

**DH01**  
**Military Department – Capital**

***Capital Budget Summary***

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

<b>Projects</b>	<b>Prior Auth.</b>	<b>2024 Request</b>	<b>2025 Est.</b>	<b>2026 Est.</b>	<b>2027 Est.</b>	<b>2028 Est.</b>	<b>Beyond CIP</b>
Harve de Grace CSMS Surface Equipment and Automotive Maintenance Facility (Harford)	\$36.601	\$10.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
White Oak Readiness Center (Montgomery)	0.000	2.474	23.163	4.574	2.286	0.000	0.000
Frederick Readiness Center Renovation and Expansion (Frederick)	0.778	0.000	9.116	2.252	0.000	0.000	0.000
Glen Burnie Readiness Center Renovation (Anne Arundel)	0.000	0.000	0.840	7.000	0.000	0.000	0.000
Ruhl Readiness Center Renovation (Baltimore County)	0.000	0.000	0.000	1.290	10.754	0.000	0.000
Hagerstown Readiness Center Renovation and Expansion (Washington)	0.000	0.000	0.000	0.000	0.000	1.062	8.860
New Civil Support Team Ready Building (Harford)	0.000	0.000	1.060	6.120	6.120	0.000	0.000
<b>Total</b>	<b>\$37.379</b>	<b>\$12.474</b>	<b>\$34.179</b>	<b>\$21.236</b>	<b>\$19.160</b>	<b>\$1.062</b>	<b>\$8.860</b>

<b>Fund Source</b>	<b>Prior Auth.</b>	<b>2024 Request</b>	<b>2025 Est.</b>	<b>2026 Est.</b>	<b>2027 Est.</b>	<b>2028 Est.</b>	<b>Beyond CIP</b>
PAYGO FF	\$12.031	\$11.881	\$27.168	\$10.765	\$11.497	\$0.591	\$3.929
GO Bonds	25.348	0.593	7.011	10.471	7.663	0.471	4.931
<b>Total</b>	<b>\$37.379</b>	<b>\$12.474</b>	<b>\$34.179</b>	<b>\$21.236</b>	<b>\$19.160</b>	<b>\$1.062</b>	<b>\$8.860</b>

CIP: *Capital Improvement Program*  
FF: federal funds  
GF: general funds

GO: general obligation  
PAYGO: pay-as-you-go  
SF: special funds

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## ***Key Observations***

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- ***Havre de Grace CSMS Surface Equipment and Automotive Maintenance Facility Is Denied Unfunded Requirement (UFR) Award Funding:*** The Military Department applied for and was not selected for funding for the Havre de Grace CSMS Surface Equipment and Automotive Maintenance Facility in federal fiscal 2023. The department is applying to other fund sources and plans to reapply for the UFR funding next year.
- ***Freestate ChalleNGe Academy (FCA) Renovations Funding Shifted:*** The funding for the FCA renovations has been shifted to the Department of General Services (DGS) Facilities Renewal Program. An additional \$3.5 million has been allocated for the projects to cover the additional costs of the window replacement as well as additional work on the mechanical and electrical systems.

## ***PAYGO Recommended Actions***

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	<b><u>Amount Reduction</u></b>
1. Delete \$10,000,000 in federal funds for the Havre de Grace CSMS project as the application was denied and the funds are not forthcoming in fiscal 2024.	\$10,000,000 FF
<b>Total Federal Fund Reductions</b>	<b>\$10,000,000</b>

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

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1. Approve the \$593,000 general obligation bond authorization for the White Oak Readiness Center Renovation and Expansion.

## ***Summary of Fiscal 2024 Funded State-owned Projects***

### **Havre de Grace CSMS Surface Equipment and Automotive Maintenance Facility (Harford)**

**Project Summary:** This project will construct four general purpose maintenance bays, storage areas, maintenance administration areas, and other staff support spaces. It is being built to replace the previous facility, which no longer meets National Guard Bureau (NGB) standards for the maintenance of modern National Guard vehicles.

<b>New/Ongoing:</b> Ongoing								
<b>Start Date:</b> Fiscal 2018					<b>Est. Completion Date:</b> Fiscal 2024			
<b>Fund Sources:</b>								
<b>(\$ in Millions)</b>	<b>Prior Auth.</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Beyond CIP</b>	<b>Total</b>
<b>GO Bonds</b>	\$11.649	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$11.649
<b>FF</b>	24.952	10.000	0.000	0.000	0.000	0.000	0.000	34.952
<b>Total</b>	<b>\$36.601</b>	<b>\$10.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$46.601</b>
<b>Fund Uses:</b>								
<b>(\$ in Millions)</b>	<b>Prior Auth.</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Beyond CIP</b>	<b>Total</b>
<b>Planning</b>	\$3.026	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$3.026
<b>Construction</b>	31.669	10.000	0.000	0.000	0.000	0.000	0.000	41.669
<b>Equipment</b>	1.876	0.000	0.000	0.000	0.000	0.000	0.000	1.876
<b>Total</b>	<b>\$36.601</b>	<b>\$10.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$46.601</b>

- Project Status and Schedule:** In August 2022, the Board of Public Works (BPW) approved the construction contract for the majority of the approved project scope. However, in order to keep the project within the amount budgeted, certain project elements considered severable without compromising the project were included as Add Alternative items that would be folded back into the project should additional funds be obtained. The Military Department submitted a Chief of Staff of the Army’s UFR Award application to compete for the federal fiscal 2024 selection process. The Military Department requested the authorization in the State fiscal 2024 budget in anticipation of receiving the award, but it has come to light that the application was denied. The federal funding would have paid for the construction of four additional vehicle work bays. The rest of the project is separable from this, however, and the project itself is not considered delayed as a result of the application denial.
- Other Comments:** The Military Department intends to reapply in June 2023 for an Unfunded Priority List (UPL) award in the federal fiscal 2025 budget. The Military Department is considering a State funding request at the start of the State fiscal 2025 budget cycle and will continue to pursue federal funding.

## White Oak Readiness Center Renovation and Expansion (Montgomery)

**Project Summary:** The renovations planned at White Oak, including functional spaces to meet all requirements for two Army National Guard units, including unit administrative offices, equipment storage areas, locker rooms, toilet/shower facilities, classrooms, soldier training areas, an assembly hall, and other support spaces on an adequately sized parcel, will allow the department to divest the Adelphi Readiness Center. The fiscal 2024 budget includes funding to begin design of this project.

<b>New/Ongoing:</b> New								
<b>Start Date:</b> Fiscal 2023					<b>Est. Completion Date:</b> Fiscal 2027			
<b>Fund Sources:</b>								
(\$ in Millions)	Prior Auth.	2024	2025	2026	2027	2028	Beyond CIP	Total
<b>GO Bonds</b>	\$0.000	\$0.593	\$2.287	\$4.574	\$2.286	\$0.000	\$0.000	\$9.740
<b>FF</b>	0.000	1.881	20.876	0.000	0.000	0.000	0.000	22.757
<b>Total</b>	<b>\$0.000</b>	<b>\$2.474</b>	<b>\$23.163</b>	<b>\$4.574</b>	<b>\$2.286</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$32.497</b>
<b>Fund Uses:</b>								
(\$ in Millions)	Prior Auth.	2024	2025	2026	2027	2028	Beyond CIP	Total
<b>Planning</b>	\$0.000	\$2.474	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$2.474
<b>Construction</b>	0.000	0.000	21.287	4.574	2.286	0.000	0.000	28.147
<b>Equipment</b>	0.000	0.000	1.876	0.000	0.000	0.000	0.000	1.876
<b>Total</b>	<b>\$0.000</b>	<b>\$2.474</b>	<b>\$23.163</b>	<b>\$4.574</b>	<b>\$2.286</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$32.497</b>

- **Project Status and Schedule:** Design is expected to begin in October 2023.
- **Other Comments:** The project is in the Future Years Defense Program. Federal funding cannot be increased; consequently, the project scope of work was revised to fit within the constraints of the programmed amount.

## Summary of Out-year-funded State-owned Projects

### Frederick Readiness Center Renovation and Expansion

This project proposes to renovate and construct an addition to the Frederick Readiness Center. The current facility is 15,677 net square feet (NSF), and the addition will add 1,900 NSF. The planned renovations will support approximately 131 soldiers and include HVAC upgrades, a new roof, and a fire suppression system. The facility will also be tied into the Frederick County public sewer system, and an existing classroom will be expanded. Design funds were authorized in fiscal 2023, and DGS is actively working on procurement, which is behind the December 2022 design commencement anticipated when the project was presented for design funding in the 2022 session. Based on the current project schedule, the construction and equipment funding is

programmed for fiscal 2025 and 2026 and reflects a \$1.8 million increase over last year’s estimate to account for increased cost escalation factors used in the estimating process and the extended project schedule.

### **Glen Burnie Readiness Center Renovation (Anne Arundel)**

This project proposes to renovate the Glen Burnie Readiness Center. It will replace the HVAC system, bathrooms, and plumbing and repair structural damage to the exterior walls. It will also install a fire suppression system, including a sprinkler system and a tank. There are no updates to the funding or schedule from the fiscal 2023 *Capital Improvement Program (CIP)*, and the estimated cost of the project is \$7 million.

### **Ruhl Readiness Center Renovation (Baltimore County)**

This project proposes to renovate the Major General Harry C. Ruhl Readiness Center. This project will replace the HVAC system and boilers, upgrade all interior lighting with energy saving fixtures, remediate asbestos-related issues, and include the installation of a new fire alarm system. The infrastructure is almost 40 years old and is no longer up to NGB standards. There are no updates to the funding or schedule from the fiscal 2023 CIP, and the estimated cost of the project is \$12 million.

### **Hagerstown Readiness Center Renovation and Expansion (Washington)**

This project proposes to renovate the Hagerstown Readiness Center and construct a new addition to the facility. This project will replace the HVAC systems and renovate insufficient bathroom, shower, locker, and classroom space. The facility is more than 40 years old and is no longer up to NGB standards. Funding for this project comes from a combination of federal military construction and Sustainment, Readiness, and Modernization funds as well as State general obligation bonds. It was previously proposed in the fiscal 2023 through 2027 CIP and was not recommended by the Department of Budget and Management (DBM). DBM has now recommended the project for design funding for the fiscal 2024 through 2028 CIP. The estimated cost of the project is \$9.9 million.

### **New Civil Support Team Ready Building (Harford)**

This project will construct a Maryland Army National Guard Civil Support Team Ready Building at the Aberdeen Proving Grounds. This project will be 100% federally funded and is included in the National Guard Bureau Director’s immediate priorities on the UPL. The facility will be built on federal land and will be designed to meet the U.S. Department of Defense (DoD) authorized requirements for a Civil Support Team. Should federal funds not fully fund the project, it will be paused until additional federal funds are available. The estimated cost of this project, scheduled to begin in fiscal 2025, is \$13.3 million.

## ***Updates***

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### **1. Current Status of Military Department Divestitures**

The Military Department has several properties that are pending divestiture, described below.

- ***Cascade Readiness Center (Washington):*** Will be transferred to DoD and is currently awaiting NGB and Department of the Army approval.
- ***Catonsville Readiness Center (Baltimore County):*** Has several potential interested parties and is currently awaiting the Maryland Historical Trust evaluation results.
- ***Greenbelt Readiness Center (Prince George’s):*** Will be transferred to the City of Greenbelt and is currently waiting for the U.S Department of Housing and Urban Development to issue a release of reverter.
- ***Ellicott City Readiness Center (Howard):*** Will be transferred to Howard County and is waiting for the BPW meeting on March 15, 2023.
- ***Pikesville Military Reservation (Baltimore County):*** The project is currently waiting on DGS to conclude its review of appraisals.

### **2. Freestate Challenge Academy Renovations**

FCA has been renovating for the past several years. During its closure in the COVID-19 pandemic, FCA was able to initiate construction on several of the larger projects such as converting four-person rooms into open bays, renovating the HVAC systems to support open bays, new restrooms, and other additions. In the fiscal 2023 budget, funding was preauthorized for additional renovations this year. However, the projects for FCA have since been moved to the DGS Facilities Renewal Program. The funding was also increased to \$3.5 million to cover window replacements and additional work on the mechanical and electrical systems.

## ***Performance Measures and Outputs***

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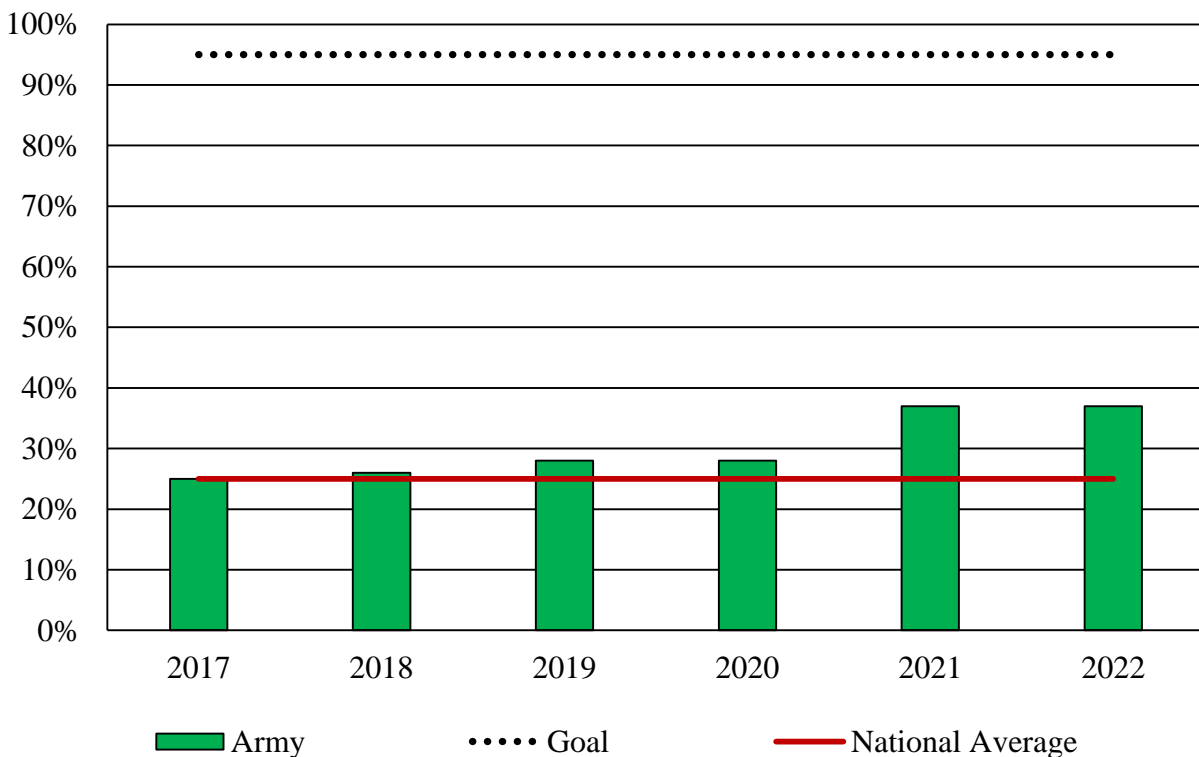
All Maryland Army National Guard facilities and real property support the operational and training needs of the Maryland Army National Guard and the ability to respond to State and local emergencies. One of the responsibilities of the Military Department is to build and maintain the armories or readiness centers and other facilities used by the Maryland Army National Guard. The Maryland Military Department has approximately 259 buildings on 2,855 acres throughout the

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State to support the operational and training needs of its troops. The Military Department Army Operations and Maintenance Program oversees the construction, maintenance, and divestiture of Maryland Army National Guard facilities. Through a cooperative agreement with NGB, maintenance funding is split between federal and State funds, depending on the facility.

**Exhibit 1** shows the percentage of the State’s major army facilities that are currently in fully functional status between fiscal 2017 and 2022. While the Maryland Army National Guard has approximately 288 buildings, only 35 facilities are considered major and shown in the exhibit. The percentage of Maryland Army National Guard facilities in functional status has improved in recent years, from 23% in fiscal 2016 to 37% in fiscal 2022. Though currently better than the national average, the percentage of functional Maryland Army National Guard facilities is far below the department goal of 95%. As the capital program is implemented and unused properties are divested, the department expects the percentage of functional properties to improve over time.

**Exhibit 1**  
**National Guard Facilities in Functional Status**  
**Fiscal 2017-2022**



Source: Department of Budget and Management