



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Essie McGuire, Senior Legislative Analyst  
Joseph Crupi, Legislative Analyst  
**Purpose:** To receive testimony/final action - vote expected  
**Keywords:** #MCPS #CIP #Sustainability #Energyefficiency

AGENDA ITEM # 10  
July 25, 2023  
**Public Hearing/Action**

## SUBJECT

Amendment to the FY23-28 Amended Capital Improvements Program and Supplemental Appropriation #23-109 to the FY24 Capital Budget, Montgomery County Public Schools, Sustainability Initiatives (No. 652306), \$105,003 (Source of Funds: State Aid)

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Public hearing and action. This item was introduced on June 27, 2023.

## DESCRIPTION/ISSUE

The Council introduced an amendment to the FY23-28 Amended Capital Improvements Program (CIP) and supplemental appropriation of \$105,003 to the Montgomery County Public Schools (MCPS) FY24 Capital Budget for sustainability initiatives.

## SUMMARY OF KEY DISCUSSION POINTS

- On June 16, 2023, the County Executive recommended the Council approve a supplemental appropriation totaling \$105,003.
- These funds, in the form of energy incentive rebates, are available to MCPS from EmPOWER Maryland, a statewide program that provides incentives for new construction and building improvements that are energy efficient and cost-effective.
- According to the Superintendent's memo, MCPS will use these funds to make energy efficient improvements in existing MCPS buildings.

### This report contains:

County Executive Transmittal Memorandum	© # 1-2
Appropriation Resolution	© # 3-4
Annotated CIP Project Description Form	© # 5
MCPS Superintendent Memorandum	© # 6-7

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OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich  
*County Executive*

MEMORANDUM

June 16, 2023

TO: Evan Glass, President  
Montgomery County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Amendment to the FY23-28 Amended Capital Improvements Program and Supplemental Appropriation #23-109 to the FY23 Capital Budget  
Montgomery County Public Schools (MCPS)  
Sustainability Initiatives (No. 652306), \$105,003

I am recommending a supplemental appropriation to the FY23 Capital Budget and amendment to the amended FY23-28 Capital Improvements Program in the amount of \$105,003 for the Sustainability Initiatives Project (No. 652306). This appropriation will help offset the cost of energy efficient improvements made through this project.

This increase is needed to offset the cost of energy efficient improvements made through this project as well as to support MCPS' efforts on energy savings. The recommended amendment is consistent with the criteria for amending the CIP because it leverages non-County sources of funds through the EmPOWER Maryland energy incentive rebates program.

I recommend that the County Council approve this supplemental appropriation and amendment to the amended FY23-28 Capital Improvements Program in the amount of \$105,003 and specify the source of funds as State aid.

I appreciate your prompt consideration of this action.

ME:vmj

Enclosure: Amendment and Supplemental Appropriation #23-109

Amendment to the FY23-28 Capital Improvements Program and Supplemental Appropriation  
#23-109

June 16, 2023

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cc: Jennifer Bryant, Director, Office of Management and Budget  
Mary Beck, Capital Budget Manager, Office of Management and Budget  
Seth Adams, Director, Department of Facilities Management, Montgomery County  
Public Schools  
Adrienne Karamihas, Director, Division of Capital Planning, Montgomery County Public  
Schools

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: Council President at the Request of the County Executive

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**SUBJECT:** Amendment to the FY23-28 Amended Capital Improvements Program and Supplemental Appropriation #23-109 to the FY24 Capital Budget  
Montgomery County Public Schools  
Sustainability Initiatives (No. 652306), \$105,003

**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 six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven 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>
Sustainability Initiatives	652306	Construction	\$105,003	State Aid

4. This increase is needed to offset the cost of energy efficient improvements made through this project as well as to support MCPS' efforts on energy savings. The recommended amendment is consistent with the criteria for amending the CIP because it leverages non-County sources of funds through the EmPOWER Maryland energy incentive rebates program.
5. The County Executive recommends an amendment to the FY23-28 Capital Improvements Program and a supplemental appropriation in the amount of \$105,003 for the Sustainability Initiatives Project Title (No. 652306) and specifies that the source of funds will be State Aid.
6. Notice of public hearing was given and a public hearing was held.

**Action**

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

The FY23-28 Capital Improvements Program of the Montgomery County Government 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>
Sustainability Initiatives	652306	Construction	\$105,003	State Aid

This is a correct copy of Council action.

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Sara R. Tenenbaum, Clerk of the Council

# Sustainability Initiatives (P652306)

<b>Category</b>	Montgomery County Public Schools	<b>Date Last Modified</b>	05/23/23
<b>SubCategory</b>	Countywide	<b>Administering Agency</b>	Public Schools
<b>Planning Area</b>	Countywide	<b>Status</b>	Ongoing

	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,100	-	-	1,100	550	550	-	-	-	-	-
Construction	8,900	-	-	8,900	4,450	4,450	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>10,000</b>	-	-	<b>10,000</b>	<b>5,000</b>	<b>5,000</b>	-	-	-	-	-

	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
<b>FUNDING SCHEDULE (\$000s)</b>											
G.O. Bonds	10,000	-	-	10,000	5,000	5,000	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>10,000</b>	-	-	<b>10,000</b>	<b>5,000</b>	<b>5,000</b>	-	-	-	-	-

<b>APPROPRIATION AND EXPENDITURE DATA (\$000s)</b>			
Appropriation FY 24 Request	5,000	Year First Appropriation	FY23
Cumulative Appropriation	5,000	Last FY's Cost Estimate	12,500
Expenditure / Encumbrances	-		
Unencumbered Balance	5,000	Supplemental	151

## PROJECT DESCRIPTION

Maryland State law (Annotated Code of Maryland, *Education Article*, §5-312.1-School district energy policies) encourages school systems such as MCPS to set targets to reduce greenhouse gas emissions. The Montgomery County Climate Action Plan, released in June 2021, is a multi-year plan that includes many new requirements for construction, including electrification and restrictions on the use of natural gas. This project will provide funds to implement a variety of new capital projects to improve energy and utility use efficiency, reduce greenhouse gas emissions, improve resiliency, and align with other sustainability priorities for MCPS. An FY 2023 appropriation was approved to begin the evaluation of and provide funding for various sustainability features including: upgrades to automated building automation systems, building retrofits to improve energy efficiency, solar panel installations, renovating greenhouses, and support towards integrating sustainability features into academics. Due to fiscal constraints the amended FY23-FY28 CIP reflects a reduction in approved FY24 expenditures from \$7.5 million to \$5.0 million.

## DISCLOSURES

Expenditures will continue indefinitely.

## COORDINATION

FY 2023 – Salaries and Wages: \$86K, Fringe Benefits: \$59K, Workyears 1, FY 2024-2028: Salaries and Wages: \$454K, Fringe Benefits: \$192K, Workyears 5

## Fiscal Note

FY23 Supplemental for \$151,003 in State Aid from the EmPOWER Maryland energy incentive rebates program.

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

May 25, 2023

MEMORANDUM

To: Members of the Board of Education  
From: Monifa B. McKnight, Superintendent of Schools  
Subject: Fiscal Year 2023 Supplemental Appropriation Request for Sustainability Initiatives

**Background**

The Maryland General Assembly (General Assembly) has declared energy efficiency to be among the least expensive ways to meet the growing electricity demands of the state. This finding is repeatedly affirmed by national studies. Energy efficiency is widely regarded as the least costly energy resource option available today. Consistent with this declaration, the General Assembly passed the *EmPOWER Maryland Energy Efficiency Act of 2008*. EmPOWER Maryland is a statewide program that provides incentives for energy cost-effective new construction or existing building improvements. The incentive funds received by Montgomery County Public Schools (MCPS) through the EmPOWER Maryland program will be used for energy efficient improvements in existing MCPS buildings, which may also generate additional EmPOWER Maryland incentive rebates.

In that regard, EmPOWER Maryland energy incentive rebates in the amount of \$151,003, are available as a Fiscal Year 2023 supplemental appropriation to help offset the cost of energy efficient improvements and support the continued work of the Montgomery County Public Schools Sustainability Initiatives Capital Project.

Therefore, I recommend that the Board of Education approve the following resolution:

WHEREAS, EmPOWER Maryland energy incentive rebates in the amount of \$151,003, are available as a Fiscal Year 2023 supplemental appropriation to help offset the cost of energy efficient improvements and support the continued work of the Montgomery County Public Schools Sustainability Initiatives Capital Project; now therefore be it

Resolved, That the Board of Education request a Fiscal Year 2023 supplemental appropriation in the amount of \$151,003 for energy incentive rebates available through the EmPOWER Maryland program to support the Montgomery County Public Schools Sustainability Initiatives Capital Project; and be it further

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



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

MBM:MBH:DEE:SPA:bls