released in the coming weeks for review by the Board of Education.

Charles W. Woodward High School

The Board requests a \$4 million transfer for the Charles W. Woodward High School Reopening project. These funds are identified to come from unexpended surplus in three recently completed projects: Seneca Valley High School; Tilden Middle School/Rock Terrace School; and Wheaton High School.

In order to mitigate the amount of funding needed above the approved CIP amount, MCPS has worked to redesign areas of the building; identified opportunities for value engineering; and reduced the overall capacity of the facility. The initially approved plan for the Charles W. Woodward High School Reopening project anticipated a 2,700 student capacity; the revised plan anticipates a total of 2,160 students. MCPS indicates that recent enrollment projections in the DownCounty Consortium support this reduced capacity level. MCPS also indicates that the core capacity will be designed to support possible future enrollment growth. The Board of Education approved the revised project scope on September 9, 2021.

Recommendations. The Board's request requires two transfer resolutions and amendments. The first is from MCPS' Current Revitalizations/Expansions project to the MCPS Local Unliquidated Surplus Account project. The second is from the MCPS Local Unliquidated Surplus Account project to the Charles W. Woodward High School Reopening project.

The County Executive recommends approval of the transfers related to the Charles W. Woodward High School Reopening project.

Council staff recommends approval of the \$4,000,000 FY22 capital budget transfer request and amendment to the FY21-26 CIP from the Current Revitalizations/Expansions project to the MCPS Local Unliquidated Surplus project.

Council staff recommends approval of the \$4,000,000 FY22 capital budget transfer request and amendment to the FY21-26 CIP from the MCPS Local Unliquidated Surplus project to the Charles C. Woodward High School project.

Dufief Elementary School and Six MCPS Capital Projects

The Board requests the transfer of the approved funding from the Dufief Elementary School Addition/Facility Upgrade project to maintain the approved project schedules for six projects: Burnt Mills, Clarksburg Cluster #9, South Lake, Stonegate, and Woodlin elementary schools; and Poolesville High School. The additional funds are needed to maintain the approved completion dates for the projects and support the unprecedented rise in construction costs for these projects.

MCPS identified unexpended funds from the Dufief Elementary School Addition/Facility Upgrade project where improvements were to be made to address aging infrastructure, and additional space provided to address overutilization at Rachel Carson Elementary School. However, recent enrollment projections indicate student enrollment will not grow at the previously projected rate at Rachel Carson Elementary School, resulting in a reduced overutilization at Rachel Carson Elementary School. The BOE approved the delay and transfer of funds from Dufief Elementary School in order to maintain the approved completion dates for the aforementioned six capital projects.

Recommendations. The Board's request requires two transfer resolutions and amendments. The first is from the Dufief Elementary School project to the MCPS Local Unliquidated Surplus Account project. The second is from the MCPS Local Unliquidated Surplus Account project to the six capital projects.

Technical correction: MCPS staff identified a few minor technical errors in the transmitted request. Council staff recommends replacing Poolesville Elementary School with Poolesville High School in the corrected draft resolution. The Board's transmittal notes both the elementary and high school at different points, but MCPS staff has confirmed the transfer and amendment request is for the high school. In addition, Council staff recommends switching the funding allocation amount for Burnt Mills and Clarksburg Cluster #9 elementary schools (as written in the Board's original transmittal request) in the draft resolution. MCPS staff identified the correct amounts as \$5.29 million for Burnt Mills Elementary School and \$1.89 million for Clarksburg Cluster Elementary School #9.

Council staff recommends approval of the \$33,941,000 FY22 capital budget transfer request and amendment to the FY21-26 CIP from the Dufief Elementary School project to the MCPS Local Unliquidated Surplus project.

Council staff recommends approval of the corrected \$33,941,000 FY22 capital budget transfer request and amendment to the FY21-26 CIP from the MCPS Local Unliquidated Surplus project to the Burnt Mills Elementary School, Clarksburg Cluster Elementary School #9, South Lake Elementary School, Stone Gate Elementary School, Woodlin Elementary School, and Poolesville High School.

State Aid: Built to Learn Act

Staff from MCPS, County Council, and the Office of Management and Budget (OMB) have been working together around the State's implementation of the school construction aid provided through the Built to Learn Act, as the State is working through its implementation timelines and requirements. The most time sensitive issue is how to secure Built to Learn funding within the current fiscal year-- FY22. There may be opportunities to apply for Built to Learn funding for some of the capital projects in these requested transfers; however, to do so the projects would require additional funding in advance of the State Aid in order to support the prevailing wage requirements of Built to Learn.

Council staff will continue to work with MCPS and OMB to determine the most cost-effective approach to these projects and identify opportunities to secure additional State Aid in the current fiscal year. If additional funding is needed for the projects, the Board of Education would begin that process by requesting a supplemental appropriation for the Council's review.

At this time, approving the transfers is the necessary first step to keep the projects on schedule and allow MCPS to move forward. Due to the fluid nature of the State’s implementation of the unprecedented funding program, these projects may return for additional action if needed in this process.

<u>This report contains:</u>	<u>Page #</u>
County Executive Recommendation	©1
Board of Education Request	©2
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Draft Resolution- MCPS Unliquidated Surplus to Charles W. Woodward High School	©7
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Draft Resolution- Dufief ES to MCPS Unliquidated Surplus	©20
Draft (Corrected) Resolution MCPS Unliquidated Surplus to six MCPS Capital Projects	©22
Corrected PDFs	©24




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

M E M O R A N D U M

September 30, 2021

TO: Tom Hucker, President
County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Transfer of Unexpended Project Funds # 1-A22-CMCPS-1A and 1-A22-CMCPS-1B
Montgomery County Public Schools
FY22 Capital Budget and Amended FY21-26 Capital Improvements Program (\$4,000,000)

The Board of Education of Montgomery County Public Schools (MCPS) has requested that \$4,000,000 be transferred from the Current Revitalizations/Expansions project (926575) to the Woodward High School Reopening project (926575) to fund a shortfall in this project.

The Current Revitalizations/Expansions project includes three completed subprojects with surplus balances due to cost savings. These projects are Seneca Valley High School, Tilden Middle School, and Wheaton High School. Conversely, the Woodward High School reopening project is facing cost increases because the construction industry has experienced an unprecedented increase in material costs, disruption in supply chain, and labor shortages.

The unforeseen additional funding needed to complete the Woodward Reopening project is \$4,000,000, which includes value engineering and a redesign of areas of the building. The transfer is performed using the MCPS local unliquidated surplus account, and two resolutions will be used to accommodate this process. This proposal is in compliance with the 10 percent transferability limit.

I recommend that the County Council approve this transfer, and I appreciate your prompt consideration of this action.

ME: vj

Cc: Dr. Monifa B. McKnight, Interim Superintendent, Montgomery County Public Schools
Jennifer Bryant, Director, Office of Management and Budget


Attachments: •Request sent by the Superintendent of Montgomery County Public Schools
•Transfer of Unexpended Project Funds # 1-A22-CMCPS-1A & 1B resolutions
•Amendment to the FY22 Capital Budget and FY21-26 Capital Improvement Program

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

September 24, 2021

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Tom Hucker, President, Montgomery County Council

From: Monifa B. McKnight, Interim Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda Item #11.5

Fiscal Year 2022 Capital Budget and Amendment to the Fiscal Year 2021–2026 Capital Improvements Program Transfer of Funds for the Charles W. Woodward High School Reopening Project

BOE Meeting Date: September 9, 2021

Amount: \$4,000,000

Type of Action: Transfer of Funds

MBM:EDS:SPA:AK:lmr

Attachment

Copy to:

Ms. Dawson

Mr. Adams

Ms. Karamihas


Montgomery County Office of Management and Budget

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

September 9, 2021

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Interim Superintendent of Schools 

Subject: *Fiscal Year 2022 Capital Budget and Amendments to the Fiscal Year 2021–2026 Capital Improvements Program* Transfer of Funds for the Charles W. Woodward High School Reopening Project

Background

In order to address the overutilization at the high school level in the Downcounty Consortium and Walter Johnson High School, the adopted *Fiscal Year 2019–2024 Capital Improvements Program* included funding for three capital projects—an expansion of Northwood High School, the reopening of Charles W. Woodward High School, and an addition at John F. Kennedy High School.

On March 25, 2019, the Board of Education approved that the Northwood High School addition/facility upgrades project be constructed with students off-site and that Northwood High School operate at the Charles W. Woodward High School as a temporary holding facility during the construction period (Resolution No. 220-19). A Fiscal Year 2021 appropriation was approved for construction funds for the Charles W. Woodward High School reopening project.

During the past 18 months, the construction industry has experienced an unprecedented increase in material prices, disruptions in the supply chain, and staffing shortages, which have resulted in a 12.8 percent increase in construction costs. Due to these extraordinary circumstances, there is a funding shortfall between the budgeted cost and actual planned expenditures for all capital projects.

The anticipated total expenditures for the Charles W. Woodward High School reopening project have exceeded the budgeted amount. Steps have been taken to include value engineering items and a redesign of areas of the building, which have resulted in additional design fees to be presented to the Board of Education for approval. Therefore, an additional \$4.0 million will be required to continue the construction of this project. Surplus funds to address the shortfall have been identified in three of the sub-projects in the current revitalization/expansion

project—Seneca Valley High School, Tilden Middle School/Rock Terrace School, and Wheaton High School. These funds are available to be transferred to the Charles W. Woodward High School reopening project for budget neutral funding of the additional design fees and a contingency for changed conditions for the project.

I recommend that the Board of Education approve the following resolution.

WHEREAS, A recommendation of the award of contract for the Charles W. Woodward High School reopening project is being presented to the Board of Education on September 9, 2021; and

WHEREAS, Additional funds will be required to fund additional design fees and a contingency for changed conditions; and

WHEREAS, Surplus funds have been identified in three sub-projects in the current revitalization/expansion project—Seneca Valley High School, Tilden Middle School/Rock Terrace School, and Wheaton High School—and are available for transfer to the Unliquidated Surplus account to fund the Charles W. Woodward High School Reopening project; and

WHEREAS, The following transfer between projects is presented for consideration and action by the Board of Education; now therefore be it

Resolved, That the Board of Education requests a *Fiscal Year 2022 Capital Budget and Amendments to the Fiscal Year 2021–2026 Capital Improvements Program* transfer of surplus funds in the amount of \$4,000,000 from three sub-projects in the current revitalization/expansion project to the Capital Budget Unliquidated Surplus account as indicated in the following list:

- \$2,721,276 from Seneca Valley High School
- \$ 500,000 from Tilden Middle School/Rock Terrace School
- \$ 778,724 from Wheaton High School

and be it further

Resolved, That the Board of Education requests the Montgomery County Council to transfer the total of \$4,000,000 from the Capital Budget Unliquidated Surplus account to the Charles W. Woodward High School reopening project for Fiscal Year 2022; and be it further

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

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

MBM:ESD:SPA:lmt

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Transfer of Unexpended Project Balance # 1-A22-CMCPS-1A, \$4,000,000
FY22 Capital Budget and Amendments to the FY21-26 Capital Improvements
Program
Montgomery County Public Schools
From: Current Revitalization/Expansions (No. 926575), \$4,000,000
To: MCPS Local Unliquidated Surplus Account (No. 999), \$4,000,000

Background

1. Section 5-107 (c) of the Education Article of the Annotated Code of Maryland provides for transfers of unexpended project balances within the capital budget of the Board of Education only with the approval of the County 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 transfer of appropriation within the FY22 Capital budget:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Current Revitalization/Expansions	926575	-\$4,000,000	GO Bonds
Local Unliquidated Surplus Account	999	\$4,000,000	GO Bonds

5. This transfer and amendment, in conjunction with Resolution (XXX), is required to fund construction cost increases in the Charles W. Woodward High School Reopening project due to increase in material prices, disruption in the supply chain, and staffing shortages.
6. A total of \$4,000,000 in surplus funds have been identified within several Current Revitalizations/Expansion subprojects including: Seneca Valley High School – Current Rev/Exp., Tilden Middle School - Current Rev/Exp, and Wheaton High School – Current Rev/Exp.

Action

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

An amendment to the FY21-26 Capital Improvements Program and FY22 transfer of appropriation funds from the Current Revitalization/Expansion project to the Local Unliquidated Surplus account is approved as follows and as noted on the attached project description forms.

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Current Revitalization/Expansions	926575	-\$4,000,000	GO Bonds
Local Unliquidated Surplus Account	999	\$4,000,000	GO Bonds

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Transfer of Unexpended Project Balance # 1-A22-CMCPS-1B, \$4,000,000
FY22 Capital Budget and Amendments to the FY21-26 Capital Improvements
Program
Montgomery County Public Schools
From: MCPS Local Unliquidated Surplus Account (No. 999), \$4,000,000
To: Charles W. Woodward HS Reopening (No. 651908), \$4,000,000

Background

1. Section 5-107 (c) of the Education Article of the Annotated Code of Maryland provides for transfers of unexpended project balances within the capital budget of the Board of Education only with the approval of the County 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 transfer of appropriation within the FY22 Capital budget:

<u>Project Name</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Local Unliquidated Surplus Account	999	-\$4,000,000	GO Bonds
Charles W. Woodward HS Reopening	651908	\$4,000,000	GO Bonds

5. This transfer and amendment, in conjunction with Resolution (XXX), is required to fund construction cost increases in the Charles W. Woodward High School Reopening project due to increase in material prices, disruption in the supply chain, and staffing shortages.
6. A total of \$4,000,000 in surplus funds have been identified within several Current Revitalizations/Expansion subprojects including: Seneca Valley High School – Current Rev/Exp., Tilden Middle School - Current Rev/Exp, and Wheaton High School – Current Rev/Exp.

Action

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

An amendment to the FY21-26 Capital Improvements Program and FY22 transfer of appropriation from the Local Unliquidated Surplus account to the Charles W. Woodward HS Reopening is approved as follows and as noted on the attached project description forms.

Project			Source
<u>Project Name</u>	<u>Number</u>	<u>Amount</u>	<u>of Funds</u>
Local Unliquidated Surplus Account	999	-\$4,000,000	GO Bonds
Charles W. Woodward HS Reopening	651908	\$4,000,000	GO Bonds

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Charles W. Woodward HS Reopening (P651908)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Individual Schools **Administering Agency** Public Schools
Planning Area Rockville **Status** Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	8,258	4,029	1,231	2,998	1,132	866	1,000	-	-	-	-
Site Improvements and Utilities	21,649	-	-	21,649	7,618	6,575	5,956	750	750	-	-
Construction	98,028	-	98,028	94,028	34,648	30,648	26,937	22,267	9,640	4,536	-
Other	4,300	-	-	4,300	-	3,150	1,150	-	-	-	-
TOTAL EXPENDITURES	128,235	4,029	1,231	122,975	8,750	41,239	35,043	23,017	10,390	4,536	-

FUNDING SCHEDULE (\$000s)											
G.O. Bonds	114,552	4,029	1,231	109,292	8,750	27,556	35,043	23,017	10,390	4,536	-
Recordation Tax	2,015	-	-	2,015	-	2,015	-	-	-	-	-
Schools Impact Tax	11,668	-	-	11,668	-	11,668	-	-	-	-	-
TOTAL FUNDING SOURCES	128,235	4,029	1,231	122,975	8,750	41,239	35,043	23,017	10,390	4,536	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)			
Appropriation FY 22 Request	4,300	Year First Appropriation	FY19
Cumulative Appropriation	123,935	Last FY's Cost Estimate	128,235
Expenditure / Encumbrances	-		
Unencumbered Balance	123,935		

PROJECT DESCRIPTION

In order to address the overutilization at the high school level in the Downcounty Consortium and at Walter Johnson High School, the Board of Education's approved FY 2019-2024 CIP includes three capital projects to address the overutilization in these areas. The approved CIP includes an expansion of Northwood High School, the reopening of Charles W. Woodward High School, and an addition at John F. Kennedy High School. The current Charles W. Woodward High School facility is significantly smaller than the proposed 2,700 student capacity. Therefore, the Board of Education's approved FY 2019-2024 CIP included funding to expand this facility when it reopens as a high school.

On March 25, 2019, the Board of Education approved that the Northwood High School addition/facility upgrades project be constructed with students off-site and that Northwood High School operate at the Charles W. Woodward High School as a temporary holding facility during the construction period. Therefore, based on the Board's approval, the Woodward facility will be used as a holding center for two years following initial construction of the new Charles W. Woodward High School facility. The addition/facility upgrades for Northwood High School is scheduled to be completed by September 2025. At that time, the Woodward High School facility will be reopened as a new high school. An FY 2021 appropriation was approved for construction funds. An FY 2022 appropriation was approved to continue this project.

COORDINATION

Mandatory Referral - M-NCPPC, Department of Environmental Protection, Building Permits, Code Review, Fire Marshall, Department of Transportation, Inspections, Sediment Control, Stormwater Management, WSSC Permits

Seneca Valley HS - Current Revitalizations/Expansions (P096510)

Category Montgomery County Public Schools **Date Last Modified** 01/07/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Germantown and Vicinity **Status** Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	8,745	8,745	-	-	-	-	-	-	-	-	-
Site Improvements and Utilities	19,022	19,022	-	-	-	8,779	-	-	-	-	-
Construction	130,717	95,167	-	35,550	24,050	11,500	-	-	-	-	-
Other	4,637	4,637	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	163,121	127,571	-	35,550	24,050	11,500	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bond Premium	2,304	-	-	2,304	2,304	-	-	-	-	-	-
G.O. Bonds	93,845	60,589	-	33,246	21,746	11,500	-	-	-	-	-
Recordation Tax	20,964	20,964	-	-	-	8,779	-	-	-	-	-
Schools Impact Tax	11,422	11,422	-	-	-	-	-	-	-	-	-
State Aid	34,586	34,586	-	32,824	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	163,121	127,571	-	35,550	24,050	11,500	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	-	-	Year First Appropriation	FY15
Cumulative Appropriation	163,121	-	Last FY's Cost Estimate	163,121
Expenditure / Encumbrances	-	-		
Unencumbered Balance	163,121	-		

PROJECT DESCRIPTION

Seneca Valley High School was built in 1974. Scheduling of this modernization is consistent with the MCPS long-range plans to renew aging facilities on a rational and periodic basis. The modernization will include an addition to this facility due to projected enrollment growth. Due to fiscal constraints, high school modernizations were delayed two years in the FY 2013-2018 CIP. An FY 2014 appropriation was approved for planning funds. An FY 2015 appropriation was approved for the balance of planning funds. While planning funds remain on schedule, due to fiscal constraints, construction funds for this project were delayed one year in the approved FY2015-2020 CIP. The Board of Education's requested FY2015-2020 Amended CIP reinstated the construction schedule previously requested by the Board. Due to fiscal constraints, the County Council did not approve the Board's request. An FY2018 appropriation was approved for construction funds. An FY 2019 appropriation was approved to continue this construction project. An FY 2020 appropriation and amendment to the FY 2019-2024 CIP was requested to expand the scope of the Career and Technology Education program at this school. Due to fiscal constraints, the Board of Education, instead requested an FY 2019 supplemental appropriation that transferred \$7.5 million from the PLAR, Restroom Renovations, and Roof Replacement projects to this project to fund the expanded scope of the Career and Technology Education program. The County Council approved the supplemental appropriation as requested. This revitalization/expansion project is now scheduled to be completed by September 2020.

FISCAL NOTE

Funding switch between Go Bonds including Bond Premium and Recordation Tax in FY19 for \$10,296,000 and in FY20 between Recordation Tax and School Impact Taxes for \$6,280,000. Funding switch between GO Bonds including Bond Premium and Recordation Tax in FY21 for \$2,304,000.

DISCLOSURES

MCPS asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Tilden MS - Current Revitalizations/Expansions (P096511)

Category Montgomery County Public Schools **Date Last Modified** 05/23/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area North Bethesda-Garrett Park **Status** Under Construction

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	5,734	5,734	-	-	-	-	-	-	-	-
Site Improvements and Utilities	7,378	7,378	-	-	-	-	-	-	-	-
Construction	63,877	63,952	-	9,925	9,925	-	-	-	-	-
Other	2,108	2,108	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	79,097	69,172	-	9,925	9,925	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	7,516	12,306	-	(4,790)	(4,790)	-	-	-	-	-
Recordation Tax	54,113	54,113	-	-	-	-	-	-	-	-
State Aid	17,468	2,753	-	14,715	14,715	-	-	-	-	-
TOTAL FUNDING SOURCES	79,097	69,172	-	9,925	9,925	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	-	Year First Appropriation	FY16
Cumulative Appropriation	79,097	Last FY's Cost Estimate	88,647
Expenditure / Encumbrances	-		
Unencumbered Balance	79,097		

PROJECT DESCRIPTION

Tilden Middle School was originally built in 1967, was closed in 1986 and reopened in 1991. When the school reopened in 1991, facility improvements were done, but not a full modernization. Scheduling of this modernization is consistent with the MCPS long-range plans to renew aging facilities on a rational and periodic basis. The modernization will include an addition to this facility due to projected enrollment growth. Due to fiscal constraints, the middle school modernization program was delayed two years in the adopted FY 2013-2018 CIP. While planning funds remain on schedule, due to fiscal constraints, construction funds for this project were delayed one year in the approved FY2015-2020 CIP. The Board of Education's requested FY2015-2020 Amended CIP reinstated the construction schedule previously requested by the Board. Due to fiscal constraints, the County Council did not approve the Board's request. An FY 2016 appropriation was approved for planning funds. An FY 2019 appropriation will be requested for construction funds. The Board of Education in May 2015 approved the collation of Tilden MS with the Rock Terrace School. An FY 2019 appropriation will be requested for construction funds. This revitalization/expansion project is now scheduled to be completed by August 2020. An FY 2018 appropriation was approved to accelerate the site work for this project. An FY 2019 appropriation was approved for construction funds. This project is scheduled to be completed September 2020.

FISCAL NOTE

Transfer in GO Bonds for \$1,505,416 into Gaithersburg Cluster ES#8. Previous years transfer for \$8.0 million in GO Bonds to Potomac ES Current Revitalizations/Expansions project.

DISCLOSURES

MCPS asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Wheaton HS Future Modernization (P076507)

Category Montgomery County Public Schools **Date Last Modified** 05/16/19
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Kensington-Wheaton **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	6,053	6,053	-	-	-	-	-	-	-	-	-
Site Improvements and Utilities	23,350	23,350	-	-	-	-	-	-	-	-	-
Construction	172,146	134,178	-	37,968	37,968	-	-	-	-	-	-
Other	3,000	3,000	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	204,549	166,581	-	37,968	37,968	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Contributions	2,500	1,582	918	-	-	-	-	-	-	-	-
Current Revenue: General	44	6,725	(6,681)	-	-	-	-	-	-	-	-
G.O. Bonds	109,997	101,183	5,763	3,051	8,690	(5,639)	-	-	-	-	-
Recordation Tax	3,483	1,984	-	1,499	1,499	-	-	-	-	-	-
Schools Impact Tax	51,445	47,445	-	4,000	4,000	-	-	-	-	-	-
State Aid	37,080	7,662	-	29,418	23,779	5,639	-	-	-	-	-
TOTAL FUNDING SOURCES	204,549	166,581	-	37,968	37,968	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 20 Request	-	Year First Appropriation	FY12
Cumulative Appropriation	204,549	Last FY's Cost Estimate	204,549
Expenditure / Encumbrances	-		
Unencumbered Balance	204,549		

PROJECT DESCRIPTION

Wheaton High School was built in 1954. The Thomas Edison High School of Technology is located on this site and will be modernized at the same time. Scheduling of this modernization is consistent with the MCPS long-range plans to renew aging facilities on a rational and periodic basis. The modernization will include an addition to this facility due to projected enrollment growth. Due to fiscal constraints, in the FY2009-2014 CIP, the County Council delayed high school modernizations one year beyond the Board's request, with a two year delay for Wheaton High School. Planning funds for this project were approved in FY 2012. An FY 2013 appropriation was approved to continue planning the modernizations for both Wheaton HS and the Thomas Edison School of Technology. An FY 2015 appropriation was approved for the balance of funding for Wheaton HS and to begin planning Edison. An FY 2015 supplemental appropriation of a \$2.5 million contribution from the Junior Achievement of Greater Washington was approved to include a Junior Achievement Finance Park at the Thomas Edison High School of Technology. In FY 2016 appropriation was approved for construction funds for Edison. These modernizations are scheduled to be completed by January 2016 for the Wheaton High School building, August 2017 for the Edison High School building and August 2018 for the site. The Board of Education, in the FY2017-2022 CIP included funds to build out the shell at Wheaton High School. An FY 2017 appropriation was approved for construction to build out the shell.

DISCLOSURES

MCPS asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Charles W. Woodward HS Reopening (P651908)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Individual Schools **Administering Agency** Public Schools
Planning Area Rockville **Status** 34,648 **Planning Stage**

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	8,258	4,029	1,231	2,998	1,132	866	1,000	-	-	-
Site Improvements and Utilities	21,649	-	-	21,649	7,618	6,575	5,956	750	750	-
Construction	98,028	-	-	94,028	-	30,648	26,937	22,267	9,640	4,536
Other	4,300	-	-	4,300	-	3,150	1,150	-	-	-
TOTAL EXPENDITURES	128,235	4,029	1,231	122,975	8,750	41,239	35,043	23,017	10,390	4,536

FUNDING SCHEDULE (\$000s)

G.O. Bonds	118,552	4,029	1,231	109,292	8,750	27,556	35,043	23,017	10,390	4,536
Recordation Tax	2,015	-	-	2,015	-	2,015	-	-	-	-
Schools Impact Tax	11,668	-	-	11,668	-	11,668	-	-	-	-
TOTAL FUNDING SOURCES	128,235	4,029	1,231	122,975	8,750	41,239	35,043	23,017	10,390	4,536

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	4,300	Year First Appropriation	FY19
Cumulative Appropriation	123,935	Last FY's Cost Estimate	128,235
Expenditure / Encumbrances	-		
Unencumbered Balance	123,935		

PROJECT DESCRIPTION

In order to address the overutilization at the high school level in the Downcounty Consortium and at Walter Johnson High School, the Board of Education's approved FY 2019-2024 CIP includes three capital projects to address the overutilization in these areas. The approved CIP includes an expansion of Northwood High School, the reopening of Charles W. Woodward High School, and an addition at John F. Kennedy High School. The current Charles W. Woodward High School facility is significantly smaller than the proposed 2,700 student capacity. Therefore, the Board of Education's approved FY 2019-2024 CIP included funding to expand this facility when it reopens as a high school.

On March 25, 2019, the Board of Education approved that the Northwood High School addition/facility upgrades project be constructed with students off-site and that Northwood High School operate at the Charles W. Woodward High School as a temporary holding facility during the construction period. Therefore, based on the Board's approval, the Woodward facility will be used as a holding center for two years following initial construction of the new Charles W. Woodward High School facility. The addition/facility upgrades for Northwood High School is scheduled to be completed by September 2025. At that time, the Woodward High School facility will be reopened as a new high school. An FY 2021 appropriation was approved for construction funds. An FY 2022 appropriation was approved to continue this project.

COORDINATION

Mandatory Referral - M-NCPPC, Department of Environmental Protection, Building Permits, Code Review, Fire Marshall, Department of Transportation, Inspections, Sediment Control, Stormwater Management, WSSC Permits

Fiscal Note

FY22 transfer in GO Bonds from Seneca Valley High School for \$ 2,721,276, Tilden Middle School/Rock Terrace School for \$ 500,000, and from Wheaton High School for \$ 778,724.



Current Revitalizations/Expansions (P926575)

Category	Montgomery County Public Schools	Date Last Modified	03/17/21
SubCategory	Countywide	Administering Agency	Public Schools
Planning Area	Countywide	Status	Ongoing

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	34,508	28,714	5,794								
Site Improvements and Utilities	62,674	62,674									
Construction	470,279	412,576	(6,197)	63,900	52,400	11,500					
Other	13,446	13,446									
TOTAL EXPENDITURES	580,907	517,410	(403)	63,900	52,400	11,500					

FUNDING SCHEDULE (\$000s)

Contributions	2,500	1,582	918								
Current Revenue: General	44	44									
G.O. Bond Premium	2,304			2,304	2,304						
G.O. Bonds	283,483	250,869	(1,831)	34,445	22,945	11,500					
Recordation Tax	104,318	103,976	342								
School Facilities Payment	168		168								
Schools Impact Tax	74,450	74,450									
State Aid	113,640	86,489		27,151	27,151						
TOTAL FUNDING SOURCES	580,907	517,410	(403)	63,900	52,400	11,500					

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	-	Year First Appropriation	
Cumulative Appropriation	591,735	Last FY's Cost Estimate	584,089
Expenditure / Encumbrances	587,735	Partial Closeout Thru FY21	24,981
Unencumbered Balance	591,735	New Partial Closeout	-
		Total Partial Closeout	24,981

PROJECT DESCRIPTION

This project combines all current revitalization/expansion projects as prioritized by the FACT assessments. An FY 2018 appropriation was approved for construction funds for Seneca Valley HS and Potomac, Maryvale/Carl Sandburg, and Luxmanor elementary schools and planning funds for Tilden/Rock Terrace and Eastern middle schools and Poolesville HS. With regards to Seneca Valley HS, this project will expand the existing school to accommodate 2,400 students. The enrollment at Seneca Valley HS is projected to be 1,499 students by the end of the six-year planning period. With a capacity of 2,400 seats, there will be approximately 900 seats available to accommodate students from Clarksburg and Northwest high schools when the project is complete. The Montgomery County Office of Legislative Oversight released a study in July 2015 regarding the MCPS revitalization/expansion program. Based on the report, MCPS reconvened the FACT review committee to update the FACT methodology used to rank schools. Since the approach to reassess and prioritize schools will continue into the development of the FY 2019-2024 CIP, the Board of Education approved an amendment to the Board of Education's Requested FY 2018 Capital Budget and Amendments to the FY 2017-2022 CIP to shift planning funds for four elementary school projects from FY 2018 to FY 2019. This shift in planning expenditures will not impact the completion dates for these projects. The County Council, in the adopted FY 2017-2022 Amended CIP approved the Board of Education's request. An FY 2019 appropriation was approved for the balance of funding for three elementary school projects and one high school project and construction funding for one middle school project. An FY 2020 appropriation and amendment to the FY 2019-2024 CIP was requested to expand the scope of the Career and Technology Education program at Seneca Valley High School. Due to fiscal constraints, the Board of Education, instead requested an FY 2019 supplemental appropriation and offsetting reductions of \$7.5 million in expenditures from the PLAR, Restroom Renovations, and Roof Replacement projects to fund the expanded scope of the Career and Technology Education program at Seneca Valley High School. The County Council approved this request. An FY 2021 appropriation was requested for the Maryvale Elementary School/Carl Sandburg Learning Center collocation project for the classroom shell construction to be completed by the 2023-2024 school year. However, due to fiscal constraints, the County Council, in the adopted FY2021-2026 CIP, removed these expenditures. A FY21 unexpended project balance transfer and amendment to the FY21-26 CIP to the Local Unliquidated Surplus account was requested to offset a shortfall of expenditures in the Gaithersburg Cluster ES #8 project.

FISCAL NOTE

Transfer of GO Bonds from Maryvale ES Current Rev/Ex for \$846,505, Potomac ES Current Rev/Ex for \$362,021, Tilden MS Current Rev/Ex for \$1,550,416 and Luxmanor ES Current Rev/Ex for \$423,284 to the Gaithersburg Cluster ES#8. FY22 Transfer in GO Bonds for \$4,000,000 to Charles W. Woodward H.S. Reopening project.

DISCLOSURES


MCPS asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and

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

September 24, 2021

MEMORANDUM

To: The Honorable Marc Elrich, County Executive
The Honorable Tom Hucker, President, Montgomery County Council

From: Monifa B. McKnight, Interim Superintendent of Schools 

Subject: Transmittal of Board of Education Agenda Item #11.6

Fiscal Year 2022 Supplemental Appropriation and Amendment to the Fiscal Year 2021–2026
Capital Improvements Program Transfer of Funds—Capital Projects

BOE Meeting Date: September 9, 2021

Amount: \$33,941,000

Type of Action: Transfer of Funds

MBM:ESD:SPA:AK:lmt

Attachment

Copy to:

Ms. Dawson

Mr. Adams

Ms. Karamihas


Montgomery County Office of Management and Budget

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

September 9, 2021

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Interim Superintendent of Schools 

Subject: Fiscal Year 2022 Supplemental Appropriations and Amendments to the *Fiscal Year 2021–2016 Capital Improvements Program* Transfer of Funds—Capital Projects

Background

As part of the Montgomery County Public Schools (MCPS) adopted *Fiscal Year 2021–2026 Amended Capital Improvements Program* (CIP), DuFief Elementary School is scheduled for a facility upgrade/addition project with a completion date of September 2023. The DuFief school community is scheduled to relocate to the former Rock Terrace School in Rockville, in January 2022, during the 18-month construction project.

As part of the construction project to address the aging infrastructure, DuFief Elementary School is to be expanded to accommodate enrollment growth at Rachel Carson Elementary School. A boundary study is scheduled to be conducted in spring 2022, with Board action scheduled for November 2022.

In May 2018, as part of the adopted *Fiscal Year 2019–2024 Capital Improvements Program*, enrollment projections for Rachel Carson Elementary School indicated that over the six-year planning period, the elementary school would be approximately 300 students overutilized. During the next few CIP cycles, projections indicated that student enrollment would not grow at the rate previously projected. As the table below illustrates, official September 30 enrollments have decreased since the 2017–2018 school year.

School Year	Official September 30 th Enrollment
2017–2018	1,031
2018–2019	973
2019–2020	893
2020–2021	792

As of August 30, 2021, the first day of the 2021–2022 school year, enrollment at Rachel Carson Elementary School was 674 students. While Rachel Carson Elementary School will continue to be overutilized, the decrease in student enrollment will, as a result, reduce the overutilization at the school to a more manageable level.

As a result of the COVID-19 health pandemic the past 18 months, the construction industry has experienced an unprecedented rise in material prices, disruptions in the supply chain, and staffing shortages, which has caused an approximate 23.0 percent increase in construction costs. Due to these extraordinary circumstances, there is a funding shortfall between the budgeted costs and the actual planned expenditures for all capital projects in the adopted CIP.

This fall, MCPS will need to bid six capital projects in order for them to maintain their approved completion dates—Burnt Mills, Clarksburg Cluster Elementary School #9; South Lake, Stonegate, and Woodlin elementary schools; and Poolesville High School. The anticipated total expenditures for these six projects currently exceed the budgets included in the adopted CIP. Therefore, \$33,941,000 is required to address the funding shortfalls for the six projects noted.

With the current fiscal constraints facing our county and state, I must examine what we can do, as a school system, to address this funding shortfall while considering the needs of all students and staff in the county. After a thorough evaluation and review of all capital projects in the adopted CIP, the expenditures from the DuFief Elementary School Addition/Facility Upgrade project were identified to address the shortfall in the six listed projects. Removing these expenditures from the DuFief Elementary School project and reallocating those funds to the six capital projects will allow MCPS to commence with construction and provide for a budget neutral funding solution.

A delay or deferral of a capital project is not a recommendation made lightly, and I know that the DuFief Elementary School community, looking forward to their capital project, will be disappointed by the change to their scheduled completion date. However, with limited capital funding, it was necessary to find a solution within the school system to address the unprecedented rise in construction costs. While it was possible for MCPS to address this first group of projects experiencing funding shortfalls, unless the construction market recovers and costs reduce to pre-COVID-19 levels, I am concerned that more project completion dates will be affected. As a result, my recommendation is to remove all expenditures for the DuFief Elementary School Addition/Facility Upgrade project, and consider funding for this project in the context of a full review of all capital projects as part of the *Fiscal Year 2023 Capital Budget and Fiscal Year 2023–2028 Capital Improvements Program*. This project will have a to be determined completion date until construction funds are approved in a future CIP.

I recommend the Board of Education approve the following resolution.

WHEREAS, The DuFief Elementary School Addition/Facility Upgrade project was approved to address aging infrastructure as well as to address overutilization at Rachel Carson Elementary School; and

WHEREAS, The adopted *Fiscal Year 2019–2024 Capital Improvements Program* indicated student enrollment projections for Rachel Carson Elementary School, during the six-year planning period, would be approximately 300 students overutilized; and

WHEREAS, During the next few Capital Improvements Program cycles, projections indicated that student enrollment would not grow at the previously projected rate and official September 30 enrollments slowly have decreased the past few school years; and

WHEREAS, While Rachel Carson Elementary School will continue to be overutilized, the decrease in student enrollment will, as a result, reduce the overutilization at the school to a more manageable level; and

WHEREAS, As a result of the COVID-19 health pandemic, during the past 18 months, the construction industry has experienced an unprecedented rise in construction cost of approximately 23.0 percent; and

WHEREAS, Due to these extraordinary circumstances, there is a funding shortfall between the budgeted costs and actual planned expenditures for all capital projects in the adopted Capital Improvements Program; and

WHEREAS, This fall, Montgomery County Public Schools will need to bid six capital projects in order for them to maintain their approved completion dates—Burnt Mills, Clarksburg Cluster Elementary School #9; South Lake, Stonegate, and Woodlin elementary schools; and Poolesville High School; and

WHEREAS, The anticipated total expenditures for these six projects currently exceed the budgets included in the adopted Capital Improvements Program and an additional \$33.9 million is required to address the funding shortfalls for the six projects noted; and

WHEREAS, With the current fiscal constraints facing our county and state, and after a thorough evaluation and review of all capital projects in the adopted Capital Improvements Program, the expenditures from the DuFief Elementary School Addition/Facility Upgrade project were identified to address the shortfall in the six previously listed projects; and

WHEREAS, Removing these expenditures from the DuFief Elementary School Addition/Facility Upgrade project and reallocating those funds to the six capital projects will allow Montgomery County Public Schools to commence with construction and provide for a budget neutral funding solution; now therefore be it

Resolved, That the Board of Education approves the removal and reallocation of expenditures from the DuFief Elementary School Addition/Facility Upgrade project; and be it further

Resolved, That the Board of Education request a *Fiscal Year 2022 Capital Budget and Amendments to the Fiscal Year 2021–2026 Capital Improvements Program* transfer of funds in the amount of \$33,941,000 from the DuFief Elementary School Addition/Facility Upgrade project to the Capital Budget Unliquidated Surplus account; and be it further

Resolved, That the Board of Education request the Montgomery County Council to transfer the total of \$33,941,000 from the Capital Budget Unliquidated Surplus account to the capital projects as indicated in the following list for Fiscal Year 2022;

- \$ 1,890,000 to Burnt Mills Elementary School Major Capital Project
- \$ 5,292,000 to Clarksburg Cluster Elementary School #9
- \$ 5,946,000 to South Lake Elementary School Major Capital Project
- \$ 4,840,000 to Stonegate Elementary School Major Capital Project
- \$ 3,100,000 to Woodlin Elementary School Major Capital Project
- \$12,873,000 to Poolesville Elementary School Major Capital Project

and be it further

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

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

MBM:ESD:SPA:AK:imt

Resolution No.: _____
Introduced: October 5, 2021
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Transfer of Unexpended Project Balance within the FY22 Capital Budget and Amendment to the FY21-26 Capital Improvements Program, Montgomery County Public Schools

From: Dufief Elementary School (No. 651905), \$33,941,000

To: MCPS Local Unliquidated Surplus Account (No. 999), \$33,941,000

Background

1. Section 5-106 (c) of the Education Article of the Annotated Code of Maryland provides for transfers of unexpended project balances within the capital budget of the Board of Education only with the approval of the County 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 transfer of appropriation within the FY22 Capital budget:

<u>Project</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Dufief Elementary School	651905	-\$33,941,000	G.O. Bonds
Local Unliquidated Surplus Account	999	+\$33,941,000	G.O. Bonds

5. This transfer and amendment, in conjunction with Resolution **XXXX**, is required to fund the bids for six capital projects—Burnt Mills, Clarksburg Cluster Elementary School #9, South Lake, Stonegate, and Woodlin elementary schools; and Poolesville High School. The additional funds are needed to maintain the approved completion dates for the projects, and support the unprecedented rise in construction costs of approximately 23.0 percent.

- 6. A total of \$33,941,000 has been identified within the Dufief Elementary School Addition/Facility Upgrade project.
- 7. A public hearing was held.

Action

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

Amendments to the FY21-26 Capital Improvements Program and FY22 transfer of appropriation from Dufief Elementary School Addition/Facility Upgrade project to the Local Unliquidated Surplus account is approved as follows and as noted on the attached project description form:

<u>Project</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Dufief Elementary School	651905	-\$33,941,000	G.O. Bonds
Local Unliquidated Surplus Account	999	+\$33,941,000	G.O. Bonds

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

Resolution No.: _____
Introduced: October 5, 2021
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Transfer of Unexpended Project Balance within the FY22 Capital Budget and Amendment to the FY21-16 Capital Improvements Program
Montgomery County Public Schools
From: MCPS Local Unliquidated Surplus Account (No. 999), \$33,941,000
To: Burnt Mills Elementary School (No. 652110) (\$5,292,000), Clarksburg Cluster Elementary School #9 (No. 651901) (\$1,890,000), South Lake Elementary School (No. 652109) (\$5,946,000), Stone Gate Elementary School (No. 652111) (\$4,840,000) Woodlin Elementary School (No.652108) (\$3,100,000), and Poolesville High School (No. 652113) (\$12,873,000), \$33,941,000

Background

1. Section 5-106 (c) of the Education Article of the Annotated Code of Maryland provides for transfers of unexpended project balances within the capital budget of the Board of Education only with the approval of the County 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 transfer of appropriation within the FY22 Capital budget:

<u>Project</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Local Unliquidated Surplus Account	999	-\$33,941,000	G.O. Bonds
Burnt Mills Elementary School	652110	+\$5,292,000	G.O. Bonds
Clarksburg Cluster Elementary School #9	651901	+\$1,890,000	G.O. Bonds
South Lake Elementary School	652109	+\$5,946,000	G.O. Bonds
Stone Gate Elementary School	652111	+\$4,840,000	G.O. Bonds
Woodlin Elementary School	652108	+\$3,100,000	G.O. Bonds

Poolesville High School 652113 +\$12,873,000 G.O. Bonds

5. This transfer and amendment, in conjunction with Resolution **XXXX**, is required to fund the bids for six capital projects—Burnt Mills, Clarksburg Cluster Elementary School #9, South Lake, Stonegate, and Woodlin elementary schools; and Poolesville High School. The additional funds are needed to maintain the approved completion dates for the projects and support the unprecedented rise in construction costs of approximately 23.0 percent.
5. A total of \$33,941,000 has been identified within the MCPS Local Unliquidated Surplus Account.
6. A public hearing was held.

Action

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

An amendment to the FY21-26 Capital Improvements Program and FY22 transfer of appropriation from the Local Unliquidated Surplus account to the Burnt Mills, Clarksburg Cluster Elementary School #9, South Lake, Stonegate, and Woodlin elementary schools; and Poolesville High School projects are approved as follows and as noted on the attached project description form.

<u>Project</u>	<u>Project Number</u>	<u>Amount</u>	<u>Source of Funds</u>
Local Unliquidated Surplus Account	999	-\$33,941,000	G.O. Bonds
Burnt Mills Elementary School	652110	+\$5,292,000	G.O. Bonds
Clarksburg Cluster Elementary School #9	651901	+\$1,890,000	G.O. Bonds
South Lake Elementary School	652109	+\$5,946,000	G.O. Bonds
Stone Gate Elementary School	652111	+\$4,840,000	G.O. Bonds
Woodlin Elementary School	652108	+\$3,100,000	G.O. Bonds
Poolesville High School	652113	+\$12,873,000	G.O. Bonds

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council

DuFief ES Addition/Facility Upgrade (P651905)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Individual Schools **Administering Agency** Public Schools
Planning Area Gaithersburg and Vicinity **Status** Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	2,910	650	532	1,728	894	100	536	198	-	-	-
Site Improvements and Utilities	117,441	-	-	117,441	117,441	2,008	2,003	0	-	-	-
Construction	0	29,382	-	29,382	0	3,832	11,661	13,789	0	-	-
Other	0	1325	-	1,325	-	-	1,325	0	-	-	-
TOTAL EXPENDITURES	38,028	650	532	36,846	894	6,340	15,625	13,987	-	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	38,028	650	532	36,846	894	6,340	15,625	13,987	-	-	-
TOTAL FUNDING SOURCES	38,028	650	532	36,846	894	6,340	15,625	13,987	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Maintenance				272	-	-	68	68	68	68	
Energy				100	-	-	25	25	25	25	
NET IMPACT				372			93	93	93	93	

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	33,793	Year First Appropriation	FY19
Cumulative Appropriation	2,910	Last FY's Cost Estimate	38,028
Expenditure / Encumbrances	-		
Unencumbered Balance	2,910		

PROJECT DESCRIPTION

Projections indicate that enrollment at Rachel Carson Elementary School will exceed capacity by over 300 seats by the end of the six-year planning period. To address the overutilization at Rachel Carson Elementary School, the Board of Education approved the expansion of DuFief Elementary School. Therefore, the Board of Education's requested FY 2019-2024 CIP included funding to provide capacity and facility upgrades at DuFief Elementary School that will require not only additional classrooms, but also reconfiguration of existing spaces and upgrades to building systems to accommodate the new student population. An FY 2019 appropriation was requested to begin the planning for this project, with a scheduled completion date of September 2021. However, due to fiscal constraints, the County Council approved a one-year delay for this project, but maintained the FY 2019 planning funds. An FY 2021 appropriation was requested for construction funds. Due to fiscal constraints, the County Council, in the adopted FY2021-2026 CIP, delayed this project one year. An FY 2022 appropriation was approved for construction funds. This project is scheduled to be completed September 2023.

COORDINATION

Mandatory Referral - M-NCPPC, Department of Environmental Protection, Building Permits, Code Review, Fire Marshall, Department of Transportation, Inspections, Sediment Control, Stormwater Management, WSSC Permits

REVISED

Burnt Mills ES - Major Capital Project (P652110)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Silver Spring and Vicinity **Status**

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	2,826	-	775	2,051	885	800	366	-	-	-
Site Improvements and Utilities	6,607	-	-	6,607	1,726	2,181	2,700	-	-	-
Construction	27,323 32,615	-	775 32,615	27,323	389	6,102 10	4,234	12,212	9,378	-
Other	1,650	-	-	1,650	-	325	1,325	-	-	-
TOTAL EXPENDITURES	38,406 43,698	-	775	37,631 42,923	3,000 9,708	4,416	8,625	12,212	9,378	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	38,406	-	775	37,631	3,000	4,416	8,625	12,212	9,378	-
TOTAL FUNDING SOURCES	38,406	-	775	37,631	3,000	4,416	8,625	12,212	9,378	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	30,565	Year First Appropriation	FY21
Cumulative Appropriation	6,191	Last FY's Cost Estimate	38,406
Expenditure / Encumbrances	-		
Unencumbered Balance	6,191		

PROJECT DESCRIPTION

Projections indicate that enrollment will exceed capacity through the six-year planning period. In addition, based on the KFI assessment data, various building systems upgrades/replacements and programmatic requirements are needed for this school. Therefore, the requested FY 2021-2026 CIP includes funding for a Major Capital Project at this school. An FY 2021 appropriation was approved for the architectural planning and design for this project. This Major Capital Project is scheduled to be completed September 2023. An FY 2022 appropriation was approved for construction funds for this project.

REVISED

Clarksburg Cluster ES #9 (New) (P651901)

Category	Montgomery County Public Schools	Date Last Modified	05/21/21
SubCategory	Individual Schools	Administering Agency	Public Schools
Planning Area	Clarksburg and Vicinity	Status	Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	2,981	469	723	1,789	895	596	198	100	-	-	-
Site Improvements and Utilities	4,410	-	-	4,410	-	3,307	1,103	-	-	-	-
Construction	29,770 31,660	-	-	29,770 31,660	2,814 2,814	984 984	16,642	12,174	-	-	-
Other	1,325	-	-	1,325	-	-	1,325	-	-	-	-
TOTAL EXPENDITURES	38,486 40,576	469	723	37,294 39,184	895	4,857 6,747	19,268	12,274	-	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	38,486	469	723	37,294	895	4,857	19,268	12,274	-	-	-
TOTAL FUNDING SOURCES	38,486	469	723	37,294	895	4,857	19,268	12,274	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Maintenance				1,176	-	-	-	392	392	392	
Energy				471	-	-	-	157	157	157	
NET IMPACT				1,647	-	-	-	549	549	549	

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	34,180	Year First Appropriation	FY20
Cumulative Appropriation	2,981	Last FY's Cost Estimate	38,486
Expenditure / Encumbrances	-		
Unencumbered Balance	2,981		

PROJECT DESCRIPTION

The Clarksburg Master Plan allows for the development of up to 15,000 residential units. The plan includes five future elementary school sites. Little Bennett Elementary School opened in September 2006, William B. Gibbs, Jr. Elementary School opened in September 2009, and Wilson Wims Elementary School opened in September 2014. With continued growth in elementary school enrollment, another new elementary school is approved and scheduled to open September 2019. Elementary enrollment continues to grow beyond the elementary schools in the cluster and the one scheduled to open in September 2019. Therefore, the Board of Education's requested FY 2019-2024 CIP included funds for the opening of the next elementary school in this cluster. An FY 2019 appropriation was requested to begin planning this new school. This project was scheduled to be completed September 2021. However, due to fiscal constraints, the County Council delayed this project one year. An FY 2020 appropriation was approved to begin the planning of this new school. An FY 2021 appropriation was requested for construction funding. Due to fiscal constraints, the County Council delayed this project one year. An FY 2022 appropriation was approved for construction funds. This project is scheduled to be completed September 2023.

COORDINATION

Mandatory Referral - M-NCPPC, Department of Environmental Protection, Building Permits; Code Review, Fire Marshall, Department of Transportation, Inspections, Sediment Control, Stormwater Management, WSSC Permits

South Lake ES - Major Capital Project (P652109)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Gaithersburg and Vicinity **Status**

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	2,658	-	775	1,883	1,329	275	279	-	-	-	-
Site Improvements and Utilities	4,816	-	-	4,816	3,218	1,398	-	-	-	-	-
Construction	31,920 25,974	-	31,920 25,974	25,974	2,635	1,405	10,228	5,000	-	-	-
Other	1,650	-	-	1,650	-	450	1,200	-	-	-	-
TOTAL EXPENDITURES	34,898 40,844	-	775	34,123 46,069	7,182	10,234 16,180	11,707	5,000	-	-	-
FUNDING SCHEDULE (\$000s)											
G.O. Bonds	34,898	-	775	34,123	7,182	10,234	11,707	5,000	-	-	-
TOTAL FUNDING SOURCES	34,898	-	775	34,123	7,182	10,234	11,707	5,000	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	26,387	Year First Appropriation	FY21
Cumulative Appropriation	8,511	Last FY's Cost Estimate	34,898
Expenditure / Encumbrances	-		
Unencumbered Balance	8,511		

PROJECT DESCRIPTION

Projections indicate that enrollment will exceed capacity through the six-year planning period. In addition, based on the KFI assessment data, various building systems upgrades/replacements and programmatic requirements are needed for this school. Therefore, the requested FY 2021-2026 CIP includes funding for a Major Capital Project at this school. An FY 2021 appropriation was requested for the architectural planning and design for this project. Due to fiscal constraints, the County Council, in the adopted FY2021-2026 CIP, approved the completion date one year beyond the Board of Education's request, but approved the appropriation for planning. This Major Capital Project is scheduled to be completed September 2024. An FY2021 supplemental appropriation was requested to accelerate the completion date of this project to align with the request in the Board of Education's requested FY 2021-2026 CIP that was not approved in the adopted CIP. An FY 2022 appropriation and amendment to the FY 2021-2026 CIP was approved to accelerate the completion date of this project to September 2023, to align with the request in the Board of Education's requested FY 2021-2026 CIP that was not approved in the adopted CIP.

FISCAL NOTE

FY21 supplemental in G.O. Bonds for the amount of \$5,853,000 to accelerate completion to 2023.

Stonegate ES - Major Capital Project (P652111)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Silver Spring and Vicinity **Status**

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	2,834	-	-	2,834	-	1,924	910	-	-	-	-
Site Improvements and Utilities	5,914	-	-	5,914	-	3,492	2,100	322	-	-	-
Construction	24,184	-	-	24,184	-	4,840	7,304	9,890	7,000	-	-
Other	1,484	-	-	1,484	-	-	1,484	-	-	-	-
TOTAL EXPENDITURES	34,426	-	-	34,426	-	5,416	11,798	10,212	7,000	-	-

G.O. Bonds	34,426	-	-	34,426	-	5,416	11,798	10,212	7,000	-	-
TOTAL FUNDING SOURCES	34,426	-	-	34,426	-	5,416	11,798	10,212	7,000	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	30,108	Year First Appropriation	FY21
Cumulative Appropriation	2,834	Last FY's Cost Estimate	34,426
Expenditure / Encumbrances	-		
Unencumbered Balance	2,834		

PROJECT DESCRIPTION

Projections indicate that enrollment will exceed capacity through the six-year planning period. In addition, based on the KFI assessment data, various building systems upgrades/replacements and programmatic requirements are needed for this school. Therefore, the requested FY 2021-2026 CIP includes funding for a Major Capital Project at this school. An FY 2021 appropriation was requested for the architectural planning and design for this project. Due to fiscal constraints, the County Council, in the adopted FY2021-2026 CIP, approved the completion date one year beyond the Board of Education's request, but approved the appropriation for planning funds. This Major Capital Project is scheduled to be completed January 2025. An FY 2022 appropriation and amendment to the FY 2021-2026 CIP was approved to accelerate this project 18 months, six-months ahead of the Board of Education's request in the FY 2021-2026 CIP. The acceleration of the additional six-months is possible due to the utilization of the former Carl Sandburg Learning Center as a holding facility. The scheduled completion date is September 2023.

Poolesville HS - Major Capital Project (P652113)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Poolesville and Vicinity **Status**

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	4,018	-	1,600	2,418	1,725	393	195	105	-	-	-
Site Improvements and Utilities	9,381	-	-	9,381	4,688	1,907	2,786	-	-	-	-
Construction	54,714	-	61,581	54,714	17,570	4,819	8,195	18,500	22,500	-	
Other	3,200	-	-	3,200	-	-	3,200	-	-	-	
TOTAL EXPENDITURES	71,313	-	1,600	69,713	6,413	3,000	7,800	11,500	18,500	22,500	

FUNDING SCHEDULE (\$000s)

G.O. Bonds	71,313	-	1,600	69,713	6,413	3,000	7,800	11,500	18,500	22,500
TOTAL FUNDING SOURCES	71,313	-	1,600	69,713	6,413	3,000	7,800	11,500	18,500	22,500

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	60,100	Year First Appropriation	FY21
Cumulative Appropriation	8,013	Last FY's Cost Estimate	71,313
Expenditure / Encumbrances	-		
Unencumbered Balance	8,013		

PROJECT DESCRIPTION

Projections indicate that enrollment will exceed capacity by the end of the six-year planning period. In addition, based on the KFI assessment data, various building systems upgrades/replacements and programmatic requirements are needed for this school. Therefore, the requested FY 2021-2026 CIP includes funding for a Major Capital Project at this school. An FY 2021 appropriation was approved for the architectural planning and design for this project. An FY 2022 appropriation was approved for construction funds. This Major Capital Project is scheduled to be completed September 2024.

Woodlin ES - Major Capital Project (P652108)

Category Montgomery County Public Schools **Date Last Modified** 05/21/21
SubCategory Countywide **Administering Agency** Public Schools
Planning Area Silver Spring and Vicinity **Status**

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	2,218	-	933	1,285	467	685	133	-	-	-	-
Site Improvements and Utilities	5,216	-	-	5,216	-	5,216	-	-	-	-	-
Construction	29,815	-	-	29,815	6,215	3,415	7,044	9,987	9,669	-	-
Other	1,448	-	-	1,448	-	-	1,448	-	-	-	-
TOTAL EXPENDITURES	38,697	-	933	37,764	467	9,016	8,625	9,987	9,669	-	-

FUNDING SCHEDULE (\$000s)

G.O. Bonds	38,697	-	933	37,764	467	9,016	8,625	9,987	9,669	-	-
TOTAL FUNDING SOURCES	38,697	-	933	37,764	467	9,016	8,625	9,987	9,669	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	35,031	Year First Appropriation	FY21
Cumulative Appropriation	2,218	Last FY's Cost Estimate	38,697
Expenditure / Encumbrances	-		
Unencumbered Balance	2,218		

PROJECT DESCRIPTION

Projections indicate that enrollment will exceed capacity through the six-year planning period. An FY 2019 appropriation was approved to begin the architectural design and planning for this addition project, which a scheduled completion date of September 2022. However, based on the new KFI assessment data, this facility also requires replacement of many of the building systems. Therefore, the Woodlin Elementary School was expanded from an addition project to a Major Capital Project. As a result of the expanded scope, the construction of this project will require two years, and therefore, the completion date is now September 2023. An FY 2021 appropriation was requested for the planning and design of this Major Capital Project. Due to fiscal constraints, the County Council, in the adopted FY2021-2026 CIP, approved the completion date one year beyond the Board of Education's request, but approved the appropriation for planning. The scheduled completion date is September 2024. An FY 2022 appropriation and amendment to the FY2021-2026 CIP was approved to accelerate the completion date for this project to align with the request in the FY2021-2026 CIP. The scheduled completion date is September 2023.