

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

October 9, 2019

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools

Subject: Randolph Bus Depot Restroom and Tariff Impact on Construction Cost
(08-29-19-02-G, 08-29-19-02-H)

During Board/Superintendent Comments, the following information was requested:

Question G

Mrs. O'Neill requested a report on the bathroom situation at the Randolph Bus Depot—when/if can it be fixed?

Response

The Randolph Bus Depot has experienced a long-standing plumbing issue related to a site sewer pipe that runs from the depot to the sewer line connection along Old Randolph Road. Staff in the Division of Maintenance has worked to successfully clear the line of clogs throughout recent years, but has experienced reoccurring line failures. In summer 2019, a large-scale utility project was completed to replace the sewer line and remove unnecessary turns in the line that have been linked to the reoccurring clogs. It is anticipated that installing the new sewer line has alleviated plumbing challenges. We will continue to monitor functionality to ensure the plumbing issue is completely resolved.

Question H

Mrs. O'Neill requested information regarding what, if anything, will the US tariffs on China do to our construction costs?

Response

The U.S. tariffs on Chinese imports broadly have been linked to increased construction costs; however, it is generally unknown the extent to which these tariffs are impacting the school construction market. For example, after the steel tariff went into effect last year, contractor pricing and the producer indexes dramatically increased, but have since slowly leveled out. The producer price index for "New School Construction" has experienced steady growth since 2011 and also

has demonstrated a sharper increase since 2017. The largest increase occurred at the time of the tariff implementation and has continued to rise. Alternatively, the greatest single year index change occurred prior to the Great Recession, and the increases we recently have experienced are significantly less than those experienced at that time.

If you have any questions, please contact Dr. Andrew M. Zuckerman, chief operating officer, at 240-740-3050.

JRS:AMZ:spa

Copy to:

- Dr. McKnight
- Dr. Navarro
- Dr. Statham
- Dr. Zuckerman
- Mr. Civin
- Dr. Johnson
- Ms. Diamond
- Mr. Turner
- Mr. Adams
- Mr. Watkins
- Ms. Webb