

DH0104
Military Department – Capital

Capital Budget Summary

Summary of State-owned Projects Funded in Governor's Request
(\$ in Millions)

<i>Project Title</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
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Gunpowder Military Reservation Firing Range	\$0.000	\$3.380	\$0.000	\$3.380	\$3.380
Total	\$0.000	\$3.380	\$0.000	\$3.380	\$3.380

<i>Fund Source</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
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GO Bond	\$0.000	\$1.382	\$0.000	\$1.382	\$1.382
Federal Fund	0.000	1.998	0.000	1.998	1.998
Total	\$0.000	\$3.380	\$0.000	\$3.380	\$3.380

Summary of Updates

State Emergency Operations Center Nears Completion: In 2010, a redesign plan of the State Emergency Operations Center (SEOC) was approved because the facility was determined to be physically and technologically outdated. Project funding was granted in June 2010, and the project was initiated in August 2011. In fiscal 2013, a federal fund budget amendment was approved for \$1.8 million for the SEOC renovation from the Emergency Operations Center Improvement Grant. The project is anticipated to be completed in 2014.

Summary of Recommended PAYGO Actions

1. Concur with Governor's allowance.

Summary of Recommended Bond Actions

1. Gunpowder Military Reservation Firing Range
Concur with Governor's allowance.
2. Military Department Salisbury Armory
Concur with Governor's allowance.

Agency Performance Measures and Outputs/Population Data

National Guard Facilities Not Reaching Functional Status Goals

Within the Military Department, the Army Operations and Maintenance (AO&M) program operates and maintains 36 armories in 19 counties and Baltimore City, which are used by the Maryland Army National Guard. It is the mission of AO&M to provide facility and functional support for the Maryland National Guard through operation and maintenance of these facilities. It is the objective of AO&M to maintain 95% or more of the facilities in a fully functional status in compliance with National Guard Bureau (NGB) requirements. In fiscal 2011 and 2012, only 80% of the facilities were considered fully functional and in compliance. The Military Department states that these facilities are not considered fully functional mostly due to age.

Capital Improvement Program

State-owned Capital Improvement Program (\$ in Millions)

<i>Projects</i>	<i>Prior Auth.</i>	<i>2014 Request</i>	<i>2015 Est.</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>Beyond CIP</i>
Gunpowder Military Reservation – Firing Range Renovation	\$0.000	\$3.380	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Maryland Emergency Management Agency Headquarters Expansion	0.000	0.000	0.000	0.000	1.250	12.400	0.000
Total	\$0.000	\$3.380	\$0.000	\$0.000	\$1.250	\$12.400	\$0.000

<i>Fund Source</i>	<i>Prior Auth.</i>	<i>2014 Request</i>	<i>2015 Est.</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>Beyond CIP</i>
GO Bonds	\$0.000	\$1.382	\$0.000	\$0.000	\$1.250	\$12.400	\$0.000
PAYGO FF	0.000	1.998	0.000	0.000	0.000	0.000	0.000
Total	\$0.000	\$3.380	\$0.000	\$0.000	\$1.250	\$12.400	\$0.000

CIP: Capital Improvement Program

Budget Overview

Safety Concerns at Gunpowder Military Reservation Firing Range

Inspections by NGB have revealed serious safety concerns at the Gunpowder Military Reservation (GMR) Firing Range. Inspections revealed that the current safety infrastructure could not guarantee the containment of high-powered rounds discharged from rifles within the designated Surface Danger Zones. Following the inspection, the facility was placed under a cease fire on the use of rifles at the range until safety features are installed. The GMR firing range is available to the National Guard as well as federal, State, and local law enforcement agencies for training; the cease fire has placed these personnel at risk due to the inability to properly train with rifles at the site. The proposed project will bring the ranges up to current operational and safety standards.

Project Delayed and Cost Estimates Revised

In fiscal 2013, \$3.0 million in federal funds were provided to renovate GMR to bring it up to current safety standards; these funds were withdrawn. Generally, the GMR renovation would be available for 100% federal funds, but NGB determined that this was an Unspecified Minor Military Construction, which limits federal funds to under \$2.0 million. The estimate to ensure a safe facility was \$3.38 million; therefore, State funding was secured.

The plan for the GMR renovation is to baffle the range so projectiles cannot leave the safety zones. A preliminary request for proposals has begun; no work on the project has been conducted as the department waits for funding. Operational impacts from the project are minimal and temporary. The fiscal 2014 recommendation provides \$1.4 million in general obligation (GO) bonds and \$2.0 million in federal funds.

Updates

1. State Emergency Operations Center Nears Completion

In 2010, a redesign plan of the State Emergency Operations Center (SEOC) was approved because the facility was determined to be physically and technologically outdated. Project funding was granted in June 2010, and the project was initiated in August 2011. Total funding for the project is \$2.36 million. Renovation of SEOC involves new information technology hardware, renovation of the physical space and the upgrade of audiovisual equipment, furniture, and infrastructure. In fiscal 2013, a federal fund budget amendment of \$1.8 million was approved for the SEOC renovation from the Emergency Operations Center Improvement Grant. The project is anticipated to be completed in 2014.

Summary of Other Projects in the Capital Improvement Program

MEMA Headquarters Expansion

Funding for the Maryland Emergency Management Agency (MEMA) Headquarters Expansion at Camp Fretterd in Baltimore County has been programmed in the *Capital Improvement Program* (CIP) for fiscal 2017 and 2018; this funding is a new addition to the CIP. Unlike other military projects, the MEMA headquarters expansion is 100% GO bonds. MEMA is not related to NGB, the federal entity that funds armories, and has been denied federal support; the Federal Emergency Management Agency has deemed the headquarters expansion a State responsibility.

The current headquarters facility is unable to accommodate current or future staff. Without additional space, MEMA will not be able to perform its disaster coordination response duties adequately. The building was originally designed to accommodate 39 staff in 1999, but since 2001, the staff has increased to 62 due to additional homeland security responsibilities; additional staff needs are expected. The expansion will provide office and conference space; training and classroom facilities; adequate technical support space; and improved restroom, break, and sleep facilities. This will enable MEMA to more efficiently respond to emergency events.

In addition, the facility must be designed and constructed to withstand a Category 3 weather event (111 mph winds and above). For this reason, the design and construction costs may exceed those of a more routine construction project. This project will enable MEMA to maintain its readiness status and make the State eligible to continue to receive federal grants to execute emergency preparedness plans and programs.

De-authorizations

The Maryland Consolidated Capital Bond Loan (MCCBL) of 2008 authorized \$3.7 million in GO bonds for the Salisbury Armory renovation and addition. This project entailed the construction of a new addition and renovation to the Salisbury Armory to provide sufficient capacity for the National Guard unit virtual simulation training, classrooms, physical fitness, medical training, and administration. The MCCBL of 2013 de-authorizes \$650,000 of GO bonds in fiscal 2014 due to actual costs coming in well below budget (see **Exhibit 1**).

Exhibit 1 De-authorizations

<u>Project</u>	<u>De-authorized Amount</u>	<u>Reason</u>
Salisbury Armory Renovation and Addition	\$650,000	Due to actual costs coming in well below budget.

Source: Department of Budget and Management, Fiscal 2014 *Capital Improvement Program*

PAYGO Recommended Actions

1. Concur with Governor's allowance.

GO Bond Recommended Actions

1. Approve \$1,382,000 in general obligation bonds and \$1,998,000 in federal funds for the Gunpowder Military Reservation Firing Range renovation planning and construction costs. Funding for this project is included in the fiscal 2014 capital budget to leverage potential federal funds to address the safety issues at the firing range.
2. Concur with Governor's allowance to de-authorize \$650,000 for the Salisbury Armory Renovation and Addition to reflect actual costs of the project.