



**MONTGOMERY COUNTY DEPARTMENT OF PARKS**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB Date: 10/11/2012  
Agenda Item # 6

MEMORANDUM

DATE: October 4, 2012

TO: Montgomery County Park Commission

VIA: Mary R. Bradford, Director of Parks *M Bradford*

Michael F. Riley, Deputy Director of Parks *MEV For MR*

Mary Ellen Venzke, Division Chief, Management Services *MEV*

FROM: Karen Warnick, Budget Manager, Management Services *Karen Warnick*

SUBJECT: Department of Parks FY14 Budget Planning Discussion

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**Staff Recommendation**

Approval to prepare the FY14 Park Fund budget at the Base Plus Essential Needs Budget level.

**Background**

At the September 27 meeting, the Planning Board provided the general guidance for developing the FY14 Budget. If the preliminary assessable base information from Montgomery County OMB is accurate, major known commitment costs will grow faster than revenues. At the same time, the Planning Board recognized that we cannot continue to defer requesting the funds for essential needs. Therefore, the Department has prepared two budget scenarios: 1) Base Budget and 2) Base Budget Plus an Essential Needs Budget.

The chart below shows the increases included in the Base Budget scenario. The categories are:

1. Salaries
2. Employee Group Health Insurance Increases
3. Retirement increases
4. Operating Budget Impacts (OBI)
5. Known Operating Commitments

Items 1-3 pertain to employee compensation and were discussed at the September 27 Planning Board meeting. Items 4-5 pertain to Park operations and more information is provided below.

**DEPARTMENT of PARKS  
SUMMARY OF PRELIMINARY FY14 BUDGET REQUEST**

	<b>FY13 Adopted Budget</b>	<b>\$75,568,355</b>
<b>BASE BUDGET</b>		
<b>Major Known Commitment Increases</b>		
	Salaries	\$110,000
	Health Insurance	\$701,282
	Retirement	\$645,045
	OBI - Personnel	\$ 57,468
	OBI – Non-Personnel (on-going)	\$ 37,448
	OBI – Non-Personnel (one-time)	\$182,000
Specific other Operating Changes(detail provided in narrative)		*\$982,043
	Debt Service on General Obligation Bonds	(805,700)
	<b>Subtotal Increase Base Budget Request</b>	<b>\$1,909,586</b>
<b>Preliminary Percent Change in Base from FY13 Adopted</b>		2.53%
<b>BASE PLUS</b>		
<b>Essential Needs Request</b>		\$500,000
	Preventive Tree Maintenance Program	\$200,000
	Park Police CALEA Accreditation	\$20,000
	<b>Subtotal Increase Essential Needs Request</b>	<b>\$720,000</b>
	<b>Total Increase FY14 Proposed Budget Request</b>	<b>\$2,629,586</b>
<b>Preliminary Percent Change in Total Request from FY13 Adopted</b>		3.48%

\* Includes \$479,262 increase in NPDES request which is intended to be funded by the Water Quality Protection Fund and not the Park Fund. The overall increase without the NPDES increase is \$2,150,324 or 2.85%.

**BASE BUDGET**

**Operating Budget Impacts (OBI)**

In FY14, Montgomery Parks is requesting \$276,916 in additional funding for operating budget impacts for new parks and amenities.

This includes 1 full-time career maintenance position/work year and seasonal staff funding for 0.3 work years for arboriculture services.

The funding is for the following parks/projects:

Northwest Branch	\$235,904	(of this, \$182K is one time capital outlay equipment)
Darnestown	\$ 5,000	
Woodstock	<u>\$ 32,986</u>	
	\$273,890	
Legacy Open Space (LOS)	<u>\$ 3,026</u>	
	\$276,916	(or \$94,916 without one time capital outlay equipment)

The OBI funding requested by personnel and non-personnel is:

Personnel	\$ 57,468
Non-Personnel (on-going)	\$ 37,448
Non-Personnel (one-time)	<u>\$182,000</u>
	\$276,916

The acquisitions through LOS are:  
 0.46 acres in Upper Paint Branch Stream Valley Park (Steadman property)  
 2.07 acres in Sligo Creek Stream Valley Park, Unit 4 (Smith-Edwards property)

**Known Operating Commitments**

Known operating commitments include contractual or mandated increases for Park operations.

This information does not include adjustments in expenses such as debt service and unemployment as well as Departmental chargebacks to the Park Fund for CAS services. The Department of Finance expects to provide this information by the end of the October or early November in the Schedule of Fees and Charges. Until then, the Department of Parks has not included any increases for these expenses in the proposed FY14 budget.

The chart below outlines the increases for known operating commitments. Detailed information about each line item is provided below.

NPDES - increase appropriation request from the Water Quality Protection Fund Includes 8.9 wys – (2.0 term, 0.4 career, 4.5 seasonal) <b>*Funded by Water Quality Protection Fund. Does not affect Park Fund tax rate.</b>	<b>\$479,262*</b>
Utilities	\$55,100
Gasoline/Diesel Fuel	\$132,100
Petroleum Based Supplies	\$60,000
Contractual Increases	\$255,581
Total	\$982,043
Total (without NPDES)	\$502,781

**NPDES (National Pollution Discharge Elimination System) - \$479,262**

The Department of Parks received its first National Pollution Discharge Elimination System Small Separate Storm Sewer System (NPDES MS4) permit from the Maryland Department of the Environment in the spring of 2010. The purpose of this permit, which is based in the Federal Clean Water Act, is to reduce stormwater pollution coming from impervious surfaces and thereby improve water quality. The permit requires the Department to develop Best Management Practices for each of the six Minimum Control Measures which include: Personnel Education and Outreach, Public Involvement and Participation, Illicit Discharge Detection and Elimination, Construction Site Runoff Control, Post Construction Stormwater Management, and Pollution Prevention and Good Housekeeping. Although the Department was required to obtain this permit and fulfill its requirements, no federal or state funds were available to offset this mandate.

Accordingly in FY12 the Department was appropriated \$1.5 million from the Montgomery County Water Quality Protection Fund to offset costs associated with ongoing water quality related work across M-NCPPC's 35,000 acre park system and implementation of the Department's new NPDES MS4 permit. Ongoing water quality related work includes maintenance and management of streams, lakes, non-tidal wetlands, and stormwater management facilities as well as the implementation of the Department's NPDES industrial permit for its 12 maintenance yards. This new funding was used to offset approximately 10 workyears of ongoing work and fund 4.5 new workyears associated with the Department's NPDES MS4 permit.

New work associated with implementation of the Department's NPDES MS4 permit included the development of educational resources for operations staff to provide a connection between work program duties and stewardship of natural resources, design and implementation of stormwater retrofits and stream restoration projects, and continued support of volunteer efforts in Parks. Specific details associated with the Department's permit and associated progress can be reviewed in the Annual Report [http://www.montgomeryparks.org/PPSD/Natural\\_Resources\\_Stewardship/stormwater/documents/fy12-mncppc.npdes.annual.report.pdf](http://www.montgomeryparks.org/PPSD/Natural_Resources_Stewardship/stormwater/documents/fy12-mncppc.npdes.annual.report.pdf).

While many improvements have been initiated under the permit, some major deficiencies remain. These deficiencies occur primarily within the following Minimum Control Measures: Pollution Prevention and Good Housekeeping, Post Construction Stormwater Management, and Public Involvement and Participation. Further progress is stifled by a lack of dedicated crews and insufficient contract funds that focus on this type of specialized water quality related maintenance work. These constraints continue to pose challenges in meeting the requirements of the new NPDES MS4 permit and are the basis of the Department's new FY14 NPDES MS4 related budget initiatives. See table below.

<b>Minimum Control Measure</b>	<b>BMP Selected</b>	<b>Program Deficiency</b>	<b>Lead Division(s)</b>	<b>New Positions/ Workyears</b>
<b>Pollution Prevention and Good Housekeeping</b>	Pesticide Safety and Integrated Pest Management	Implementation of green management practices and procedures	Horticultural, Forestry and Environmental Education	1.0 WY 1 Full Time Term Position
<b>Post Construction Stormwater Management</b>	Ensure all stormwater management (SWM) facilities on Parkland are monitored and properly maintained to provide maximum stormwater treatment efficiency.	Management of nuisance wildlife	Park Planning and Stewardship	1.0 WY 1 Full Time Term Position
<b>Post Construction Stormwater Management</b>	Ensure all stormwater management (SWM) facilities on Parkland are monitored and properly maintained to provide maximum stormwater treatment efficiency. (Currently 348 SW facilities; 90 in remote areas and maintained by contract; remaining 258 maintained reactively, not proactively)	Regular and routine maintenance of stormwater facilities	Northern Parks and Southern Parks	4.5 Seasonal WYs  (6 seasonals for 9 months – Mar-Nov)
<b>Public Involvement and Participation</b>	Stream Trash Cleanups	Coordination of stream cleanups	Public Affairs and Community Partnerships	0.4 WY  Convert Existing PT Term position (0.6 WY) to FT Career (1.0 WY)

The increased funding request of \$479,262 for NPDES activities includes the costs for the personnel noted above plus additional funding for equipment, cleaning of oil/grit separators, and interpretive signage/website improvements. A breakdown of the funds is shown in the chart below.

New FY14 NPDES Funding Request	Personnel	Supplies	Services/ Contracts	Capital Outlay	Total
Northern & Southern	122,000	20,000	40,000	70,000	252,000
Park Planning & Stewardship	70,881	3,000	30,000		103,881
Public Affairs & Community Partnerships	27,500		25,000		52,500
Horticultural, Forestry and Environmental Education	70,881				70,881
<b>TOTAL</b>	<b>291,262</b>	<b>23,000</b>	<b>95,000</b>	<b>70,000</b>	<b>479,262</b>

**Utilities - \$55,100**

The FY14 budget for utilities is \$2,379,800, which is \$55,100 (2.3%) higher than the FY13 budget of \$2,324,700. This is due to a 3% increase in electricity and natural gas rates. Our budget is only increasing by 2.3% due to further expected consumption efficiency savings. The good news is that the FY14 budget is still \$40,600 less than FY12 budget.

**Gasoline/Diesel Fuel - \$132,100**

The FY14 budget for gasoline/diesel fuel is increasing \$132,100 (10%) from 1,302,900 to \$1,435,000. This increase is due to a combination of higher fuel prices (fuel has increased 107% over last 4 years) and the current trend to use the higher priced but “greener” diesel fuel.

**Petroleum Based Supplies- \$60,000**

The Department of Parks uses many petroleum based supplies such as asphalt, roof shingles, fertilizers, oil, grease, paint thinners, tires and more. The FY14 budget request for petroleum based supplies is increasing by \$60,000.

**Contractual Increases - \$255,581**

The Department has contractual obligations for known increases based on the Consumer Price Index (CPI), as well as contractual requirements to replace outdated technology and to provide help desk and computer inventory services. The details on these requirements are provided below.

**Contractual Obligations for CPI Increases - \$18,581**

The Department has a variety of contracts with known escalation clauses built in such as port-o-johns, copiers, energy consultant, and rental leases. These increases total \$18,581.

**Enterprise Asset Management (EAM) - \$100,000**

In conjunction with the Prince George’s Department of Parks and Recreation, we are currently working with the Commission’s Enterprise Resources Planning (ERP) vendor to include the replacement of our current SmartParks work order, asset, inventory and project management systems. The current Facility Focus software is outdated and no longer supported. The proposed new system will be web-based with many added features including integration with the ERP, GIS (Geographical Information Systems) and Kronos timekeeping systems. This new system will allow us to continue tracking maintenance costs by parks and specific amenities. The Department’s portion of the maintenance of the new system will be \$60,000 and \$40,000 for web-hosting services annually.

**Help Desk and Inventory Contract -\$137,000**

The Department currently shares a contract with the Planning Department for help desk and computer inventory services. This project was a pilot model we began two years ago riding Montgomery County’s contract with L3. The pilot was funded from year-end savings from vacancies in the Technology Unit. The funding was added to the base budget for Planning. Parks was able to continue to fund this service without requesting a base budget modification in the second year. Since that time, the demand for expanded technology services has increased and the Technology Team has not been able to keep up with the growing technology demands without filling critical vacancies. The contract with L3 includes telephone help desk services, periodic sweep scanning of computers, and the maintenance of the IT inventory database and dashboards. This service has proven to be a successful model and a cost savings over hiring career staff to perform these functions. The Department requests the \$137,000 contract for services be added to the base budget for FY14 to continue to meet critical needs for the Department.

**BASE BUDGET PLUS ESSENTIAL NEEDS**

In addition to the list above, the Department of Parks is proposing an increase for capital equipment, critical needs to ensure public safety, etc. Specific descriptions are provided below.

Capital Outlay	\$500,000
Preventive Tree Maintenance Program	\$200,000
Park Police CALEA Accreditation	<u>\$ 20,000</u>
	\$720,000

**Capital Outlay - \$500,000**

Capital outlay funds are used for equipment that costs more than \$5,000 and has a life expectancy of less than 6 years. This equipment must be purchased through the operating fund. In FY09, Parks spent \$1 million on capital equipment. Funding for capital outlay was eliminated in FY10, FY11, FY12, and FY13.

The other way the Department purchases equipment is through the internal service fund (ISF) which finances equipment costing more than \$5,000 that has a life expectancy of greater than 6 years (the length of the financing term). This funding source was not eliminated during the lean years. The Department has been able to purchase \$1.75 million each year in larger pieces of equipment including work trucks, construction equipment, large mowers, and computer and information technology system upgrades.

Since FY09, the Department has used the equipment available to them or done without. Some of the equipment is old, outdated, not the correct type or size for the task, and not efficient. The continued use of older equipment increases repair costs, increases downtime which results in lost productivity, decreases reliability and may compromise operator and public safety. Also, as equipment ages, models change, parts become difficult or impossible to find. Newer equipment is often greener and more efficient.

Some examples of capital outlay equipment are:

Infield Pro Athletic Field Grooming Machines - Dirty and dusty conditions compromise the life of this type of equipment thus reducing its lifespan below 6 years. Use of older equipment with excessive wear and tear increases downtime, reduces efficiency and potentially decreases maintenance frequency.

Small Equipment Trailers - Used for hauling athletic field maintenance equipment, skid steer loaders, small tractors, etc. There has been increased maintenance and downtime for existing trailers or staff has utilized larger trailers which decreases efficiency and removes them from service for other projects.

Smaller Zero-Turn Mowers - These mowers allow for quick mowing of confined or narrow spaces. Staff has been using larger mowers, which have great value, but they are less maneuverable than the smaller mowers and staff has spent increased time weed-eating. Because of their smaller size and extensive use, the life cannot be expected to extend beyond 6 years.

Walk Behind Mowers - These mowers are typically used for slopes and pond embankments. Use of older over used equipment results in a longer time to complete the task and could compromise operator safety.

Utility Carts (Gator, Mule, etc.) - These items are critical to the operation of Regional and Recreational Parks as well as paved trail maintenance and festival and event support. Use of equipment that has been in service beyond its lifespan increases downtime and decreases the availability of this equipment to accomplish the necessary tasks. Additionally, use of overused equipment could compromise operator safety.

All-Terrain Vehicles - These vehicles are used for natural surface trail maintenance activities and for support of managed hunting program. They can also be outfitted with plows, etc. for a more diverse use. These units are used if very rugged terrain in harsh conditions and cannot be expected to last beyond the 6 year threshold. Failure to replace these units results in increased downtime and availability as well as decreased operator safety.

Salt/Sand Spreader - Used for snow removal activities, these items are exposed to excessive corrosion and their life expectancy is compromised. Snow/ice removal is critical to operating a safe park system and using equipment that is not in top working condition could result in less than satisfactory results.

**Preventive Tree Maintenance Program for Parkways and Paved Hiker/Bike Trails - \$200,000**

The Department of Parks proposes to restore a county-wide program which was cut in FY10 to inspect and provide much needed preventive maintenance on trees along our major parkways and associated trails. This preventive maintenance program will help ensure the long-term

health and protection of our trees while providing a safe environment for our parkway and trail users by removing hazard trees and limbs that may fall onto our parkways and bike trails. Additionally, this program will provide tree and branch trimming to provide minimum clearances for site distances and safe use of our facilities.

Trees growing along our parkways are subject to conditions that lead to their decline, including:

- Insect and disease problems
- Air pollution
- Root and soil compaction due to mower and maintenance vehicles
- Flooding
- Mechanical damage due to mowing
- Soil contamination from de-icing salt

The decline and eventual death of these trees leads to many hazard trees and limbs hanging over our trails and parkways. At current staffing levels, staff cannot perform many of the preventive maintenance and care responsibilities for our trees. By outsourcing the tree maintenance along our major parkways and trails will enable staff to focus on preventive maintenance and care responsibilities for our trees in other areas.

The program benefits of this contract will be to: 1) conduct inspections of parkway trees for health and safety, 2) ensure long –term health and protection for parkway trees, 3) provide a safe environment for park patrons, and 4) reduce the Commission’s exposure to liability.

#### **Park Police CALEA Accreditation - \$20,000**

The Commission on Accreditation for Law Enforcement Agencies (CALEA) provides credentialing services for law enforcement agencies. The goals of program are to strengthen crime prevention and control capabilities; formalize essential management procedures; establish fair and nondiscriminatory personnel practices; improve service delivery; solidify interagency cooperation and coordination; and increase community and staff confidence in the agency. It provides a blueprint that promotes the efficient use of resources and improves service delivery.

CALEA accreditation occurs every three years. However, it is an on-going process each year to maintain and upkeep the procedures and training requirements. The last time Montgomery County Park Police received accreditation was in 2007.

The \$20,000 will cover the accreditation fee plus the associated costs for annual training and equipment/supplies.

#### **Summary**

The Department of Parks is preparing the FY14 Proposed Budget. During this process we have been mindful of the difficult financial situation in the County, yet we are committed to continue to provide the best services possible to our customers. Clean and safe parks remain our priority.

Staff is requesting approval from the Park Commission to proceed to prepare the FY14 Park Fund budget at the Base Plus an Essential Needs Budget level.

Staff is currently scheduled to return on November 29 to seek approval of specific funding levels for the Department of Parks FY14 Proposed Budgets for the Park Fund, Enterprise Fund, Property Management Fund and Special Revenue Fund.