
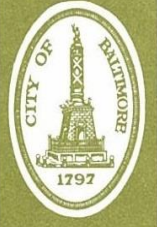


FROM	NAME & TITLE	Chichi Nyagah-Nash, Director 	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of General Services 800 Abel Wolman Municipal Building		
	SUBJECT	Report on City Council Bill 20-0596		

DATE: September 25, 2020

TO The Honorable President and Members
of the Baltimore City Council
Attn: Marguerite Currin
Budget and Appropriations Committee
City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 20-0596- Supplementary General Fund Operating Appropriation - Department of General Services - \$2,500,000

Dear President and City Council Members:

The Department of General Services is reporting herein on Bill 20-0596 - Supplementary General Fund Operating Appropriation - Department of General Services - \$2,500,000. On August 27, 2020, the Department of Finance’s Bureau of Budget and Management Research requested Supplementary General Fund Appropriation due to the impacts of the novel coronavirus COVID-19 and related costs for several Baltimore City agencies: The Department of Housing and Community Development, Health Department, Fire Department, the Baltimore Police Department, and the Department of General Services (DGS). This package of supplemental funding requests was approved by the Board of Estimates on September 16, 2020.

Background

Beginning in March 2020, Baltimore City operations were profoundly impacted by the spread of COVID-19. Much of the City’s administrative workforce was required to move and operate from remote work locations and continues to do so. Essential operations, such as Fleet Management and Facilities Management, were required to adjust or modify their normal work settings to ensure compliance with state health and safety guidelines and appropriate social distancing practices.

Fiscal Impact

Issue: Fleet Revenue Losses

DGS management identified that continuity of services was critical to support fleet operations that provide maintenance and repair services for vehicles used by agencies for refuse collection, fire suppression, police patrol, and emergency medical response. Based on the need to comply with safety guidelines, and to mitigate potential risk of exposure and/or spread of COVID-19 amongst staff, operations moved to an alternate shift model that rotated two teams in and out of operations every two weeks.

However, this led to an issue in revenue collection. DGS Fleet Management is funded through an internal service fund, which is largely supported through charging labor out to city agency customers. As both the number of vehicles entering fleet garages and substations dwindled, and the available workforce was essentially halved, DGS's billing mechanisms did not change – the agency could only bill for time for work performed, despite the service absorbing the full cost of employees that were placed on necessary rotational leave. Supplemental funding would allow DGS to account for lost labor revenue for this period.

As of June 2020, Fleet Management identified a creative solution, implementing a staggered shift model with scheduled cleaning between operational shifts, to allow for the full complement of fleet labor to return to a more normal work week, and support ongoing Fleet availability requirements for our essential services.

Issue: Additional Operating Expenses and Timing of Federal Reimbursement

Due to agency operational changes, and with reference to new health and safety requirements at City owned and occupied buildings, DGS Facilities Management and Administration has realized significant costs throughout COVID-19 response. DGS has maintained responsibility for modifications to services and facilities, including: application of expanded cleaning and disinfectant regimens, including emergency cleaning response for sites with potential known transmission or infections; structural modifications to city workspaces and customer/tenant spaces to allow for social distancing and greater protection from airborne transmissions; expanded or modified security services at city facilities and alternate supporting locations; and, direct involvement in the administration and management of the City's food security program.

Though DGS has communicated these costs as part of the City's reimbursement request through CARES Act funding, the timing of the City's coordinated request meant that DGS would not realize them during Fiscal 2020.

Conclusion

This supplemental fund appropriation will allow DGS to meet the City Charter mandate to ensure a non-negative balance in the agency's General Fund operating budget at the close of the fiscal year; this was made necessary due to the significant COVID-related costs realized during Fiscal 2020.

For the reasons identified above, the Department of General Services supports City Council Bill 20-0596.