

RE01
Maryland School for the Deaf – Capital

Capital Budget Summary

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

| Projects | Prior Auth. | 2020 Request | 2021 Est. | 2022 Est. | 2023 Est. | 2024 Est. | Beyond CIP |
|--|--------------------|---------------------|------------------|------------------|------------------|------------------|-------------------|
| New Emergency Notification System – Columbia Campus | \$0.000 | \$3.975 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Veditz Building Renovation – Frederick Campus | 0.586 | 0.000 | 10.040 | 0.000 | 0.000 | 0.000 | 0.000 |
| High School Boys’ and Girls’ and Middle School Residences – Frederick Campus | 0.000 | 0.000 | 0.000 | 0.693 | 0.847 | 5.169 | 17.324 |
| Total | \$0.586 | \$3.975 | \$10.040 | \$0.693 | \$0.847 | \$5.169 | \$17.324 |

| Fund Source | Prior Auth. | 2020 Request | 2021 Est. | 2022 Est. | 2023 Est. | 2024 Est. | Beyond CIP |
|--------------------|--------------------|---------------------|------------------|------------------|------------------|------------------|-------------------|
| GO Bonds | \$0.586 | \$3.975 | \$10.040 | \$0.693 | \$0.847 | \$5.169 | \$17.324 |
| Total | \$0.586 | \$3.975 | \$10.040 | \$0.693 | \$0.847 | \$5.169 | \$17.324 |

CIP: *Capital Improvement Program*
GO: general obligation

Key Observations

Emergency Notification System Added to Capital Improvement Plan (CIP): The fiscal 2020 capital budget includes \$3.98 million for design and construction of a visual emergency notification system, which has not appeared in previous capital plans. The Maryland School for the Deaf (MSD) indicates that the current notification method is insufficient to quickly disseminate alerts about nonfire emergencies. The design phase is expected to take one year and would begin in December 2019.

Summary of Recommended Bond Actions

| | <u>Funds</u> |
|--|---------------------|
| 1. New Emergency Notification System – Columbia Campus | -\$3,650,000 GO |
| Reduce the general obligation bond appropriation for the New Emergency Notification System – Columbia Campus by \$3,650,000. | |
| Total General Obligation Reductions/Additions | -\$3,650,000 |

Budget Overview

New Emergency Notification System – Columbia Campus

The fiscal 2020 capital budget provides \$3.98 million to design and construct a visual emergency notification system in one dormitory and two classroom buildings. The system would use different colored lights to alert students and staff to multiple types of emergencies. MSD currently only has visual alerts for fire drills at its Columbia campus, but the Maryland State Department of Education requires the school to conduct seven types of emergency management drills during the school year. Additionally, the system would activate visual messages to electronic devices through prerecorded emails and text messages, television and smart board messages, and cell phone applications.

This project has not appeared in past CIPs, but funding was included in the fiscal 2020 capital budget to address the safety issues and emergency preparedness on the Columbia campus. Chapter 30 of 2018, known as the Maryland Safe to Learn Act, requires local school systems to conduct safety evaluations of each public school on an annual basis. This provision specifically requires schools to create plans for how to address emergency events and accommodate students with disabilities, which would include all students at MSD’s Columbia campus. The design phase of this project is set to begin in December 2019 and continue for one year. The construction phase is scheduled to commence at the start of fiscal 2022 (June 2021).

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The Department of Budget and Management has scheduled the funding for both the design and construction phase in fiscal 2020 with the idea that the State could procure a single contractor to both design and install the system under one contract. While it makes sense to have one vendor both design and install the system to avoid any disagreement between the designer of the system and the contractor responsible for system installation, which has occurred with the recently completed alarm notification system at the Frederick campus that is currently deemed noncompliant by the State Fire Marshal, the Department of Legislative Services (DLS) recommends that the project design phase be funded separately to ensure that adequate review of the architect/engineer deliverables is made before installation occurs. This methodology does not preclude the State from procuring a single contractor for design and installation as the Department of General Services (DGS) could request a sole source contract for the construction phase following a full evaluation of the design documents to better ensure that the system that is designed meets all State standards. **Therefore, DLS recommends reducing the appropriation by \$3.65 million to fund only the design phase in fiscal 2020.**

Operating Budget Impact Statement

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

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|---------|---------|---------|---------|---------|
| New Emergency Notification System – Columbia Campus | | | | | |
| Estimated Operating Cost | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.009 |
| Estimated Staffing | 0 | 0 | 0 | 0 | 0 |

This project is expected to require approximately \$9,000 annually beginning in fiscal 2024 to fund annual maintenance and software contracts on the installed system.

Summary of Other Projects in the Capital Improvement Program

High School Boys’ and Girls’ and Middle School Residences – Frederick Campus

Funds are included in the five-year 2019 CIP to construct a new high school boys’ residence and student center, a high school girls’ residence and satellite health center, and the middle school residence and central offices. New residences are required to address the Americans with Disabilities Act and fire code deficiencies, allow for proper student supervision, and provide a more home-like environment for students. In fiscal 2018, there were 76 residential students at the Frederick campus, or

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21.6% of campus enrollment. The estimated cost of the project totals \$24.03 million, a \$1.15 million increase from prior year estimates. Initial design is programmed for July 2022, and the anticipated completion date is April 1, 2029. The current schedule reflects a one-year deferral from what was programmed in the 2018 CIP.

Projects Deferred in Fiscal 2020

Veditz Building Renovation – Frederick Campus

MSD plans to renovate the Veditz building to better match the needs of the school’s career technology curriculum. Both floors of the building will be renovated from the current open layout of classrooms that are better suited for the old vocational curriculum, including wood shop and home economics courses. The redesign would allow for an increased number of classrooms with smaller layouts to provide better wiring capabilities for computer laboratories. This project also includes infrastructure upgrades to the mechanical, electrical, and plumbing systems.

In fiscal 2019, \$586,000 was authorized to begin design of the Veditz building renovation with construction programmed at the time to begin in fiscal 2020. MSD indicates that DGS has begun the procurement process for a consultant to aid in designing the project. However, construction has been deferred in the CIP to fiscal 2021, and the emergency notification system project is funded in fiscal 2020 instead.

Exhibit 1 Projects Deferred Fiscal 2020

| <u>Project</u> | <u>Description</u> | <u>Reason for Deferral</u> |
|----------------------------|---|--|
| Veditz Building Renovation | Renovation of both floors to provide space for the academic classrooms and the Career Technology Education program. | Prioritize the emergency notification project, which is a life safety issue. |

Source: Department of Budget and Management, 2018 *Capital Improvement Program*

GO Bond Recommended Actions

1. Reduce the general obligation bond appropriation for the New Emergency Notification System – Columbia Campus by \$3,650,000.

| | | |
|-------|---|------------|
| RE01A | New Emergency Notification System – Columbia Campus | \$ 325,000 |
|-------|---|------------|

| <u>Allowance</u> | <u>Change</u> | <u>Authorization</u> |
|------------------|---------------|----------------------|
| 3,975,000 | -3,650,000 | 325,000 |

Explanation: This action reduces the \$3,975,000 general obligation bond appropriation by \$3,650,000 budgeted for construction to better align with the project schedule.

Total General Obligation Bonds Reductions/Additions **-\$3,650,000**