

RA01B
Western Maryland Regional Library
Maryland State Department of Education

Western Maryland Regional Library (Washington County)

General Obligation Bonds **\$2,500,000** **Recommendation: Approve**

Bill Text: Provide funds to construct and equip renovations and an addition to the Western Maryland Regional Library.

Program Description: The Western Maryland Regional Library is collocated with the Washington County Free Library in Hagerstown. Washington County is renovating and expanding the library, and the State is responsible for the portion of the facility used by the Western Maryland Regional Library. Regional libraries provide books, information, services, and resources that individual libraries do not provide. This includes interlibrary loans, training of library staff, and exhibition of specialized materials.

The regional library will expand from 2,900 gross square feet (GSF) to 5,950 GSF. The county library will expand from 44,600 to 84,758 GSF. The project will provide space to offer additional items to regional residents and to expand services in dedicated areas such as the Children's Room and the Young Adult area. The project also will replace the heating system, air handling units, and plumbing. Other elements to be replaced or upgraded include two oil fuel tanks, the chilling system, gas service, and the stormwater management system. Furthermore, Americans with Disabilities Act modifications need to be made throughout the library.

Project Analysis

Section 23-205 of the Education Article mandates that the State pays all capital expenses for regional resource centers. The total project cost, including the regional center and the county library, is estimated at \$24.5 million in the 2011 *Capital Improvement Program* (CIP). Of this amount, the State share for the regional center is set to be \$10.0 million, or 40.8%.

The project cost is \$5.1 million higher than was reported in the 2010 CIP (\$19.4 million). The Maryland State Department of Education (MSDE) reports that the estimated cost has increased because the prior cost did not include the prevailing wage requirement in Maryland, requirements for Minority Business Enterprise and Women's Business Enterprise participation, additional infrastructure needs, additional costs associated with pursuing Leadership in Energy and Environmental Design silver certification, and required equipment funding.

MSDE reports that it is not seeking State funds beyond the \$10.0 million programmed in the CIP to help cover the \$5.1 in additional costs. However, the county library portion of the project is

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budgeted to receive additional funds from the State library capital grant program that were not programmed in the 2010 CIP. Specifically, the county library was set to receive a total of \$1.3 million in State funds, and now it is set to receive \$2,475,000.

In addition to State funds, other funds to support the \$14.5 million cost of the county library portion of the project include \$12,025,000 from Washington County, the City of Hagerstown, the library's endowment, and private donations.

The 2009 Maryland Consolidated Capital Bond Loan (MCCBL) authorized \$5.0 million for the project in fiscal 2010 and pre-authorized another \$5.0 million for fiscal 2011. The 2010 MCCBL amended the 2009 MCCBL pre-authorization from \$5.0 million to \$2.5 million and included a pre-authorization of the remaining \$2.5 million State commitment for the 2011 session MCCBL, which is required by Section 6 of the MCCBL.

Design of the project was completed in early 2010, and construction was expected to immediately follow. Last year's submission in support of the project indicated that construction would commence in March 2010. However, once it became apparent that the project would cost significantly more than had been estimated prior to the completion of the design, the construction phase of the project was pushed back so that project financing could be re-evaluated. The construction contract was awarded in December 2010, and construction began in February 2011.

Prior Authorization and Capital Improvement Program

**Authorization Uses
(\$ in Millions)**

Fund Uses	<i>Prior Authorization</i>	<i>2012 Request</i>	<i>2013 Estimate</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>	<i>2016 Estimate</i>
Acquisition	\$1.400	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Planning	2.700	0.000	0.000	0.000	0.000	0.000
Construction	7.600	10.500	0.000	0.000	0.000	0.000
Equipment	0.700	0.500	1.100	0.000	0.000	0.000
Total	\$12.400	\$11.000	\$1.100	\$0.000	\$0.000	\$0.000

**Authorization Sources
(\$ in Millions)**

Fund Uses	<i>Prior Authorization</i>	<i>2012 Request</i>	<i>2013 Estimate</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>	<i>2016 Estimate</i>
GO Bonds	\$7.500	\$2.500	\$0.000	\$0.000	\$0.000	\$0.000
Nonbudgeted	4.900	8.500	1.100	0.000	0.000	0.000
Total	\$12.400	\$11.000	\$1.100	\$0.000	\$0.000	\$0.000

GO Bond Recommended Actions

1. Approve.