

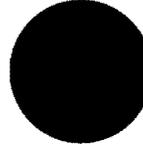


**MONTGOMERY COUNTY PLANNING BOARD**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

OFFICE OF THE CHAIRMAN

MEMORANDUM

060865



February 28, 2011

TO: **Montgomery County Council**

FROM: **Françoise M. Carrier**  
*Françoise M. Carrier*  
**Chair, Montgomery County Planning Board**  
**Vice Chair, Maryland-National Capital Park & Planning Commission**

SUBJECT: **Response to the County Executive's Organizational Reform Commission Recommendations**

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MONTGOMERY COUNTY  
FEB 28 2011

This memorandum provides our response to the County Executive's February 21 proposal based on the Organizational Reform Commission (ORC)'s final report and recommendations. We recognize the difficulty of the decisions facing the County government as it finalizes the budget for fiscal year 2012, and are aware some tough decisions will have to be made. The ORC's task was a challenging one, and we applaud their efforts to find opportunities for cost-savings, efficiencies, and improved customer service. We remain in favor of streamlining functions and pursuing savings and efficiencies, and welcome continued dialogue with the Council on all possible opportunities. We support several of the recommendations contained with the ORC report and the County Executive's February 21 memo, and would like to share our concerns about a few others. Our thoughts on these are outlined below.

**Preserving the Office of Community Use of Public Facilities**

We wholeheartedly agree with the County Executive's recommendation to preserve the Office of Community Use of Public Facilities (CUPF) as an independent entity. We have enjoyed a highly collaborative relationship with this office over the years, and have recently transferred the permitting of our athletic fields to them in order to streamline the field permitting process for all users. Like our Enterprise Fund, CUPF is self-supporting and requires no tax dollars to operate. It makes little sense to transfer a successful, self-sustaining business operation when the impact of the management transfer is unknown and could have detrimental impacts on its operations and fiscal integrity.

### **Consolidating the Montgomery County Law Office**

We do not support the goal of developing a “blueprint for creation of a consolidated Montgomery County Law Office” for several reasons.

As you are aware, the M-NCPPC Office of the General Counsel was recently studied as part of the broader CAS review launched jointly by the Montgomery and Prince George’s County Councils. Among other observations made in this context, Council staff reported as follows:

- [M-NCPPC] User departments in both counties were extremely satisfied with the embedded staff model utilized by the [M-NCPPC] Legal Department. Under this model, legal staff is designated to work within the user departments on issues specific to each County.
- Legal staff is very strong and generally provides superior quality services and products.
- The legal division is timely in providing legal advice and is always available.

We have grave reservations that consolidating or centralizing a legal department would disrupt our corporate culture of preventing legal problems by providing managers with seamless access to legal support.

On a more technical level, we echo the concern voiced by ORC that a consolidated legal organization will face “periodic conflicting interests.” The ethical standards that sometimes preclude lawyers from representing multiple clients with conflicting interests are not optional and, notwithstanding laudable intentions, they carry serious consequences for attorneys who fail to comply. Our General Counsel worries that consolidation may actually escalate expenses for hiring outside counsel to resolve foreseeable conflicts in a consolidated legal organization. As you have experienced, it is very difficult for one legal office to represent two clients whose interests may be divergent from time to time.

It is also important to recognize that, notwithstanding the “embedded” model described above, the Commission’s Legal Department already is largely consolidated across both counties served by M-NCPPC. For this reason, we cannot consider the prospect of joining a consolidated Montgomery County legal department without taking into account the potential service impact for our work in Prince George’s County.

Finally, from a fiscal perspective, we should mention that M-NCPPC actually saved approximately \$80,000 during FY 2011 by withdrawing its risk management litigation from the County Attorney’s office and bringing that work program into the M-NCPPC Legal Department. Based on this observation, we cannot agree that bigger always means more cost effective.

On the other hand, our General Counsel would welcome the opportunity to participate in a task force of chief legal officers charged with exploring opportunities for joint procurement; for example, to procure subscriptions for legal publications and online research databases. We also think it would be advantageous to include the County Attorney for Prince George’s County in this sort of effort, and to consider utilizing the Council of Governments as a partner in this initiative.

### **The Transfer of "Park User Services" to County Government**

We do not support the transfer of "park user services" to the County government. There is no plan, no cost analysis, and no legitimate basis for such a significant departure from current practice. The recommendation is ill-defined and challenging to interpret, and raises more questions than it answers. This is clearly an effort to take over our highly successful Enterprise Division, which would produce no cost savings at all since this division covers its operating, capital and debt service costs fully and requires no taxpayer funding. The ORC and the Executive both refer to efficiencies, improved customer service, and eventual savings as outcomes of this transfer. They have not provided data or analysis to support these claims, however, and the larger implications for the rest of the park system are unclear. There is no clear definition of what "park user services" may include. No cost-savings are likely to be achieved in FY12 and there are no proven cost savings in the long-term. It makes little sense to assign our already overburdened staff to spend the better part of one year developing a transition plan based on a recommendation that is questionable, not founded on any data, and unlikely to produce any true savings in the short- or long-term. There are also several important issues that appear to have been overlooked:

- **County employees are more expensive than employees of the Maryland-National Park and Planning Commission (M-NCPPC).** If "park user services" includes maintenance and facility management staff in addition to the employees of our Enterprise Division, this could represent hundreds of employees. Making these M-NCPPC employees County government employees would result in significant cost increases immediately and over the long-term, as well as obligating the County to make large contributions to the M-NCPPC pension fund to make it whole for the loss of the contributing participants.
- **M-NCPPC has a better track record for managing programs and facilities and our work program is fully integrated.** Our ability to monitor costs by individual facility has led to greatly increased efficiencies through work program realignment and targeted energy management efforts. The connection between our stewardship and operational functions (including Park Police) has led to improved management and maintenance of environmentally sensitive areas by our operational and maintenance staff. And our cultural, natural and historic resources managers work closely with our programming and operations divisions to make needed improvements and plan programs and events to generate awareness of our county's rich history and open spaces. Splintering the park system as proposed would effectively end or derail many of these ongoing efforts.
- **Park programs and services are highly valued by the public, and appear to be more cost effective than those offered by the Department of Recreation.** Under one potential definition, most "park user services" appear to fall under the management of the Montgomery Parks Enterprise Division, which is entirely self-sufficient and requires no tax dollars to operate. In fact, our Enterprise Fund has ended the last two fiscal years with a profit, while still providing affordable classes and programs. We recently took over the operation of the Olney Skate Park from the Recreation Department. After making facility improvements and restructuring the

admission fees to satisfy customer demand, we expect to cover our costs fully in the first year and generate revenue in excess of costs thereafter. As the County Executive pointed out in his CUPF recommendation, it makes little sense to make changes to an operation that is already self-sustaining and efficient.

- **A single-entry registration and permitting system is already in development and will improve customer service.** The Department of Parks, CUPF, and the Recreation Department are currently in the process of creating a single database which will provide the public with a streamlined, single-entry system to register for classes or reserve space from all three agencies. This system would be administered by the County, supported by all three agencies, and accessible to all. Two positions have already been eliminated as a result of this effort, and additional cost savings and efficiencies may be attainable. This is a much quicker and less costly solution – and it does not risk effectively dismantling our County’s incredibly popular park system.
- **The existing connection between parks and planning has enabled this County to build one of the greatest park systems in the nation.** This relationship and its resulting direction have created this county’s development and growth culture that so successfully retains residents and businesses. One result is that the M-NCPPC is the only agency in the entire nation to have won the Gold Medal for Excellence in Parks and Recreation five times. We should all be taking credit for this amazing park system, and leveraging its reputation to boost the County’s economic development effort, rather than dismantling this community asset.
- **Because the Department of Parks is governed by a bipartisan, quasi-independent Board, park management is not subject to the disruptions common in the leadership of executive agencies.** This permits long-range planning and programming, consistency in program delivery, development of a strategic, non-political approach to public service, and a stronger, direct relationship with the County Council. Such independent boards or commissions are common to successful parks operations nationwide.
- **A relationship whereby one entity owns and manages the land while another, separate agency controls the use of the land is untenable and unrealistic.** Which entity would have control over land-use decisions? Who would secure the bonds for new development of recreational facilities?

The M-NCPPC was created more than 80 years ago to manage, protect and program parkland for the residents of the bi-county area. Our agency has been recognized nationally for its high quality services and programs. More than 90% of the county’s population visits our parks each year and most more than once. We consistently receive top marks from residents and users in the County Executive’s surveys and our own customer satisfaction surveys. While our acreage and responsibilities have continued to grow over the past decade, our agency has reduced overall work years by 10%. Our county park system is operating efficiently and effectively and is highly valued. There is no just cause to break apart an agency that continues to control costs and successfully deliver critical services to our residents.

### **Merging Park Police and County Police**

A merger of Park Police into County Police will create significant upfront costs rather than savings in FY12 with no tangible benefits to taxpayers and park users. We continue to recommend against such a merger for the following reasons:

- **This merger will not produce short- or long-term savings.** The Montgomery County Executive has declared that consolidating the Park Police Division within the County Police Department will save at least \$1.9 million in FY12 by eliminating 19 Park Police positions. In reality, a consolidation could cost \$2 million in FY12 once one-time and recurring costs are factored in. The county's proposed merger would trigger a reduction-in-force (RIF) of the entire Park Police Division in Montgomery County. A RIF of this magnitude has significant associated costs that have been disregarded in purported cost savings. Additionally, there are a number of retired and terminated but vested Park Police Officers from the Montgomery County division that are members of the Commission's Employees' Retirement System and receive pension and health benefits and/or have accrued those benefits. The actuarial accrued value of pension benefits is approximately \$44.3 million, with funding in the amount of \$35.3 million currently available in the plan. Accordingly, the County would be responsible for funding the \$9.0 million difference. The unfunded accrued liability for health benefits is valued at \$15.2 million. In addition, risk associated with future losses to the plans would remain as outstanding funding obligations of the County. These estimates assume that the County pension and health plans absorb the value of pension and health benefits earned by those officers who are hired by the MCP.

In future years, recurring costs will likely offset any savings from police personnel reductions. If the proposed merger takes place, Montgomery Parks will need to spend approximately \$1 million per year to replace safety and enforcement functions currently carried out by the Park Police which the County Police will not provide. These functions must remain integrated with park operations to ensure the safety and quality of the park system. These functions include encroachment enforcement, natural resource protection, wildlife management, user permit enforcement, park alerts, and maintenance service call center functions. In addition, County Police salary and benefits cost over \$8,000 more per officer than those of the Park Police, not including various contract differences like the County's disability retirement and other benefits that could make the cost differential even higher. The salary differential alone could result in an increased cost of \$700,000 annually if Park Police officers become County Police officers. The County's police force is simply more expensive overall.

- **Park Police functions are different than those of County Police.** Response to emergency calls and investigation of crimes are the priorities for the County Police. In contrast, Park Police emphasize proactive patrols of more than 35,000 acres of parkland, many of which are isolated, and are a regular presence in the parks (over 10% of the county landmass is managed by M-NCPPC). Park Police serve as a hub for almost everything relating to park safety, not just 911 calls. In addition to traditional policing, Park Police officers also handle or forward hundreds of service and repair requests for over 400 parks, via a central communications system; protect natural and historic resources; monitor dozens of surveillance cameras and alarm systems;

advise on park designs to improve safety on playgrounds and park property; patrol vast uninhabited areas for illegal occupancy and use; keep drug and criminal activity out of parklands; manage user conflicts on park fields; uncover and enforce many substantial park encroachments; protect, patrol, and investigate property crimes inside County recreation centers and pools; and act as front-line stream protectors – functions not provided by other county forces.

- **Merging Park Police into County Police would have a significant impact on service delivery.** County Police response time to an emergency call is estimated at four minutes. However, since the majority of citizen-generated calls for service to the Park Police are not of the highest priority to County Police, these calls will likely wait for service while higher priority calls are dispatched. Limiting Park Police coverage under County management to only the larger, regional parks – one alternative that has been discussed in connection with a merger -- leaves more than 400 neighborhood and local parks, plus a vast network of trails, without proactive Park Police patrols and protection. For the merger to truly save money, Park Police officer and staff positions will likely be eliminated, reducing the proactive patrols and integrated supporting services that are currently so successful in keeping our parks safe and accessible. The merger would also remove the Department of Park's direct oversight and ability to send patrols to problem areas immediately.
  
- **The Park Police are efficient and effective and already cooperate regularly with County Police.** For many years, the Park Police have participated in a mutual aid arrangement with the County police and several municipal forces in both Montgomery and Prince George's counties. In 2007, the two forces signed a comprehensive MOU which has worked well to delineate duties, responsibilities, and expectations and coordinate the provision of services. Both forces use the same communications system, which enables 911 calls in a park to be referred immediately to Park Police or picked up directly by Park Police officers. Both forces are on the same radio system and can back each other up, as needed. Efficiencies have been gained without costly personnel moves or detrimental service level impacts.

If a merger were to take place, we are concerned the County will end up paying more for fewer officers to protect our parks. If we remove the current practice of proactive patrolling of all of our parks, crime and illegal activity in our parks is certain to increase. This in turn places our park users at greater risk and makes our parks less attractive to residents and businesses, weakening the value of one of the County's greatest assets.

**Consolidate County Information Technology Leadership into a single, Independent CIO**

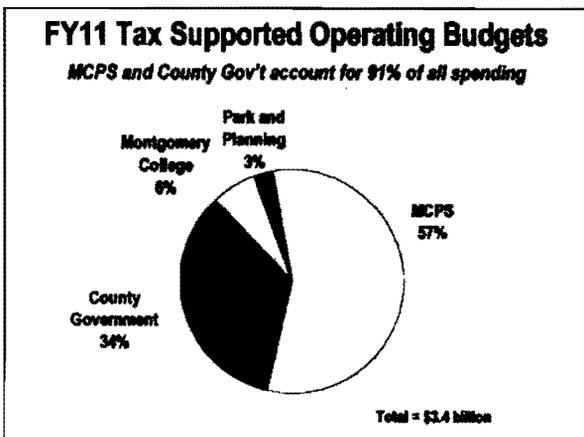
We believe this recommendation requires additional consideration and support the County Executive's recommendation that the CARS Information Technology Subcommittee conduct a full assessment. We look forward to continued dialogue with our colleagues on this matter.

**In Conclusion**

We absolutely understand the need to search for savings and efficiencies at this critical time. We continue to identify and act upon these opportunities whenever possible. We have controlled our costs and reduced our work years by 10% over the past decade in spite of the addition of significant park acreage and management responsibilities, and in stark contrast to Montgomery College, MCPS, and County government (see the inset chart from the recent OLO report 2011-2). As our recent semi-annual report has shown, the Department of Parks has increased volunteerism to over 82,000 hours per year, maintained our Enterprise Fund's profitability (while keeping fees affordable), and is securing fair market rates for our leases and agreements. In addition, we are developing a corporate sponsorship program, revamping the Montgomery Parks Foundation to help support our operations, and coordinating with county agencies to streamline services and reduce costs where appropriate.

	FY02	FY11	Percent Change
<b>All Agencies</b>	<b>26,702</b>	<b>29,400</b>	<b>+10%</b>
<b>MCPS</b>	<b>17,685</b>	<b>19,439</b>	<b>+ 14%</b>
<b>County Government</b>	<b>7,347</b>	<b>7,374</b>	<b>+ 0.4%</b>
<b>Montgomery College</b>	<b>1,383</b>	<b>1,773</b>	<b>+30%</b>
<b>Park &amp; Planning</b>	<b>987</b>	<b>814</b>	<b>- 10%</b>

In his memo, the Executive points out that the Department of Liquor Control was "...created under Maryland State Law in 1934 and pre-dates "Charter" government" and that "The authority and oversight, organizational structure, financial management, and revenue disposition of DLC and its operations are all mandated under Article 2B of the Maryland Code." As a result, the Executive advises its "...unique status..." be acknowledged and recommends "...granting [the Department of Liquor Control] some degree of management flexibility in pursuit of its operational goals..." We, too, were



created under Maryland State Law, in 1927. Our structure, financial management and revenue disposition, and our operations are all mandated under Article 28 of the Maryland Code. As many of you have acknowledged when Parks management has appeared before the full County Council, the Department of Parks is a well-run, well-managed agency, and we continue to make improvements. It is also important to note that our budget represents only a very small fraction of overall County government spending (see inset chart from OLO report 2011-2).

We want to make sure any decisions made are in the best interest of the public and the county budget. However, it is distressing to see recommendations with such significant impacts for our agency made without suitable consideration of our current practices, structure, successes, and achievements and without any evident analysis, clear plan, or tangible cost savings. We urge the Council to keep the County's valuable park system intact so we can continue to fulfill our mission to protect and interpret

our valuable natural and cultural resources; balance the demand for recreation with the need for conservation; offer a variety of enjoyable recreational activities that encourage healthy lifestyles; and provide clean, safe and accessible places for leisure-time activities, as pledged to our county residents and faithfully delivered for more than 80 years.

**Guthrie, Lynn**

**From:** Mabie, Susan  
**Sent:** Tuesday, March 01, 2011 4:55 PM  
**To:** Montgomery County Council  
**Subject:** FW: ORC response

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