

RB27A
Coppin State University
University System of Maryland

New Science and Technology Center (Baltimore City)

General Obligation Bonds	\$28,775,000
Revenue Bonds	\$10,000,000

Summary of Recommended Bond Actions

1. New Science and Technology Center

Approve.

2. Coppin State University – New Physical Education Complex

Approve the de-authorization for funds related to the New Physical Education Complex at Coppin State University.

3. Coppin State University – Health and Human Services Building

Approve the de-authorization for funds related to the Health and Human Services Building at Coppin State University.

4. Section 12 – New Science and Technology Center

Approve the pre-authorization for funds related to the New Science and Technology Center at Coppin State University.

Bill Text: Provide funds for site acquisition, design, and construction for the New Science and Technology Center, provided that notwithstanding Section 6 of this Act, work may commence on this project prior to appropriation of all the funds necessary to complete this project.

Project Description: This project will construct a new 74,185 net assignable square footage (NASF)/134,882 gross square foot (GSF) academic building to support the Department of Natural Sciences, the Department of Mathematics and Computer Science, and the Information Technology Division. The new facility will contain faculty and staff offices, computerized laboratories, networking hardware and software systems, classrooms, class laboratories, conference areas, meeting rooms, and support areas. The new facility will also provide space for technology, a data center, a security station, utility closets, and workshop areas. This facility will also include a satellite central

utilities building. The facility continues the university’s campus extension south of North Avenue near the new Health and Human Services Building. The fiscal 2013 budget includes funding to complete land acquisition, for administrative services, and to begin construction.

Project Summary Information

Total Project Cost:	\$120,358,000	Cost Per Square Foot – Base:	\$335
Budget Estimate Stage:	Construction Documents	With Escalation and Contingencies:	\$394
Green Building:	Yes	Gross Square Footage:	134,882
Est. Completion Date:	July 2014	Net Usable Square Footage:	74,185
Project Design Cost %:	8.9%	Building Efficiency:	55%

Project Analysis

The fiscal 2013 budget provides \$1.9 million to complete acquisition, \$2.2 million in planning, and \$34.7 million in construction funds. The 2012 session capital budget bill provides a pre-authorization for the 2013 session for the remaining \$47.05 million estimated to be needed to fully fund construction. The pre-authorization is necessary in conjunction with the proposed fiscal 2013 funds to provide the authority for the Board of Public Works (BPW) to approve the construction contract so the construction can commence in fiscal 2013.

The New Science and Technology Center (STC) will provide space for the Department of Natural Sciences, the Department of Mathematics and Computer Science, and the Information Technology Division. Space for the Department of Management Science and Economics, the Consumer Education Center, and the Small Business Resource Center was removed from the project scope and may be incorporated into out-year capital projects. This change in scope occurred when the Department of Budget and Management (DBM), Coppin State University (CSU), and the Department of Legislative Services (DLS) all agreed that the site and estimated project cost were excessive and reduced the project’s NASF from 85,885 to 74,185 and the GSF from 183,300 to 134,882. Construction funding is programmed for fiscal 2013 and reflects a split funding approach that would allow the project to be bid for construction in fiscal 2013 with the initial construction authorization.

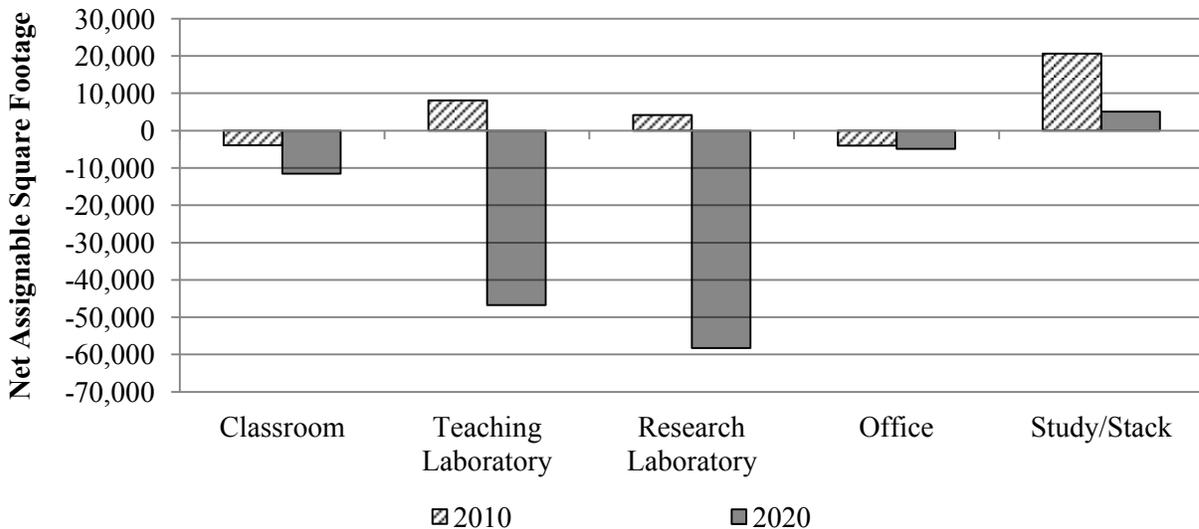
The Department of Natural Sciences is located in the Percy Julian Science and Art Building (PJSAB). The original building was built in 1967 and renovated in 1991 and provides 29,677 NASF that supports the Department of Natural Sciences with class and research laboratories, a science exhibit gallery, animal facilities, a greenhouse, and offices. Additionally, PJSAB includes art studios,

photography laboratories, and faculty offices for the Department of Fine and Communication Arts, general purpose classrooms, and tiered lecture rooms. A complete functionality assessment was done for PJSAB in February 2004 by Richter Cornbrooks. The overall findings were that PJSAB does not offer a science facility that meets current standards for science education laboratories.

The STC will meet those standards and consolidate science-related disciplines, provide upgraded and specialized facilities to support current teaching methods, and address space deficiencies and issues of inadequate space. The new facility will be comprised of 30,150 NASF of classroom laboratory space, or 40.6% of the building’s total space; 19,425 NASF of office space, or 26.2%; and 4,440 NASF of research space, or 6.0%. Remaining square footage will be used for classrooms, open laboratories, study space, a greenhouse, animal facilities, computer, lounge, and exhibit spaces.

As shown in **Exhibit 1**, CSU has current surpluses for three types of academic space and small deficits in two, classrooms and offices. By fiscal 2020, these surpluses are expected to become deficits for all types of space. These projected deficits are based on the Maryland Higher Education Commission out-year enrollment estimates, which show CSU’s full-time equivalent (FTE) enrollment increasing 8.9% by 2020, although FTE enrollment between fiscal 2008 and 2011 has remained essentially level, and student population estimates from the Governor’s Budget Books reflect an increase in the student population through fiscal 2013. As a result, out-year space deficits may be overstated. **The President and DBM should comment on the need for this project given existing space surpluses and level enrollment at the institution since fiscal 2010.**

Exhibit 1
Coppin State University Space Deficits
Fiscal 2010 and Projected Fiscal 2020



Source: Maryland Higher Education Commission

Acquisition Status

Acquisition funding for the STC project was divided over three years to correspond to CSU's three-phase acquisition plan; however, funding required for this component of the project will now be extended into a fourth year. The University System of Maryland (USM) Board of Regents approved the beginning of land acquisition in October 2008, and CSU began purchasing property in fiscal 2009. Property acquisition, which entails the purchase of 210 properties, was funded at \$15.1 million in prior authorizations. The process of pulling title reports and boundary surveys have been completed for properties in all three phases, and owner notification has been completed for Phase I, II, and III properties. There are currently two dedicated full-time staff assigned to property acquisition activities.

The original deadline to finish acquisitions was December 2011, however, at that point, CSU reported to DBM that only 143 acquisitions had been presented to BPW and 67 properties remained to be acquired. CSU is now scheduled to finish acquisitions by the end of fiscal 2012. As of March 2012, CSU owns 156 properties, 14 are pending settlement, 6 are pending BPW approval, and 34 properties remain to be acquired. The university met with USM, the University of Maryland, Baltimore (UMB), and DBM to discuss additional funding of \$2.5 million to cover the shortfall needed to complete acquisitions. CSU requested to utilize residual funds from completed projects to cover the acquisition funding shortfall. DBM has authorized CSU to utilize \$600,000 from existing planning and acquisition funds with UMB and agreed to increase CSU's 2013 capital budget by \$1.9 million during the 2012 session. In the interim, USM agreed to provide bridge funding of \$1.9 million so CSU could complete the property acquisition by the end of fiscal 2012. CSU is now requesting this additional funding in fiscal 2013 for a total acquisition cost of \$18.227 million.

CSU was required to obtain two independent appraisals for the acquisition of property. In addition, CSU is required to relocate any displaced residents under the Uniform Relocation Act. The relocation award for the property reflects what it cost to buy a house that is decent, safe, and sanitary. The average total cost for acquisition and relocation (if applicable) is dependent on the occupancy type as follows: business \$260,000, owner occupied \$214,000, tenant \$40,000, vacant buildings \$39,000 and vacant lots \$10,400. The university has purchased most of the properties within the appraisal prices; however, relocation costs for a minority of acquisitions significantly increased the total cost of obtaining the property.

While the STC project is a State commitment identified in the State's partnership agreement with the Office for Civil Rights, DLS has concerns about CSU's ability to support the annual operating costs associated with another major building on campus, particularly in light of the impact that the cost of operating new facilities has had in recent years on core services, such as instruction and student support. Also, while funding for operation of maintenance and plant grew \$7.6 million, or 87.1%, in fiscal 2010, this funding was level in fiscal 2012 and declined 1.7% in fiscal 2013. CSU has been unable to contribute anything to its fund balance in fiscal 2012 and does not foresee any ability to do so in fiscal 2013.

Prior Authorization Modifications

The fiscal 2013 capital budget bill modifies several prior CSU projects as summarized below.

- **New Physical Education Complex:** The fiscal 2013 budget de-authorizes \$1.139 million, leaving \$28.861 million for this facility, which includes the education complex, facilities maintenance space, public safety space, and athletic fields.
- **Health and Human Services Building:** The fiscal 2013 budget de-authorizes \$344,000, leaving \$3.138 million to supplement previous appropriations to equip the facility.
- **New Science and Technology Center:** The fiscal 2013 pre-authorizes \$47.05 million for the STC in the 2013 session which is needed to complete the funding; otherwise the contract cannot be approved by BPW.

DLS concurs with all three of these actions.

Prior Authorization and Capital Improvement Program

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

<i>Fund Uses</i>	<i>Prior Authorization</i>	<i>2013 Request</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>	<i>2016 Estimate</i>	<i>2017 Estimate</i>
Acquisition	\$15.727	\$1.900	\$0.000	\$0.000	\$0.000	\$0.000
Planning	6.806	2.178	0.000	0.000	0.000	0.000
Construction	0.000	34.697	47.050	0.000	0.000	0.000
Equipment	0.000	0.000	12.000	0.000	0.000	0.000
Total	\$22.533	\$38.775	\$59.050	\$0.000	\$0.000	\$0.000

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

<i>Fund Sources</i>	<i>Prior Authorization</i>	<i>2013 Request</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>	<i>2016 Estimate</i>	<i>2017 Estimate</i>
GO Bond	\$22.533	\$28.775	\$49.050	\$0.000	\$0.000	\$0.000
Revenue Bond	0.000	10.000	10.000	0.000	0.000	0.000
Total	\$22.533	\$38.775	\$59.050	\$0.000	\$0.000	\$0.000

Executive’s Operating Budget Impact Statement

(**\$ in Millions**)

	<i>FY 2013</i>	<i>FY 2014</i>	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2017</i>
Estimated Operating Cost	\$0.000	\$0.395	\$3.204	\$4.132	\$4.201
Estimated Staffing	0	0	21	21	21

According to the fiscal 2013 CIP, the New Science and Technology Center is expected to impact the operating budget in fiscal 2014, requiring \$0.39 million in amortized equipment costs. In fiscal 2015, \$3.2 million will be needed to operate the facility which includes 21 new regular positions, utilities, telephones, equipment, and supplies.

GO Bond Recommended Actions

1. Approve.
2. Approve the de-authorization for funds related to the New Physical Education Complex at Coppin State University.
3. Approve the de-authorization for funds related to the Health and Human Services Building at Coppin State University.
4. Approve the pre-authorization for funds related to the New Science and Technology Center at Coppin State University.

Capital Project Cost Estimate Worksheet

Department: Coppin State University
Project Number: RB27A
Project Title: New Science and Technology Center
Analyst: Garret T. Halbach

Structure

New Construction:	134,882 Sq. Ft. X	\$335.00 Sq. Ft. =	\$45,185,470
New Construction:	0 Sq. Ft. X	\$0.00 Sq. Ft. =	0
Renovation:	0 Sq. Ft. X	\$0.00 Sq. Ft. =	0
Renovation:	0 Sq. Ft. X	\$0.00 Sq. Ft. =	0
Built-in Equipment:			1,700,000
Demolition:			0
Information Technology:	134,882 GSF X	\$0.00 GSF =	1,474,000
Telecommunications:			0
Miscellaneous – Other:	Asbestors Removal		906,000
Miscellaneous – Other:			0
Miscellaneous – Other:			0
Subtotal			\$49,265,470
Regional Factor:	100.0%		0
Subtotal			\$49,265,470
Escalation to Mid-point:	2.58 Yrs. X	3.8% =	9.83% 4,842,796
Total Cost of Structure (Bid Cost)			\$54,108,266

Site Work and Utilities

Site Improvements:	11,241,238 + regional factor + mid-point escalation	\$12,346,252
Utilities:	6,602,256 + regional factor + mid-point escalation	7,251,258
Project Subtotal (Bid Cost)		\$73,705,775

Fees and Miscellaneous Costs

Green Building Premium:	2.0%	\$1,474,115
Total Construction Contingency:	5.0%	3,685,289
Inspection Cost:	2.2%	1,621,527
Miscellaneous:	CM Cost Construction Share	1,160,866
Miscellaneous:	Movable Equipment	6,000,000
Miscellaneous:	IT Equipment	6,000,000
Miscellaneous:	CPM Schedule	99,760
Miscellaneous:	A/E Reimbursables	194,261
Miscellaneous:	Green Design Fees	1,661,582
Miscellaneous:	Acquisitions	15,727,000
A/E Fee through Construction Phase @	8.9%	7,127,716
Total Cost of Project		\$118,457,891

Base Cost Per New Square Foot	\$335
Adjusted Cost Per New Square Foot (incl. escalation, contingencies, and Green Bldg.)	\$394
Base Cost Per Renovated Square Foot	\$0
Adjusted Cost Per Renovated Square Foot (incl. escalation, conting., and Green Bldg.)	\$0