

*BALTIMORE COUNTY COUNCIL
NOTES TO THE AGENDA
LEGISLATIVE SESSION 2016*

*Issued: September 22, 2016
Work Session: September 27, 2016
Legislative Day No. 17: October 3, 2016*

*The accompanying notes are
compiled from unaudited
information provided by
the Administration and
other sources.*



OFFICE OF THE COUNTY AUDITOR

BALTIMORE COUNTY COUNCIL

October 3, 2016

NOTES TO THE AGENDA

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**BALTIMORE COUNTY COUNCIL AGENDA
LEGISLATIVE SESSION 2016, LEGISLATIVE DAY NO. 17
OCTOBER 3, 2016 6:00 P.M.**

CEB = CURRENT EXPENSE BUDGET
BY REQ. = AT REQUEST OF COUNTY EXECUTIVE

Page

CALL OF BILLS FOR FINAL READING AND VOTE

TIM SHERIDAN, COURT ADMINISTRATOR, CIRCUIT COURT

1 Bill 61-16 – Mrs. Almond(By Req.) – 2016-17 Capital Budget – 241-210-P018 Enhanced Productivity Thru Technology

KEITH DORSEY, DIRECTOR, OFFICE OF BUDGET AND FINANCE

3 Bill 62-16 – Mrs. Almond(By Req.) - 2016-17 Capital Budget – 241-210-0036 Building Repairs, Renovations and Minor Additions

7 Bill 63-16 – Mrs. Almond(By Req.) – Clean Energy Loan Program

APPROVAL OF FISCAL MATTERS/CONTRACTS

STEVE WALSH, DIRECTOR, DEPARTMENT OF PUBLIC WORKS

10 1. Contract – Team Service Corporation of New York – Replacement & Repair of motors for pumping stations – DPW

13 2. Addenda to Contracts – (2) – Sanitary Sewer Rehabilitation Engineering Services – DPW

THOMAS JOSEPH, DEPARTMENT OF AGING

17 3. Contracts – (25) – 24/7 – On-site supervision, etc. – Assisted living for Seniors - DA

AMY GROSSI, REAL ESTATE COMPLIANCE

22 4. Contract of Sale – Kristin A. Kluga – 319 Worthington Road, Towson – Overbrook Floodplain – REC

* 5. Contracts – (6) – Professional Services – Real Estate Appraisals - PAI

MISCELLANEOUS BUSINESS

COUNCIL

31 1. Correspondence - (a)(3) - Non-Competitive Awards (August 26, 2016)

WILL ANDERSON, DIRECTOR, DEPARTMENT OF ECONOMIC & WORKFORCE DEVELOPMENT

25 2. Res. 100-16 – Mrs. Almond(By Req.) – Economic Development Revenue Bond – Oak Crest Village, Inc.

COUNCIL

3. Res. 102-16 – Mr. Quirk – Property Tax Exemption – DAV – Kenneth W. Freelan

4. Res. 103-16 – Mrs. Almond – Property Tax Exemption – DAV – Thomas N. Coyle

5. Res. 104-16 – Mr. Jones – Property Tax Exemption – DAV – Surviving Spouse -Yvonne J. Dawkins

6. Res. 105-16 – Mrs. Bevins – Property Tax Exemption – DAV – Nyoka Hill

7. Res. 106-16 – Mr. Crandell – Property Tax Exemption – BLIND – Charles W. Harle

8. Res. 107-16 – Mr. Crandell – Property Tax Exemption – DAV – Derand M. Javier

* Deferred from the September 19, 2016 Council agenda

Bill 61-16 (Supplemental Appropriation)

Council District(s) 5

Mrs. Almond (By Req.)

Circuit Court

2016-2017 Capital Budget – Enhanced Productivity Thru Technology

The Administration is requesting a supplemental appropriation of state funds totaling \$41,992 to the Enhanced Productivity Thru Technology Capital Project. The funds will be used to purchase an additional x-ray inspection system to improve the security of the Baltimore County Courts Building.

Fiscal Summary

Funding Source	Supplemental Appropriation	Current Appropriation	Total Appropriation
County	--	\$ 73,271,066	\$ 73,271,066
State ⁽¹⁾	\$ 41,992	34,054	76,046
Federal	--	--	--
Other	--	--	--
Total	<u>\$ 41,992</u>	<u>\$ 73,305,120</u>	<u>\$ 73,347,112</u>

⁽¹⁾ Maryland Administrative Office of the Courts funds. No County matching funds are required.

Analysis

The Circuit Court advised that it is in the middle of a general security upgrade focused mainly on security doors and cameras. The Circuit Court also advised that during a security review, it was determined that all employees and visitors entering the Courts Building should be screened. The proposed \$41,992 supplemental appropriation will be used to purchase and install an additional x-ray inspection system that will allow security personnel to verify the safety of the contents of

items brought into the building by the general public and approximately 400 employees and 200 lawyers per day.

Smiths Detection, Inc. will provide the equipment. Correspondence item MB-1(a) on this agenda is the non-competitively bid contract with Smiths Detection, Inc. totaling \$57,674 for the x-ray inspection system (\$41,992), a 4-year on-site extended warranty with preventive maintenance (\$14,821), and shipping (\$861). The Circuit Court expects the installation of the x-ray system to take place within 2 weeks of Council approval.

The grant period is FY 2017. No County matching funds are required.

With the affirmative vote of five members of the County Council, Bill 61-16 will take effect October 16, 2016.

Bill 62-16 (Supplemental Appropriation)

Council District(s) All

Mrs. Almond (By Req.)

Office of Budget and Finance

**2016-2017 Capital Budget –
Building Repairs, Renovations and Minor Additions**

The Administration is requesting a supplemental appropriation of state funds totaling \$390,000 to the Building Repairs, Renovations and Minor Additions Capital Project. The funds will be used for energy efficiency upgrades at County-owned facilities and for renewable energy projects (i.e., solar). See Exhibit A.

Fiscal Summary

Funding Source	Supplemental Appropriation	Current Appropriation	Total Appropriation
County	--	\$ 179,715,464	\$ 179,715,464
State ⁽¹⁾	\$ 390,000	719,873	1,109,873
Federal	--	1,500,000	1,500,000
Other	--	11,588,560	11,588,560
Total	<u>\$ 390,000</u>	<u>\$ 193,523,897</u>	<u>\$ 193,913,897</u>

⁽¹⁾ Maryland Energy Administration (MEA), Maryland Smart Energy Community (MSEC) program funds. No County matching funds are required.

Analysis

The proposed grant funds are provided by the Maryland Energy Administration's (MEA) Maryland Smart Energy Community (MSEC) program. The goal of the MSEC program is to encourage local governments to adopt long-term smart energy policies and goals, leading to sustained energy

savings and opportunities for renewable energy development. The purpose of the grant funds is to assist the grantee in the development, adoption, and implementation of policies and projects that promote energy efficiency, and either the development of renewable energy resources or the reduction of dependence on petroleum as a fuel in the transportation sector.

To access the grant funds, the County must adopt two policies. On August 29, 2016, the County Executive signed two Executive Orders that commit the County 1) to reduce per-square-foot electricity consumption in County buildings by 15% within 5 years of a designated baseline year and 2) to utilize renewable energy sources (i.e., solar) to generate or displace 20% of electric demand serving local government buildings by 2022. Upon issuance of these orders, the development of an electricity consumption baseline, and the development of the energy action plans, the County will be eligible to be designated a Maryland Smart Energy Community in the beginning of 2017.

The proposed grant funding of \$390,000 has been designated for projects in the following three categories: \$220,000 for energy efficient upgrades in County-owned facilities that serve low-to-moderate income residents; \$90,000 for energy efficient upgrades in any County-owned facilities; and \$80,000 for renewable energy projects.

Projects are subject to approval by MEA and if all or part of the project is not approved, remaining funds will be used for the next listed project. The Office advised that it intends to use \$310,000 (\$220,000 + \$90,000 noted above) of the proposed funds for the following projects (listed in priority order): replacement of the air conditioning system and HVAC controls at the Lansdowne Health Center (estimated cost of \$260,000); replacement of the air conditioning system at the Essex Senior Center (estimated cost of \$135,000); and replacement of the heat pumps in the Ateaze Senior Center annex (estimated cost of \$60,000). The Office plans to use the remaining \$80,000 for a solar-related project on County-owned property.

The grant requires project proposals to be submitted to the state by November 15, 2016, approved projects to be completed by May 15, 2017, and final reporting to be submitted by June 15, 2017. The Office advised that it anticipates the HVAC renovations will begin in December (pending approval by MEA) and will be performed by one of the County's on-call contractors.

No County matching funds are required.

With the affirmative vote of five members of the County Council, Bill 62-16 will take effect October 16, 2016.



COUNCIL ACTION REQUEST FORM EXECUTIVE SUMMARY

Executive Summary

Supplemental Appropriation

Maryland Energy Administration: Smart Energy Communities Grant for Energy Efficiency Upgrades and Renewable Energy Projects

Baltimore County Property Management is requesting to accept a grant award of \$390,000 from the Maryland Energy Administration's (MEA) *Maryland Smart Energy Community (MSEC)* program. The MSEC program was launched in 2013 with a goal to have local governments adopt long-term smart energy policies and goals, leading to energy savings and renewable energy projects. Becoming a MSEC will demonstrate the County's commitment to cleaner energy and energy efficiency, and will help increase resiliency to fluctuating energy costs.

To access full funding, the County must adopt the two policies below (via Executive Orders), develop an electric energy baseline and develop energy action plans to meet the policies' goals. Once these deliverables are complete, the County will be eligible to be designated as a *Maryland Smart Energy Community* in the beginning of 2017.

1. *Energy Efficiency Policy*: Establish an electricity consumption baseline of County buildings and develop an action plan to reduce consumption by 15% within 5 years of the baseline year.
2. *Renewable Energy Policy*: Commit to utilizing distributed, renewable energy sources (i.e. solar) to generate or displace at least 20% of electric demand by 2022.

Funding Details:

Funding is provided for projects in the three categories listed below. No matching funds are required.

- **\$220,000** for energy efficiency upgrades in County-owned facilities that serve low-to-moderate income (LMI) residents,
- **\$90,000** for energy efficiency upgrades in County-owned facilities, and
- **\$80,000** for renewable energy projects.

Pending project approval from MEA, it is anticipated that the \$220,000 in funding for projects serving LMI residents and the \$90,000 energy efficiency funding will collectively be used for the projects listed below in order of priority. If a proposed project is disapproved by MEA, or if only part of a project is approved, remaining funds will be used for the next listed project.

1. Replace the air conditioning system and HVAC controls at the Lansdowne Health Center (District 1). Estimated cost \$260,000.
2. Replace the air conditioning system at the Essex Senior Center (District 7). Estimated cost \$135,000.
3. Replace the heat pumps in the annex of Ateaze Senior Center (District 7). Estimated cost \$60,000.

It is anticipated that the \$80,000 will be used for a solar related project on County-owned property.



COUNCIL ACTION REQUEST FORM EXECUTIVE SUMMARY

As of 2016, 56 Maryland communities, including 7 counties plus Baltimore City, are designated as Maryland Smart Energy Communities. MEA anticipates designating an additional eight communities for FY '16 participation in the beginning of 2017.

Prepared by: Office of Budget and Finance

Bill 63-16**Council District(s) All**

Mrs. Almond (By Req.)

Office of Budget and Finance

Clean Energy Loan Program

Bill 63-16 establishes a Clean Energy Loan Program for commercial property owners.

In 2014, the Maryland General Assembly authorized local governments to establish what the state legislation referred to as a Property Assessed Clean Energy (PACE) loan program (Chapters 472 and 473, Acts of 2014, codified in Title 1, Subtitle 11 of the Local Government Article).

If a local government establishes a program, a private lender may provide capital for a loan to a commercial property owner. With the consent of any holder of a mortgage or deed of trust on a commercial property that is to be improved through a loan under the program, the county may collect loan payments owed to the private lender, and costs associated with administering the program, through a surcharge on the property owner's property tax bill. An unpaid surcharge is, until paid, a lien on the real property, and state law provisions applicable to a property tax lien also apply to an unpaid surcharge lien.

Bill 63-16 expressly provides that the County is acting only as a sponsor of the Clean Energy Loan Program established by the bill, in order to facilitate loan repayment by including the surcharge on the County real property tax bill. The County may not finance or fund any loan or incur any liability for a loan.

An owner of commercial property (defined as property not designed or intended for human habitation, or used for human habitation and improved by more than four single-family dwelling units) may apply to a private lender for a clean energy loan. The loan must be for at least \$5,000 but not more than 20% of the property's full cash value. The loan term is up to 20 years. The loan amount plus the outstanding balance of any mortgage may not exceed 90% of the full cash

value (as determined by SDAT). The property owner will repay the loan through a surcharge on the owner's real property tax bill.

To be eligible for a loan, the property owner must (1) have a 100% ownership interest in the property located in Baltimore County; (2) demonstrate that the most recent property taxes and assessments and charges on the property have been paid; (3) provide a copy of written notice to all current holders of a mortgage on the property and written proof of express consent by the holders to the clean energy loan as a priority lien on the property; and (4) establish that the owner is able to repay the loan, in a manner substantially similar to that required for a mortgage loan under state law.

Certain new or replacement improvements to a new or existing commercial property qualify for a loan under the program. These include:

- (1) Solar energy equipment;
- (2) Geothermal energy devices;
- (3) Wind energy systems;
- (4) Water conservation devices not required by law;
- (5) Any construction, renovation or retrofitting of commercial property to reduce energy consumption; and
- (6) Any other improvement approved by the County or the Clean Energy Loan Program Administrator.

Loan proceeds may also be used to pay for the costs incurred by the owner in connection with the improvements, including closing costs, permit fees, the cost of an energy audit, administrative fees, and building accreditation.

The owner and lender will enter into a clean energy loan financing agreement. The County, on receipt of notice of that agreement, will add the surcharge to the property tax bill. The surcharge includes the clean energy loan obligation and any administrative costs incurred by the County, which are the actual expenses incurred to administer the program. The surcharge is a first lien on the property from the date it becomes payable until the unpaid surcharge and interest and penalties on the surcharge are paid in full, regardless of a change in ownership, whether voluntary or involuntary.

The property owner and lender are also required to execute an agreement with the County that is recorded in the land records of the County and must contain specific notification of the terms of the loan, and the fact that an unpaid loan is a first lien on the property, regardless of any change in property ownership, and collectible as a tax lien.

The County pays all monthly surcharge payments to the lender or the program administrator. Payments received from an owner are credited first to all County taxes, assessments, and charges.

The County Executive may enter into an agreement with a private entity to administer the program. The Director of Budget and Finance may adopt regulations to carry out the program.

According to the Administration, similar legislation has been adopted in 32 states and the District of Columbia. Anne Arundel, Montgomery, Howard, Garrett, and Queen Anne's counties have already established programs.

The County has the option of choosing PACE Financial Servicing (PFS) as a designated program administrator at no cost to the County. Anne Arundel, Montgomery, Howard, and Queen Anne's counties are using PFS as their administrator.

The Clean Energy Loan Program will be available Countywide to commercial, industrial, agricultural, hospitality, retail and multifamily properties to access funding for energy efficient and renewable energy upgrades. Baltimore County residents will not be a part of this program.

With the affirmative vote of five members of the County Council and signature by the County Executive, Bill 63-16 will take effect on October 30, 2016.

FM-1 (Contract)

Council District(s) All

Department of Public Works

Replacement & Repair of Motors for Pumping Stations

The Administration is requesting approval of a contract with T.E.A.M. Service Corporation of New York to provide electric motor repair services for County pumping stations. The contract commences upon Council approval, continues for 1 year, and will automatically renew for four additional 1-year periods with the option to further extend the initial term or any renewal term an additional 120 days. The contract does not specify a maximum compensation for the initial 1-year term or for the entire 5-year and 4-month term of the contract. Compensation may not exceed the amount appropriated for these services during the entire contract term. Estimated compensation totals \$38,000 for the initial 1-year term and \$209,974 for the entire 5-year and 4-month term, including the renewal and extension periods.

Fiscal Summary

Funding Source	Initial Term	Total Compensation
County ⁽¹⁾	\$ 38,000	\$ 209,974
State	--	--
Federal	--	--
Other	--	--
Total	\$ 38,000 ⁽²⁾	\$ 209,974 ⁽³⁾

⁽¹⁾ Metropolitan District Operating Budget.

⁽²⁾ Estimated compensation for the initial 1-year term. The contract does not specify a maximum compensation for the initial 1-year term.

⁽³⁾ Estimated compensation for the entire 5-year and 4-month term, including the renewal and extension periods. The contract does not specify a maximum compensation for the entire contract term. Compensation may not exceed the amount appropriated for these services during the entire contract term.

Analysis

The contractor will furnish all labor, materials, tools, equipment, and supervision to repair or replace motors and motor-related equipment at the County's pumping stations. The contractor must be available for emergency field service repairs and consultation 24 hours-per-day, 365 days-per-year and must respond to an emergency within 4 hours. Hourly rates for repair work are \$55 during regular business hours (Monday through Friday, 8 a.m. to 5 p.m.) and \$60 during overtime hours (evenings 5 p.m. to 8 a.m., weekends, and holidays). The markup for materials is 20%.

The contract commences upon Council approval, continues for 1 year, and will automatically renew for four additional 1-year periods with the option to further extend the initial term or any renewal term an additional 120 days on the same terms and conditions, unless the County provides notice of non-renewal. The contract does not specify a maximum compensation for the initial 1-year term or for the entire 5-year and 4-month term of the contract. Compensation may not exceed the amount appropriated for these services during the entire contract term. Estimated compensation totals \$38,000 for the initial 1-year term and \$209,974 for the entire 5-year and 4-month term, including the renewal and extension periods.

Prior to the commencement of each renewal period, the County may entertain a request for an escalation in unit prices in accordance with the Consumer Price Index – All Urban Consumers – United States Average – All Items (CPI-U), as published by the United States Department of Labor, Bureau of Labor Statistics at the time of the request, or up to a maximum 5% increase on the current pricing, whichever is lower. The County may terminate the agreement by providing 30 days prior written notice.

The contract was awarded through a competitive procurement process based on low bid from three bids received.

The Department advised that these services were previously provided under a capital improvement contract with T.E.A.M. Service Corporation that was approved by the Administrative Officer on August 10, 2011 and expired on August 9, 2016. As of September 14, 2016, expenditures and encumbrances under this contract totaled \$213,805. The Department also advised that based on the specifications, the Office of Budget and Finance, Purchasing Division

has now determined that the previous contract should have been classified as a service contract which requires Council approval.

County Charter, Section 715, requires that “any contract must be approved by the County Council before it is executed if the contract is...for services for a term in excess of two years or involving the expenditure of more than \$25,000 per year....”

FM-2 (Contract Addenda)

Council District(s) All

Department of Public Works

Sanitary Sewer Rehabilitation Engineering Services

The Administration is requesting addenda to two contracts that provide on-call sanitary sewer rehabilitation design services for various projects throughout the County. The two contractors are Rummel, Klepper & Kahl, LLP (RK&K) and Whitman Requardt & Associates, LLP (WRA). The proposed addenda increase the maximum compensation for both contractors combined by \$8.0 million, from \$8.0 million to \$16.0 million, for the entire 8-year term, including the renewal periods. The contracts commenced March 18, 2013. See Exhibit A.

Fiscal Summary

Funding Source	Contract Addenda	Current Maximum Compensation	Amended Maximum Compensation
County ⁽¹⁾	\$ 8,000,000	\$ 8,000,000	\$ 16,000,000
State	--	--	--
Federal	--	--	--
Other	--	--	--
Total	<u>\$ 8,000,000</u> ⁽²⁾	<u>\$ 8,000,000</u>	<u>\$ 16,000,000</u> ⁽³⁾

⁽¹⁾ Capital Projects Fund (Metropolitan District).

⁽²⁾ Additional compensation for both contractors combined (\$4.0 million each) for the entire 8-year term, including the renewal periods.

⁽³⁾ Maximum compensation for both contractors combined (\$8.0 million each) for the entire 8-year term, including the renewal periods.

Analysis

The contractors provide on-call sanitary sewer rehabilitation design services for various projects throughout the County in accordance with the County's 2005 consent decree with the U.S.

Department of Justice, U.S. Environmental Protection Agency (EPA), and the Maryland Department of the Environment (MDE). Services include pipeline rehabilitation design, manhole rehabilitation design, trenchless pipeline design, review of CCTV inspections, permitting, rights-of-way plats, sediment and erosion control plans, wetland mitigation and delineation, reforestation plans, manhole inspections, surveying, geotechnical investigations, and construction phase services.

The Department advised that the proposed contract addenda are necessary in order to increase the compensation limits for additional design projects assigned to RK&K and WRA as a result of the completion of the County's Sewershed Repair, Replacement and Rehabilitation (SRRR) Plans. As of September 12, 2016, expenditures/encumbrances totaled \$2,232,782 and \$3,429,935 under the RK&K and WRA contracts, respectively.

On March 18, 2013, the Council approved the two original contracts with RK&K and WRA, along with two other contracts (Hydrostructures, LLC and O'Brien and Gere Engineers, Inc.), with compensation not to exceed \$4.0 million for each of the four contractors, or \$16.0 million combined, for the entire 8-year term of the contracts. The proposed addenda increase the maximum compensation each for RK&K and WRA by \$4.0 million, from \$4.0 million to \$8.0 million, or \$16.0 million combined for the entire 8-year term, including the renewal periods. All other terms and conditions remain the same.

On November 16, 2012, the Professional Services Selection Committee (PSSC) selected the contractors based on qualifications from 16 bids received.

County Charter, Section 715, requires that "any contract must be approved by the County Council before it is executed if the contract is...for services for a term in excess of two years or involving the expenditure of more than \$25,000 per year...."



COUNCIL ACTION REQUEST FORM EXECUTIVE SUMMARY

ON-CALL SANITARY SEWER REHABILITATION DESIGN SERVICES

The Project

The scope of services under this contract will include pipeline rehabilitation design, manhole rehabilitation design, trenchless pipeline design, review of CCTV inspections, permitting, rights-of-way plats, sediment and erosion control plans, wetland mitigation and delineation, reforestation plans, manhole inspections, surveying, geotechnical investigations, and construction phase services. This on-call agreement primarily will be used in conjunction with the Consent Decree.

The Consulting Agreement

The consultant, Rummel, Klepper & Kahl, LLP, was selected by the Professional Services Selection Committee on November 16, 2012.

1st Agreement: Approved – March 18, 2013

Scope: Provide on-call sanitary sewer rehabilitation design services.

Amount: \$4,000,000.00

1st Addendum: For Council Approval – October 3, 2016

Scope: Provide on-call sanitary sewer rehabilitation design services.

Amount: \$4,000,000.00

Total Agreement: \$8,000,000.00



**COUNCIL ACTION REQUEST FORM
EXECUTIVE SUMMARY**

ON-CALL SANITARY SEWER REHABILITATION DESIGN SERVICES

The Project

The scope of services under this contract will include pipeline rehabilitation design, manhole rehabilitation design, trenchless pipeline design, review of CCTV inspections, permitting, rights-of-way plats, sediment and erosion control plans, wetland mitigation and delineation, reforestation plans, manhole inspections, surveying, geotechnical investigations, and construction phase services. This on-call agreement primarily will be used in conjunction with the Consent Decree.

The Consulting Agreement

The consultant, Whitman Requardt & Associates, LLP, was selected by the Professional Services Selection Committee on November 16, 2012.

1st Agreement: Approved – March 18, 2013

Scope: Provide on-call sanitary sewer rehabilitation design services.

Amount: \$4,000,000.00

1st Addendum: For Council Approval – October 3, 2016

Scope: Provide on-call sanitary sewer rehabilitation design services.

Amount: \$4,000,000.00

Total Agreement: \$8,000,000.00

Prepared by: Department of Public Works

FM-3 (25 Contracts)

Council District(s) All

Department of Aging

Assisted Living for Seniors

The Administration is requesting approval of 25 contracts to provide assisted living care for eligible senior citizens 62 years of age and older. The contracts commence October 3, 2016, continue through June 30, 2017, and may be renewed for four additional 1-year periods. The contracts do not provide a maximum compensation for the initial approximate 9-month term or for the entire approximate 4-year and 9-month term. Estimated compensation for all contractors providing these services totals \$389,522 for FY 2017 and \$1,947,610 for the entire approximate 4-year and 9-month term, including the renewal periods. See Exhibit A for a list of the 25 contractors.

Fiscal Summary

Funding Source	Fiscal Year 2017	Combined Total Compensation
County	--	--
State ⁽¹⁾	\$ 389,522	\$ 1,947,610
Federal	--	--
Other	--	--
Total	<u>\$ 389,522</u> ⁽²⁾	<u>\$ 1,947,610</u> ⁽³⁾

⁽¹⁾ Maryland Department of Aging.

⁽²⁾ Estimated compensation for all contractors providing these services for FY 2017.

⁽³⁾ Estimated compensation for all contractors providing these services for the approximate 4-year and 9-month term, assuming the FY 2017 estimated cost for each renewal period.

Analysis

The Department operates the Senior Assisted Living Group Home Subsidy Program, which provides low and moderate income seniors access to state-licensed small assisted living sites (4 to 16 beds). The contractors will provide assisted living services to eligible seniors 62 years of age and older (or under 62 as approved by the Maryland Office on Aging). Services include onsite supervision 24 hours-per-day, 7 days-per-week, three meals-per-day, an evening snack, personal services (e.g., grooming, bathing, dressing), housekeeping, and laundry services. To be eligible, a client's gross monthly income may not exceed \$2,793 for single households and \$3,653 for two-person households; assets may not exceed \$11,000 for an individual or \$14,000 for a couple; and the client must not be enrolled in Medicaid.

The client is responsible for entering into a service agreement for the services needed directly with the contractor of his or her choice from the County's list of contractors. The County will pay the contractor up to \$650 per month per client (the subsidy amount), based on the client's contribution of income, at a rate to be determined by the State of Maryland. The client is responsible for paying any contractor fees in excess of the County's subsidy amount. Contractor fees charged to clients vary depending on the level of services provided and may not exceed the fees charged to non-subsidized clients for the same level of service.

The contracts commence October 3, 2016, continue through June 30, 2017, and may be renewed for four additional 1-year periods on the same terms and conditions. The contracts do not provide a maximum compensation for the initial approximate 9-month term or for the entire approximate 4-year and 9-month term. Estimated compensation for all contractors providing these services totals \$389,522 for FY 2017 and \$1,947,610 for the entire approximate 4-year and 9-month term, including the renewal periods, assuming the FY 2017 estimated cost in each renewal period. Either party may terminate the agreements by providing 30 days prior written notice. The contracts are subject to the availability of state funds and to termination by the County in the event of a reduction or termination in funding.

The County contracts with any provider that is licensed by the State of Maryland and serves Baltimore County residents and meets Department criteria for providing these services.

The Department advised that there is currently a waiting list of 40 seniors who applied and are eligible for these services (compared to 20 in September 2015), and that the number of clients served per year depends upon each client's longevity and changing service needs and State funding levels. The Department advised that it served 55 clients in FY 2016 and expects to serve 55 clients in FY 2017.

The Department advised that it expended \$316,472 during FY 2016 and \$43,483 in FY 2017 (through August 31, 2016) for these services.

County Charter, Section 715, requires that "any contract must be approved by the County Council before it is executed if the contract is...for services for a term in excess of two years or involving the expenditure of more than \$25,000 per year...."



**COUNCIL ACTION REQUEST FORM
EXECUTIVE SUMMARY**

Executive Summary
SENIOR ASSISTED LIVING GROUP HOME SUBSIDY PROGRAM
Fiscal Year 2017

A Caring Place, Inc., d/b/a Oakleigh House
Angels Among Us ALF, Inc.
Assisted Living Affiliates, LLC T/A Marlyn Place
Beechwood Assisted Living, LLC
Best Care Assisted Living, LLC
Dulaney Valley Assisted Living, Inc.
Dulaney Valley Assisted Living, Inc. T/A Dulaney Valley Assisted Living at Hunt Valley
Gloria Friends Home, Inc.
Grace Manor Senior Assisted Living, LLC
Hampton Meadows, LLC
Homestyle Assisted Living, LLC
House of Victory Home Care, Inc. T/A The House of Victory Apostolic
J.L. Care Enterprise Home Again II, Inc. T/A J.L. Care Enterprises
Joyous Living, Inc.
Lifespring, LLC
Ma Maison, Inc. T/A Ma Maison
Ma Maison, Inc. T/A Ma Maison, II
Ma Maison, Inc. T/A Ma Maison III
Na's Place A Haven of Rest, Inc.
Rolling Meadows d/b/a 303 N. Rolling Road, LLC
Rose Hill Management, Inc., T/A Hearthomes at Lutherville I
Rose Hill Management, Inc., T/A Hearthomes at Lutherville II
Splendid Home Care II, LLC
The Comforts at Catonsville, LLC
Woodholme Manor, LLC

The Department of Aging is requesting approval for 25 assisted living facility contracts for fiscal year 2017. Services provided include: twenty-four hour, seven days per week on-site supervision, three meals per day and evening snack, personal services (grooming, bathing, dressing), and housekeeping and laundry services. This program also provides a measure of monetary support for assisted living expenses of Baltimore County residents 62 years of age or older who meet income and eligibility requirements.

The Department served 54 clients in FY 2015, 55 clients in FY 2016 and expects to serve 55 clients in FY 2017 for all contracts. The estimated costs will not exceed the set amount allowed under the Maryland Department of Aging Directive. The client is responsible for fees in excess



COUNCIL ACTION REQUEST FORM EXECUTIVE SUMMARY

of this subsidy. Fees vary depending on the services provided and are generally the same as those charged to non-subsidized clients.

These original contracts are effective October 3, 2016 through June 30, 2017 (initial term), with an option to renew for 4 one-year periods under the same terms, conditions, and State established rates. These contractors are assisted living facilities licensed by the Maryland Department of Health and Mental Hygiene.

FM-4 (Contract)

Council District(s) 5

Department of Permits, Approvals and Inspections

319 Worthington Road, Towson – Overbrook Floodplain

The Administration is requesting approval of a contract to acquire property totaling approximately 0.23 acre for \$385,000 from Kristin A. Kluga. The property is located at 319 Worthington Road and is in the Overbrook Floodplain in Towson. See Exhibit A.

Fiscal Summary

Funding Source	Purchase Price	Notes
County ⁽¹⁾	\$ 385,000	⁽¹⁾ Capital Projects Fund.
State	--	
Federal	--	
Other	--	
Total	<u>\$ 385,000</u>	

Analysis

The 0.23-acre property to be acquired from Kristin A. Kluga is zoned DR 5.5 (Density Residential – 5.5 dwelling units/acre) and is improved with a detached brick rancher style dwelling.

David B. Johns, staff appraiser, completed an appraisal of the property in March 2016, recommending a value of \$385,000. After review and analysis, S. David Nantz, review appraiser, concurred with the appraisal, recommending the amount as just compensation for the acquisition. The Department advised that the property owner accepted the County’s offer.

The Department advised that the property is located in the 100-year Overbrook Floodplain area and that the property owner approached the County about purchasing the property due to flooding

issues. The Department further advised that the County has a policy to purchase floodplain properties at the fair market value, as calculated without consideration that the property is located in a floodplain. The purchase is being funded from the Acquisition of Flooded Homes capital project, which provides for the purchase of homes that are subject to flooding whenever this option is less costly than repairing or replacing the associated storm drains or in the event repair or replacement is impractical or not possible.

The Department advised that the County has made offers to purchase a total of six properties in the Overbrook Floodplain. The property on this agenda is the fifth property to be presented for Council approval. On July 5, 2016 and September 6, 2016, the Council approved two contracts to acquire properties located at 317 Worthington Road (\$360,000) and 810 Stevenson Lane (\$390,000), and two contracts to acquire properties located at 321 Worthington Road (\$355,000) and 808 Stevenson Lane (\$360,000), respectively. The Department advised that the remaining property owner (806 Stevenson Lane) has accepted the County's offer and the contract is expected to be presented for Council approval on an upcoming agenda. The Office of Budget and Finance, Property Management Division also advised that the estimated razing cost for each of the properties is \$18,000.

County Charter, Section 715, requires Council approval of real property acquisitions where the purchase price exceeds \$5,000.



**COUNCIL ACTION REQUEST FORM
EXECUTIVE SUMMARY**

PROGRAM TITLE: Overbrook Floodplain Purchase

PROJECT NO.: 204-329-1553

FISCAL MATTER: Contract of Sale

PROPERTY OWNER: Kristin A. Kluga

PROPERTY INTEREST TO BE ACQUIRED: 10,082 sq. ft. – Total Take

LOCATION: 319 Worthington Road
Towson, Maryland 21286

CONSIDERATION \$385,000.00

PURPOSE OF PROJECT: Property owner has asked the County to purchase the property due to Floodplain issues.

LIMITS OF PROJECT: Six properties known as: 806, 808 & 810 Stevenson Lane and 317, 319 & 321 Worthington Road, Towson, Maryland 21286

Prepared by: Department of Permits, Approvals & Inspections

MB-2 (Res. 100-16)**Council District(s) 5**

Mrs. Almond (By Req.)

Department of Economic and Workforce Development

Economic Development Revenue Bond – Oak Crest Village, Inc.

This resolution authorizes the issuance of Baltimore County revenue bonds in an amount not to exceed \$73.0 million on behalf of Oak Crest Village, Inc. located at 8800 Walther Boulevard in Parkville. The bonds will be used to refinance existing Baltimore County Series 2007 revenue bonds, fund a debt service reserve, and to finance issuance costs related to the transaction. See Exhibit A.

Fiscal Summary

The County will earn an annual fee of \$30,000. Oak Crest Village, Inc. will pay all debt service related to the bonds. The County does not incur any liability nor pledge its full faith and credit for the bonds.

Analysis

Oak Crest Village, Inc., a continuing care retirement community, is located on 85.3 acres at 8800 Walther Boulevard in Parkville and consists of 19 masonry buildings with approximately 2.5 million square feet. The community includes 1,520 independent residential units, 133 assisted living units, and 200 private nursing care beds as well as fitness, medical, and wellness facilities, convenience stores, a library, a chapel, and various other amenities. Oak Crest Village employs 1,221 personnel, and no expansion in employment is expected. The current annual payroll totals approximately \$31.4 million.

Proceeds of the bond sale will be used to refinance approximately \$67.0 million in outstanding Baltimore County revenue bonds that were issued on behalf of Oak Crest by the County in 2007, to fund a debt service reserve (approximately \$5.0 million) and to pay expenses related to the sale and issuance of the bonds (approximately \$700,000).

The County does not incur any liability by approving this resolution nor does it pledge its full faith and credit. Oak Crest Village will repay the principal and interest on the bonds. All costs incurred by, or on behalf of, the County in connection with the issuance, sale, delivery, and administration of the bonds, and the making of a loan, including the bond counsel fees, are the responsibility of Oak Crest Village. (Revenue bonds result in lower interest rates to the borrower since they are generally tax-exempt.)

The Department advised that the bonds, once issued, will be purchased by BB&T Capital Markets. The bonds will be entirely tax-exempt and will have a 20-year term with a projected 3% fixed interest rate. The County will earn an annual fee of \$30,000. Settlement is expected to take place in November 2016. Bond counsel for this transaction is McGuire Woods LLP.

A public hearing for this matter is scheduled for September 27, 2016. The Department advised that the hearing was advertised in *The Baltimore Sun* on September 9, 2016.

On April 16, 2007, the Council approved Resolution 35-07 authorizing the issuance of up to \$91.5 million in revenue bonds on behalf of Oak Crest Village to refinance approximately \$61 million in existing Baltimore County Series 1999 revenue bonds (an issuance of up to \$71.5 million was authorized by the Council on March 1, 1999 for the property acquisition), to construct a 90-car parking garage, and to make various capital improvements.

On April 20, 2015, the Council approved Resolution 24-15 authorizing the issuance of up to \$30 million in revenue bonds on behalf of Oak Crest Village to finance costs associated with expanding, renovating, and equipping certain existing facilities. The Department advised that the Baltimore County Series 2015 revenue bonds have an outstanding balance of \$30 million which will not be refinanced at this time.

The Maryland Economic Development Revenue Bond Act (Annotated Code of Maryland, Economic Development Article, Title 12, Subtitle 1, Sections 12-101 to 12-118) allows counties

to issue economic development revenue bonds for various purposes including encouraging the increase of industry, relieving unemployment, and promoting economic development. The bond proceeds may be used to finance or refinance the costs of acquiring a facility or to refund outstanding bonds. The proceeds may also be used to pay expenses related to the sale and issuance of the bonds, to fund reserves, and to pay interest with respect to the financing. The Act provides that a legislative body of any county may adopt a resolution to authorize the issuance of bonds by the county.



COUNCIL ACTION REQUEST FORM EXECUTIVE SUMMARY

Name of Project: Oak Crest Village, Inc. Facility

Location: 8800 Walther Boulevard, Parkville, MD 21234

Description: Currently Refund the Baltimore County, Maryland Revenue Bonds (Oak Crest Village, Inc. Facility) Series 2007A

Estimated Project Start Date: NA

Estimated Completion Date: NA

Employment: Current year: 1,221 (FTEs) Projected: NA

Number of Units: Current year: As of December 31, 2015, the Community's available units totaled 1,853 and included 1,520 independent living units (including 3 guestrooms), 133 assisted living units and 200 skilled nursing beds.

Projected: NA

Annual Rental Rate: In general, residents entering Oak Crest's continuum of care through independent living pay (i) a one-time entrance fee which is refundable upon satisfying certain conditions, and (ii) a monthly service fee, which pays for access to certain amenities or services. Monthly service fees vary among different levels of care or services (e.g., assisted living, skilled nursing), types and sizes of units and are subject to adjustment on an annual basis. In fiscal year 2016, average entrance fees are \$282,086; average monthly service fees are \$2,276 per month for independent living, \$6,847 per month for assisted living, and approximately \$11,000 per month for skilled nursing. (Please note, averages are based on single-person occupancy; additional fees may apply for double-occupied units.)

Outstanding bond amount: \$67,030,000



COUNCIL ACTION REQUEST FORM EXECUTIVE SUMMARY

Estimated amount of bonds
to be issued: \$73,000,000

Use of Bond Proceeds: Proceeds of the refunding bond series will be used to (i) currently refund the Baltimore County, Maryland Revenue Bonds (Oak Crest Village, Inc. Facility) Series 2007A, (ii) fund certain reserves, (iii) pay for costs of issuance.

Amount of Tax-Exempt Bonds: \$73,000,000 Amount of Taxable bonds: \$0

Current interest rate: 5% coupons

Projected interest rate:

Variable or Fixed Rate: Fixed
Term of the Bonds: January 1, 2037 (final maturity)
Estimated Interest Rate: 3.00% TIC
Estimated Settlement Date: November 2016

Bond Counsel: McGuire Woods LLP

Underwriter: BB&T Capital Markets

Lender: NA

Publication of notice of public hearing:

Name of Publication: Baltimore Sun

Public Hearing Date: 9/27/16

Prepared by: Department of Economic and
Workforce Development

BALTIMORE COUNTY COUNCIL
NOTES TO THE AGENDA
APPENDIX A

**BALTIMORE COUNTY, MARYLAND
INTER-OFFICE CORRESPONDENCE**

TO: Fred Homan
Administrative Officer **DATE:** 8/26/16

FROM: Keith Dorsey, Director
Office of Budget & Finance *ZAD* **COUNCIL MEETING
DATE:** 10/3/16

SUBJECT: Public Recordation of Announcement
of Non-Competitive Awards Charter Sec. 902(f)

Whenever a contract over \$25,000 is awarded by a process other than a formal competitive bid, a copy of the contract must be given to the County Council, and at the next legislative session-day following the award of the contract, the Secretary to the County Council shall formally announce to the Council the nature of the contract and the parties to the contract. The announcement shall be recorded in the minutes of the County Council, and shall be available for inspection by the public. In compliance with this procedure, information is attached concerning the following awards, which are to be forwarded to the County Council:

Purchase Order

PO 9320 Smiths Detection Inc. – X-Ray Machine, Circuit Court Building, OIT

This order is for the one-time purchase of an X-ray Inspection System, with five (5) years maintenance, for Circuit Court Building.

As indicated in the justification memo signed by OIT Director Robert Stradling, dated March 23, 2016, Smiths Detection is the only vendor who can offer the X-Ray Inspection System, with the five year Priority On-Site Maintenance Agreement. Smiths Detection currently holds the Priority On-Site Maintenance Agreement for the two (2) existing machines in the Courts Building. Based on the amount of traffic entering the Courts Building, the Priority On-Site Maintenance is required for the equipment.

Estimated Total: \$57,673.94
Award Date: 8/24/16

MA 3295 Control Technologies of Central Florida Inc. – Video Traffic Detection Equipment

This Master Agreement for Control Technologies of Central Florida, Inc. is for the purchase of Video Traffic Detection Equipment that detects the presence of vehicular traffic at intersection and controls the traffic lights in the County.

As indicated in the June 13, 2016 memorandum from Steven Walsh, Director of Public Works, Control Technologies of Central Florida is the sole distributor of the FLIR brand of video detection equipment currently used in Baltimore County.

This equipment has been used in Baltimore County for over a decade. While other detection equipment is in the marketplace, each manufacturer uses a different method of cabling. Changing to another system would require a major infrastructure replacement of equipment and change out of the cabling requiring a major expenditure of thousands of dollars and labor hours.

Estimated Total (9 yrs.): \$1,400,000.00
Award Date: 8/24/16

PO 9452 Comcast Business Communications, LLC – Comcast Internet Connectivity for SWAP

This order is for the construction of a buried pathway for internet connectivity to the new Spay & Neuter Center.

As indicated in Pam Platt's memo, approved by Keith Dorsey on 8/17/16, it is necessary to engage Comcast to build a buried pathway in order to facilitate business internet connectivity to the new West Side Spay & Neuter Center, located at 3939 Park Drive. Verizon had no outside plant capacity to perform this work.

Estimated Total: \$28,741.79
Award Date: 8/26/16

c: M. Field
T. Peddicord
L. Smelkinson