



MCPB Agenda Item: 6
February 8, 2024

MEMORANDUM

Date: February 1, 2024

TO: Montgomery County Planning Board

VIA: Miti Figueredo, Director of Parks *Miti*
Darren Flusche, Acting Deputy Director, Administration *DF*
Andrew Frank, Chief, Park Development Division *Andrew Frank*

FROM: Ron Peele, CIP Manager, Park Development Division *Ronald Peet*

SUBJECT: Response to County Executive Recommended FY25-30 Capital Improvements Program (CIP)

Planning Board Recommendation

Review the impacts of the County Executive's (CE) recommended reduction of \$24.2M in the Parks FY25-30 CIP request, non-recommended reductions to individual PDFs that would be required to meet Affordability PDF issued with the CE Recommended CIP, and tiered strategy for funding restoration for submittal to the County Council. With the approval of the reduction and restoration strategy, Parks will create marked-up versions of the PDFs and narrative for the Chairman to transmit a formal response to County Executive and County Council.

Background and County Executive Recommendation

- The Planning Board (PB) adopted the Montgomery Parks FY25-30 CIP totaling \$323,723,000 on October 19, 2023.
- The PB transmitted the adopted FY25-30 CIP to the County Executive and County Council on November 1, 2023, as required by statute.
- During the technical review OMB removed the \$3.9M transfer of the Parks Road PDF from the Parks PB adopted FY25-30 CIP adjusting the Parks CIP to \$319,725,000. The transfer has a net zero effect on the overall budget as it is simply a transfer of the program and funding from MCDOT to Montgomery Parks to improve efficiency and coordination of Parks roads improvements. Parks staff are continuing to coordinate with MCDOT and OMB staff on updating the MOU and as well as the technical aspects of how best to execute this transition.
- The County Executive released his Recommended FY25-30 CIP on January 16, 2024, which added an Affordability PDF that decreased Current Revenue: General by \$11M and County General Obligation Bonds by \$13.2M over six years. See attached Affordability PDF for breakdown by source and year.

The CE’s recommended reductions eliminates virtually all requested CR: General increases and over 70% of the requested increase for GO Bonds. The projects affected include PLAR Non-Local, Natural Surface Trails, Trails Hard Surface Design & Construction, Trails Hard Surface Renovation, Vision Zero, and Wheaton Regional Park PDFs. Both of these recommended reductions present a significant challenge for the Parks Department to execute our programs and projects, and further complicates our ability to make the key investments that enable us to sustain a world class Parks system that meets the demands of a growing and increasingly diverse community.

The CE’s Recommended CIP also includes adjustments to funding for our water quality PDFs, Pollution Prevention and Repairs to Ponds and Lakes (P0787010) and Stream Protection: SVP (P818571). The recommendation replaces the Long Term Financing through the MDE Revolving Loan program, which requires significant administrative resources for both Parks and the County, with Water Quality Bonds, which are similar to the other bond-funded program. Parks welcomes this change as it will allow us to more efficiently implement these important programs.

County Executive Recommended Cuts

Table 1 reflects the CE’s recommended cuts by fiscal year (FY) for the entire 6-year FY25-30 Parks CIP for Current Revenue: General Funds and County GO Bonds.

Table 1: CE Recommended Reductions by FY

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY25	FY26	FY27	FY28	FY29	FY30	Beyond 6 Years
CR: General	\$ (10,967)	\$ -	\$ -	\$ (10,967)	\$ (1,965)	\$ (1,809)	\$ (1,806)	\$ (1,787)	\$ (1,800)	\$ (1,800)	\$ -
GO Bonds	\$ (13,228)	\$ -	\$ -	\$ (13,228)	\$ (2,694)	\$ (2,534)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ -
Total	\$ (24,195)	\$ -	\$ -	\$ (24,195)	\$ (4,659)	\$ (4,343)	\$ (3,806)	\$ (3,787)	\$ (3,800)	\$ (3,800)	\$ -

Staff Response to County Executive Recommendation

1. Reduction Scenario for Compliance with CE’s Recommended CIP Reductions:

To be responsive to the CE’s request, staff created a scenario for the Planning Board’s consideration. The general guiding principles for this scenario are to target the PDFs proposed for increases in FY25-30 CIP, to maintain an equity focus, to balance reductions across programs, and to keep all other Level-of-efforts whole. For this scenario, staff has maintained the Planning Board-adopted funding for Energy Conservation and the new Lyttonville Civic Green.

The proposed scenario is summarized here and illustrated in Tables 2 and 3 below:

- Keeps Trails Hard Surface Renovation PDF flat for FY25 and limits increase to \$1.5M across FY26-30, which will delay implementation of Northwest Branch SVU3 Trail Renovation and Sligo Creek Trail Renovation.
- Keeps Trails Hard Surface Design & Construct and Vision Zero at \$750K in all years, which will limit implementation of trail crossing safety improvements, traffic calming, and community connections.
- Reduces funding increases for Wheaton Regional Park by \$3.7M across FY25-26 and by \$4M across FY27-30, which will delay implementation of the Adventure Sports Park, Rubini Court Conversions, and several other Master Plan projects.

- Keeps the Planned Lifecycle Asset Replacement (PLAR) Non-Local PDF at FY23-28 levels, which will significantly restrict our ability to implement infrastructure rehabilitation and replacement projects throughout FY25-30. These projects are critical to ensuring safe conditions for staff and park visitors and will result in increased future funding needs as the park system continues to age and assets deteriorate at an increasing rate.
- Keeps Natural Surface Trail PDF at FY23-28 levels, which will reduce our ability to expand the trail system and replace aging bridges along the existing system.

GO Bonds: The top portion of Table 2 below represents the Planning Board-adopted FY25-30 CIP request for GO Bonds, while the lower table shows the non-recommended reductions to meet the CE’s Recommended CIP. The green shaded cells show PDFs to receive funding increases in Planning Board-adopted version, and the yellow shaded PDFs reflect the reduced amounts required to meet the CE’s recommended reductions.

Table 2: GO Bond Funding

\$000s)

PDF - Requested	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Legacy Open Space	559	1,100	1,100	1,100	1,100	1,100	6,059
ADA Compliance: Non-Local Parks	950	950	950	950	950	950	5,700
Ballfield Initiatives	2,300	2,300	2,300	2,300	2,300	2,300	13,800
Cost Sharing: Non-Local Parks	50	50	50	50	50	50	300
Energy Conservation - Non-Local Parks	300	300	300	300	300	300	1,800
Lyttonville Civic Green	0	0	300	1,000	600	0	1,900
Minor New Construction - Non-Local Parks	900	900	900	900	900	900	5,400
Northwest Branch Recreational Park-Athletic Area	0	0	0	250	0	0	250
Ovid Hazen Wells Recreational Park	794	680	0	0	0	0	1,474
Planned Lifecycle Asset Replacement (PLAR): Non-Local Parks	2,930	2,830	2,630	2,879	2,780	2,780	16,829
Restoration Of Historic Structures	50	50	50	50	50	50	300
S. Germantown Recreational Park: Cricket Field	350	0	0	0	0	0	350
Trails: Hard Surface Design & Construction	750	750	1,000	1,000	1,000	1,000	5,500
Trails: Hard Surface Renovation	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Trails: Natural Surface & Resource-based Recreation	200	200	200	200	200	200	1,200
Urban Park Elements	250	250	250	250	250	250	1,500
Vision Zero	750	750	1,000	1,000	1,000	1,000	5,500
Wheaton Regional Park Improvements	3,500	4,500	3,000	3,000	3,000	3,000	20,000
GO Bonds - Total Requested:	16,633	17,610	16,030	17,229	16,480	15,880	99,862
CE Affordability Cut:	-2,694	-2,534	-2,000	-2,000	-2,000	-2,000	-13,228
CE Recommended: GO Bonds	13,939	15,076	14,030	15,229	14,480	13,880	86,634

Scenario 1

PDF	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Legacy Open Space	559	1,100	1,100	1,100	1,100	1,100	6,059
ADA Compliance: Non-Local Parks	950	950	950	950	950	950	5,700
Ballfield Initiatives	2,300	2,300	2,300	2,300	2,300	2,300	13,800
Cost Sharing: Non-Local Parks	50	50	50	50	50	50	300
Energy Conservation - Non-Local Parks	300	300	300	300	300	300	1,800
Lyttonville Civic Green	0	0	300	1,000	600	0	1,900
Minor New Construction - Non-Local Parks	900	900	900	900	900	900	5,400
Northwest Branch Recreational Park-Athletic Area	0	0	0	250	0	0	250
Ovid Hazen Wells Recreational Park	794	680	0	0	0	0	1,474
Planned Lifecycle Asset Replacement (PLAR): Non-Local Parks	2,930	2,830	2,630	2,879	2,780	2,780	16,829
Restoration Of Historic Structures	50	50	50	50	50	50	300
Trails: Hard Surface Design & Construction	750	750	750	750	750	750	4,500
Trails: Hard Surface Renovation	1,350	1,500	1,485	1,500	1,500	1,500	8,835
Trails: Natural Surface & Resource-based Recreation	200	200	200	200	200	200	1,200
Urban Park Elements	250	250	250	250	250	250	1,500
Vision Zero	750	750	750	750	750	750	4,500
Wheaton Regional Park Improvements	1,806	2,466	2,015	2,000	2,000	2,000	12,287
CE Recommended: GO Bonds	13,939	15,076	14,030	15,229	14,480	13,880	86,634

Current Revenue: General: The upper portion of Table 3 below represents the Planning Board-adopted FY25-30 CIP request for Current Revenue: General, while the lower table shows the non-recommended reductions to meet the CE’s Recommended CIP. The green shaded cells show PDFs to receive funding increases in Planning Board-adopted version, and the yellow shaded PDFs reflect the reduced amounts required to meet the CE’s recommended reductions.

Table 3: Current Revenue: General Funding

(\$000s)

PDF	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Legacy Open Space	115	115	115	115	115	115	690
Park Acquisitions	250	250	250	250	250	250	1,500
ADA Compliance: Non-Local Parks	50	50	50	50	50	50	300
Facility Planning: Non-Local Parks	300	300	300	300	300	300	1,800
Planned Lifecycle Asset Replacement (PLAR): Non-Local Parks	4,500	4,500	4,500	4,500	4,500	4,500	27,000
Pollution Prevention and Repairs to Ponds & Lakes	300	300	300	300	300	300	1,800
Restoration Of Historic Structures	585	585	585	585	585	585	3,510
Small Grant/Donor-Assisted Capital Improvements	50	50	50	50	50	50	300
Trails: Natural Surface & Resource-based Recreation	800	800	800	800	800	800	4,800
Current Revenue: General - Total Requested:	6,950	6,950	6,950	6,950	6,950	6,950	41,700
CE Affordability Cut:	-1,965	-1,809	-1,806	-1,787	-1,800	-1,800	-10,967
CE Recommended Current Revenue: General	4,985	5,141	5,144	5,163	5,150	5,150	30,733

Scenario 1

PDF	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Legacy Open Space	115	115	115	115	115	115	690
Park Acquisitions	250	250	250	250	250	250	1,500
ADA Compliance: Non-Local Parks	50	50	50	50	50	50	300
Facility Planning: Non-Local Parks	300	300	300	300	300	300	1,800
Planned Lifecycle Asset Replacement (PLAR): Non-Local Parks	3,035	3,191	3,194	3,213	3,200	3,200	19,033
Pollution Prevention and Repairs to Ponds & Lakes	300	300	300	300	300	300	1,800
Restoration Of Historic Structures	585	585	585	585	585	585	3,510
Small Grant/Donor-Assisted Capital Improvements	50	50	50	50	50	50	300
Trails: Natural Surface & Resource-based Recreation	300	300	300	300	300	300	1,800
CE Recommended Current Revenue: General	4,985	5,141	5,144	5,163	5,150	5,150	30,733

2. Impact of compliance with the County Executive’s affordability reductions:

The CE’s requested funding reduction was difficult to absorb without affecting the scope and schedule of projects in our intended work program. These programs and projects received significant input and support during collaboration with staff and the public throughout the development of the Parks FY25-30 CIP. This collaborative effort culminated in increased funding for individual PDFs to address the growing needs of the parks system. The recommended reductions to Current Revenue: General funds essentially cut into our infrastructure rehabilitation program (PLAR Non-Local), which is problematic given the increase in inflation in recent years, combined with the accelerated wear and tear on our infrastructure due to increased Park usage since the pandemic. This reduction also eliminates all requested increases to Natural Surface Trails. Similarly, the recommended reduction in GO bonds especially affects the Wheaton Regional Park PDF as well as our Trails and Vision Zero PDFs. These recommended reductions would delay the WRP Master Plan implementation (especially Adventure Sports Park) and cut into the existing trails program in order to maintain matching funds for the SS4A and RAISE federal grants.

The following describes why each program increase was included in the Planning Board-adopted FY25-30 CIP and how each would be impacted by the CE's reduction recommendations:

- **PLAR-NL:** Parks requested an increase in Current Revenue: General funding to implement infrastructure projects required to meet the challenges of maintaining and modernizing our aging Park system. System-wide infrastructure rehabilitation is critical to ensuring that Montgomery Parks continues to serve the community and to ensure the safety, resilience, and reliability of our facilities.
- **NATURAL SURFACE TRAILS:** Parks requested an increase in Current Revenue: General funding to implement projects to expand the trail system and replace aging bridges along the existing system, particularly within Little Bennett Regional Park, Seneca Creek SVP, and Muddy Branch SVP.
- **TRAIL HARD SURFACE DESIGN & CONSTRUCTION:** Parks requested an increase in GO Bond funding to enable us to improve community connections with specific focus on Sligo Creek Trail, Matthew Henson Trail, Wheaton Regional Park, and Northwest Branch Trail. This will also enable us to complete needed projects identified for the SS4A grant we received from the Federal Government.
- **TRAIL HARD SURFACE RENOVATION:** Parks requested an increase in GO Bond funding to implement trail rehabilitation projects throughout the 68-mile hard-surface trail system that is one of the most highly valued parks assets, as demonstrated through surveys and trail usage data. Recent projects, including the rehabilitation of portions of Sligo Creek Trail north of University Boulevard, have received praise from users. The requested funding increase would enable Parks to continue implementation of projects along Rock Creek Trail, Little Falls Trail, and Paint Branch Trail, while we implement project for the SS4A and RAISE grants we received from the Federal Government.
- **VISION ZERO:** Parks requested an increase in GO Bond funding to provide safer trail intersections and traffic calming along parkways with specific focus on Matthew Henson Trail, the vicinity of Wheaton Regional Park, and Sligo Creek Trail corridors in support of the SS4A and RAISE grants we received from the Federal Government. The requested increase would allow us to also implement Vision Zero improvements along Rock Creek Trail and Traffic Calming along Beach Drive and Sligo Creek Parkway.
- **WHEATON REGIONAL PARK:** Parks requested increased GO Bond funding levels in each FY to implement Master Plan elements and rehabilitate aging infrastructure. Parks intends to implement several projects over FY25-30, focusing initially on the re-development of the Rubini Complex to create the Adventure Sports Park and associated support facilities. Other projects will include trail renovations, community connections, wayfinding signage, relocation/upgrade of bathroom facilities, dog park improvements, creation of community gardens, infrastructure improvements, maintenance facility renovations, etc.

3. Priorities for restoration of funds to reduce impacts to Parks CIP:

The reductions in the CE’s Recommended FY25-30 CIP for Parks are significant and reflect affordability concerns countywide; however, we believe there is strong support for the Planning Board-approved request, and we are hopeful the County Council will look to restore some portion of the requested funding. To assist the Planning Board, the PHP Committee, and ultimately the full Council in prioritizing restoration, staff has developed three Tiers that reflect the most urgent needs for restoration in order to preserve many of the projects listed above. We look forward to the Planning Board’s review and feedback, so we can finalize a defensible response to transmit to the CE and County Council.

Proposed Restoration Prioritization:

Tier 1: This tier restores \$14.3M over FY25-30 as follows:

- \$5.9M of which is GO Bonds to support Wheaton Regional Park
- \$2.4M in GO bonds for Trails Hard Surface Renovation
- \$6.0M in Current Revenue General Funds for PLAR Non-Local PDFs

Tier 1 is the most impactful funding request because it allows Parks to implement critical infrastructure maintenance and improvements to WRP, and it amounts to just under 60% of the CE’s \$24.2M recommended reduction.

Tier 1	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Wheaton Regional Park Improvements	1,000	1,000	985	1,000	1,000	1,000	5,985
Trails: Hard Surface Renovation	400	400	400	400	400	400	2,400
Planned Lifecycle Asset Replacement (PLAR): Non-Local Parks	1,000	1,000	1,000	1,000	1,000	1,000	6,000

Tier 2: This tier restores an additional \$8.4M over FY25-30 beyond Tier 1 as follows:

- \$1.9M in Current Revenue: General Funds for PLAR Non-Local
- \$1.2M in Current Revenue: General for Trails Natural Surface
- \$1.5M in GO Bonds for Trails Hard Surface Renovation
- \$1.0M in GO Bonds for Trails Hard Surface Design & Construct
- \$1.0M GO Bonds for Vision Zero
- \$1.7M in GO Bonds for Wheaton Regional Park

Tier 2 is a very important funding request because it allows Parks to enhance infrastructure maintenance, fully implement WRP projects, replace several Natural Surface Trail Bridges, rehabilitate hard surface trails, build new community connectors, and improve trail crossing safety, and it represents a combined total of \$21.8M or 90% of the CE’s \$24.2M recommended reduction.

Tier 2	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Planned Lifecycle Asset Replacement (PLAR): Non-Local Parks	465	309	306	287	300	300	1,967
Trails: Natural Surface & Resource-based Recreation	200	200	200	200	200	200	1,200
Trails: Hard Surface Renovation	250	250	265	250	250	250	1,515
Trails: Hard Surface Design & Construction	0	0	250	250	250	250	1,000
Vision Zero	0	0	250	250	250	250	1,000
Wheaton Regional Park Improvements	694	1,034	0	0	0	0	1,728

Tier 3: This tier restores the remainder of the \$24.2M reduction by adding another \$2.3M across FY25-30 as follows:

- \$1.8M in Current Revenue General for Natural Surface Trails
- \$500K in GO Bonds for Trail Hard Surface Renovation

Tier 3 funding request allows replacement of more Natural Surface Trail Bridges and additional trail renovation along Sligo Creek Trail.

<u>Tier 3</u>	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Totals
Trails: Natural Surface & Resource-based Recreation	300	300	300	300	300	300	1,800
Trails: Hard Surface Renovation	500	0	0	0	0	0	500

Conclusion

The Parks Department recognizes the need for fiscal responsibility for all agencies; however, we believe the Planning Board-adopted FY25-30 CIP request was sound and defensible. Furthermore, we believe the CE’s Recommended CIP reductions would significantly impact Parks’ ability to implement numerous important projects that will deliver strongly supported improvements to Wheaton Regional Park, infrastructure rehabilitation, trail system restoration and safety, community connections, energy conservation, and the new Lyttonsville Civic Green. Parks has provided a balanced approach to meeting the CE’s recommended reductions and a tiered approach to consider restoration requests to the County Council. We believe that requesting restoration of these funds is key to enabling Parks to deliver on the goals of the adopted 2022 Park, Recreation and Open Space Plan (PROS) including encouraging physical activity, promoting social interaction, and protecting the environment.

What is next?

Once the Planning Board approves the non-recommended reductions in specific PDFs, with any requested adjustments, Staff will prepare a formal response transmittal from the Planning Board Chair to the County Executive and Council President, including a tiered request for consideration of funding restoration. Parks staff will also continue coordination with OMB on technical adjustments to the FY25-30 CIP. The Council will hold public hearings on the County Executive’s Recommended CIP in February 2024 and will proceed with deliberations this Spring. The Planning Board Chairman and Parks staff will participate in a PHP Committee work session in early March, and the Committee will vote on restoration recommendation to the full Council. The full Council will consider the PHP Committee recommendations, along with recommendations from other committees, and reconcile these funding requests with SAG and other considerations for the overall FY25-30 CIP. Council adoption of the FY25 Capital Budget and full FY25-30 CIP is expected to occur in late May.

Attachment

- FY25-30 Affordability PDF









MCPB Agenda - Item 6 - Response to County Executive Recommended FY25-30 Capital Improvements Program (CIP) 2.1.2024

Final Audit Report


2024-02-01

Created:	2024-02-01
By:	Sandra Samuel (Sandra.Samuel@montgomeryparks.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAs5_uRw4C1K_3r_hTC34q950fgJeT_oPx


"MCPB Agenda - Item 6 - Response to County Executive Recommended FY25-30 Capital Improvements Program (CIP) 2.1.2024" History

-  Document created by Sandra Samuel (Sandra.Samuel@montgomeryparks.org)
2024-02-01 - 8:41:16 PM GMT- IP address: 155.190.22.2
-  Document emailed to Miti Figueredo (miti.figueredo@montgomeryparks.org) for signature
2024-02-01 - 8:42:34 PM GMT
-  Document emailed to Darren Flusche (darren.flusche@montgomeryparks.org) for signature
2024-02-01 - 8:42:34 PM GMT
-  Document emailed to Andrew Frank (andrew.frank@montgomeryparks.org) for signature
2024-02-01 - 8:42:34 PM GMT
-  Document emailed to Ronald Peele (ronald.peele@montgomeryparks.org) for signature
2024-02-01 - 8:42:35 PM GMT
-  Email viewed by Ronald Peele (ronald.peele@montgomeryparks.org)
2024-02-01 - 8:42:49 PM GMT- IP address: 104.47.57.254
-  Document e-signed by Ronald Peele (ronald.peele@montgomeryparks.org)
Signature Date: 2024-02-01 - 8:43:44 PM GMT - Time Source: server- IP address: 155.190.22.3
-  Email viewed by Miti Figueredo (miti.figueredo@montgomeryparks.org)
2024-02-01 - 8:44:34 PM GMT- IP address: 104.47.56.254




 Document e-signed by Miti Figueredo (miti.figueredo@montgomeryparks.org)


Signature Date: 2024-02-01 - 8:44:52 PM GMT - Time Source: server- IP address: 72.66.110.74

 Email viewed by Darren Flusche (darren.flusche@montgomeryparks.org)


2024-02-01 - 8:46:36 PM GMT- IP address: 104.47.57.254

 Document e-signed by Darren Flusche (darren.flusche@montgomeryparks.org)

Signature Date: 2024-02-01 - 8:47:38 PM GMT - Time Source: server- IP address: 155.190.22.1

 Email viewed by Andrew Frank (andrew.frank@montgomeryparks.org)

2024-02-01 - 8:49:34 PM GMT- IP address: 104.28.79.175

 Document e-signed by Andrew Frank (andrew.frank@montgomeryparks.org)

Signature Date: 2024-02-01 - 8:50:02 PM GMT - Time Source: server- IP address: 174.216.157.20

 Agreement completed.

2024-02-01 - 8:50:02 PM GMT

