

RM00B
Morgan State University

Facilities Renewal Projects (Baltimore City)

General Obligation Bonds **\$5,000,000**

Summary of Recommended Bond Actions

1. Facilities Renewal Projects

 Approve.

2. Morgan State University Campuswide Utilities Upgrade

 Approve.

3. Morgan State University Campuswide Site Improvements

 Approve.

Bill Text: Provide funds to design, construct, and equip facilities renewal projects at Morgan State University.

Program Description: Construct improvements at various facilities at Morgan State University (MSU) that are in need of renewal. Eligible projects must have a life expectancy of at least 15 years.

Program Analysis and Performance Measures

The fiscal 2013 budget provides one time funding of \$5.0 million in general obligation bonds to fund facilities renewal projects that are ready to proceed. Facilities renewal is defined as the planned renovation, adaptation, replacement, or upgrade of the systems of a capital asset during its lifespan such that it meets assigned functions in a reliable manner. When funding is insufficient to deal with a problem, such as replacing a leaking roof, repairs are made to meet the immediate concern, and the replacement is “deferred” becoming part of the backlog. The consequences of not keeping up with facilities renewal projects as the building ages include more frequent and expensive maintenance work; electrical and mechanical systems becoming less effective impacting academic and research activities; and the eventual failure of the facilities leading to closure and loss of space.

According to MSU, its facility renewal needs total \$37.0 million. However, it appears some of the projects identified by MSU do not meet the eligibility requirement of having a life expectancy of at least 15 years, such as painting, window washing, and replacing carpets. The fiscal 2013 budget includes funding for the following 10 projects:

<u>Project Title</u>	<u>Amount</u>
Mitchell Engineering – Exterior Wall System Repairs	\$2,298,928
Steam and Condensate Piping Replacement	1,125,000
Carnegie Hall – Elevator Americans with Disabilities Act (ADA) Modifications	345,500
Jenkins Behavioral Science – Elevator ADA Modifications	302,500
Carter Grant Wilson – Roof Replacement	285,000
Carter Grant Wilson – Elevator ADA Modification	253,000
Scheafer Engineering Building – Replace Seating in Lecture Hall	205,072
Infirmary – Roof Replacement	185,000
Total	\$5,000,000

Questions are raised regarding the rationale of some of the above mentioned facility renewal projects given some of the buildings are to be demolished as new facilities are completed in the coming years. For instance, there is \$0.3 million to modify the elevators in Jenkins Behavioral Science which will be demolished upon completion of the New Jenkins Behavioral and Social Science Center in March 2017. **The President should comment upon whether or not the proposed fiscal 2013 projects are the most critical projects and the criteria used to select these projects. The President should also address how facility renewal projects are prioritized and if MSU has in place a program or policy designed to reduce its backlog which finds a balance between wear-and-tear on facilities and adequate spending to maintain the facilities.**

Amendments to Prior Authorizations

- ***Campuswide Utilities Upgrade:*** A total of \$7.5 million of State funds were authorized for Phase II of the utilities upgrade which included construction of the academic quad chiller plant – \$0.5 million in fiscal 2005 for planning and \$7.0 million in fiscal 2007 for construction. Language in the fiscal 2013 capital bill extends the funding authorization of this beyond June 1, 2013.
- ***Campuswide Site Improvements:*** This project involves the construction of various site improvements including the design upgrades to the athletic fields jointly used by the Northwood Baseball League and site improvements to the Academic Quad and the Hillen Road/Perring Parkway Edge. These projects were added to the 2009 *Capital Improvement Program* with \$6.3 million in supplemental funding provided in the fiscal 2010 budget. Prior authorizations total \$7.1 million which included \$1.9 million to upgrade the baseball fields; \$1.1 million for landscaping the Academic Quad; and \$3.9 million for landscape improvements on Hillen Road. Language in the fiscal 2013 capital bill extends the funding authorization of this beyond June 1, 2013.

Prior Authorization and Capital Improvement Program

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

<i>Fund Source</i>	<i>2011 Approp.</i>	<i>2012 Approp.</i>	<i>2013 Request</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>	<i>2016 Estimate</i>	<i>2017 Estimate</i>
GO Bonds	\$0.000	\$0.000	\$5.000	\$0.000	\$0.000	\$0.000	\$0.000
Total	\$0.000	\$0.000	\$5.000	\$0.000	\$0.000	\$0.000	\$0.000

GO Bond Recommended Actions

1. Approve \$5 million in general obligation bonds to fund facility renewal projects at Morgan State University.
2. Approve language extending the funding authorization for campuswide utilities upgrade beyond June 1, 2013.
3. Approve language extending the funding authorization for campuswide site improvements beyond June 1, 2013.