

**DB01**  
**Historic St. Mary's City Commission – Capital**

***Capital Budget Summary***

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

<b>Projects</b>	<b>Prior Auth.</b>	<b>2020 Request</b>	<b>2021 Est.</b>	<b>2022 Est.</b>	<b>2023 Est.</b>	<b>2024 Est.</b>	<b>Beyond CIP</b>
Maryland Dove Replacement	\$2.500	\$2.500	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Maryland Heritage Interpretive Center	2.637	0.000	0.000	14.962	0.000	0.000	0.000
<b>Total</b>	<b>\$5.137</b>	<b>\$2.500</b>	<b>\$0.000</b>	<b>\$14.962</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

<b>Fund Source</b>	<b>Prior Auth.</b>	<b>2020 Request</b>	<b>2021 Est.</b>	<b>2022 Est.</b>	<b>2023 Est.</b>	<b>2024 Est.</b>	<b>Beyond CIP</b>
GO Bonds	\$5.137	\$2.500	\$0.000	\$14.962	\$0.000	\$0.000	\$0.000
<b>Total</b>	<b>\$5.137</b>	<b>\$2.500</b>	<b>\$0.000</b>	<b>\$14.962</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

CIP: Capital Improvement Program  
GO: general obligation

***Key Observations***

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Funding is provided in fiscal 2020 to complete the construction of the Maryland Dove replacement, although the project cash flow schedule allows for the deferral of some of the expenses until fiscal 2021.

Despite a total of \$15 million in preauthorizations for fiscal 2020 and 2021 included in the fiscal 2019 capital budget bill intended to fund construction for the Maryland Heritage Interpretive Center during fiscal 2020, there is no funding provided in fiscal 2020 for the project. The 2019 *Capital Improvement Program* (CIP) includes plans for nearly \$15 million in funding for this project in fiscal 2022.

## ***Summary of Recommended Bond Actions***

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1. Maryland Dove

Approve funding for the Maryland Dove replacement project.

## ***Budget Overview***

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### **Maryland Dove Replacement**

The fiscal 2020 capital budget includes \$2.5 million in fiscal 2020 to complete construction of a new replica of the Maryland Dove, Historic St. Mary’s City Commission’s (HSMCC) reproduction of a seventeenth century wooden sailing ship and its accompanying dock. The historic Dove was one of two ships (the other being the Ark) that brought the founding settlers of the Maryland colony to North America in 1634. HSMCC’s current Dove was built in 1978 and is the most popular exhibit for the museum, receiving approximately 15,000 public and 25,000 student visitors each year. The museum reports that the current vessel is approaching the end of its useful life and that it would be more cost effective to build a new vessel than to rebuild the current one.

In addition to being more cost effective, the new vessel can be constructed based on new research about the design of the original Dove. The current Dove is a typical mid-seventeenth century tobacco pinnace, which is accurate to the time period but does not match the original Dove. In addition to better matching the historic Dove, the new vessel would be designed to sail more effectively than the current ship and to carry passengers away from the dock at a capacity that could be used for museum fundraisers. Costs for maintenance would also be reduced as the current Dove requires more upkeep than would be needed for the replacement. The 2019 capital budget included \$2.5 million to begin planning and construction. While the Department of Legislative Services is recommending approval for this project, as shown in **Exhibit 1**, the planned cash flow for the project would extend into fiscal 2021.

**Exhibit 1**  
**Maryland Dove Replacement Cash Flow**  
**Fiscal 2019-2021**  
**(\$ in Millions)**

<u>Year</u>	<u>Cash Flow</u>
2019	\$2.245
2020	1.467
2021	1.245
<b>Total</b>	<b>\$4.957</b>

Note: Excludes \$43,000 in construction contingency funds.

Source: Department of Budget and Management

***Operating Budget Impact Statement***

**Executive’s Operating Budget Impact Statement – State-owned Projects**  
**Fiscal 2020-2024**  
**(\$ in Millions)**

	2020	2021	2022	2023	2024
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<b>Maryland Dove Replacement</b>						
	Estimated Operating Cost	\$0.000	-\$0.005	-\$0.019	-\$0.019	-\$0.020
	Estimated Staffing	0	0	0	0	0

The impact on the operating budget will be a reduction in maintenance costs for the Dove as it is nearing the end of its useful life. A full repair overhaul of the existing ship would be more expensive than building the replacement Dove.

## **Summary of Other Projects in the Capital Improvement Program**

While the 2018 session capital budget bill preauthorized \$10 million for fiscal 2020 and \$5 million for fiscal 2021 for the construction of the Maryland Heritage Interpretive Center (MHIC), there is no fiscal 2020 funding for the project included in the budget. The 2019 CIP does show \$14.962 million planned for fiscal 2022.

The project has received previous funding of \$2.637 million for planning purposes. However, all but \$1 million of that was for planning purposes that have since become outdated. The fiscal 2019 budget included \$1 million to update architectural plans and to perform archaeology work necessary before construction could begin.

MHIC would provide both modern exhibition space and preservation laboratories and would allow for the retirement of the current visitor center, which is both antiquated and poorly located. It would also allow for the commission to work more closely with St. Mary’s College of Maryland, which recently completed Anne Arundel Hall adjacent to the proposed MHIC facility. **HSMCC should comment on the operating impact of this project once completed, including the number of new personnel that would be required and the annual costs of personnel and other operating expenses.**

## ***GO Bond Recommended Actions***

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1. Approve funding for the Maryland Dove replacement project.