



ABS Conveyor System Upgrade

(P852501)

Category	General Government	Date Last Modified	01/10/26
SubCategory	Other General Government	Administering Agency	Alcohol Beverage Services
Planning Area	Gaithersburg and Vicinity	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Other	5,979	-	4,266	1,713	1,713	-	-	-	-	-	-
TOTAL EXPENDITURES	5,979	-	4,266	1,713	1,713	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Long-Term Financing	5,979	-	4,266	1,713	1,713	-	-	-	-	-	-
TOTAL FUNDING SOURCES	5,979	-	4,266	1,713	1,713	-	-	-	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Impact Type	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32
Cost Savings	(60)	(10)	(10)	(10)	(10)	(10)	(10)
NET IMPACT	(60)	(10)	(10)	(10)	(10)	(10)	(10)

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 27 Request	1,713	Year First Appropriation	FY25
Appropriation FY 28 Request	-	Last FY's Cost Estimate	4,266
Cumulative Appropriation	4,266		
Expenditure / Encumbrances	-		
Unencumbered Balance	4,266		

PROJECT DESCRIPTION

This project is intended to upgrade the current conveyor system in the Alcohol Beverage Services (ABS) warehouse to improve efficiency, accuracy, and employee health and safety. The upgraded system would automate the checking process to confirm accurate picking and selection of products, which will allow for continuous flow before orders are loaded on up to six trucks at a time for delivery versus its current maximum of three trucks. The new system will also establish the ability to create hybrid routes in the future which would allow ABS to combine all three available product lines (liquor/wine, beer, and kegs).

LOCATION

ESTIMATED SCHEDULE

The upgrade will take place over approximately 40 weeks during FY26 and FY27 with a break from Memorial Day to Labor Day to avoid disrupting warehouse operations.

COST CHANGE

Cost increase due to receiving final bids that were higher than budgeted and phased implementation to avoid disrupting warehouse operations.

PROJECT JUSTIFICATION

The current conveyor system's design, which was not built for beer, liquor, and wine distribution, has been in use since ABS acquired the warehouse in 2014. The limitations of the current conveyor system include frequent repairs and maintenance to restore the system in response to stoppages, backups, and product damage. ABS is limited in its efficiency due to the conveyor system design and how trucks are loaded.

FISCAL NOTE

This project will be debt financed with a term of 10 years.

COORDINATION

Department of Finance