

RE01
Maryland School for the Deaf – Capital

Capital Budget Summary

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

Projects	Prior Auth.	2022 Request	2023 Est.	2024 Est.	2025 Est.	2026 Est.	Beyond CIP
Veditz Building Renovation – Frederick Campus	\$1.011	\$5.014	\$7.575	\$0.000	\$0.000	\$0.000	\$0.000
New Emergency Notification System – Columbia Campus	0.325	4.275	0.000	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	0.861	1.052	0.000	0.000
Total	\$1.336	\$9.289	\$7.575	\$0.861	\$1.052	\$0.000	\$0.000

Fund Source	Prior Auth.	2022 Request	2023 Est.	2024 Est.	2025 Est.	2026 Est.	Beyond CIP
GO Bonds	\$1.336	\$9.289	\$7.575	\$0.861	\$1.052	\$0.000	\$0.000
Total	\$1.336	\$9.289	\$7.575	\$0.861	\$1.052	\$0.000	\$0.000

CIP: Capital Improvement Program
GO: general obligation

Key Observations

- The fiscal 2022 capital budget includes funding to complete design and begin construction of the Veditz Building renovation. The 2021 *Capital Improvement Program* (CIP) defers a portion of construction funding to fiscal 2023 due to delays in completing the project’s design phase.
- The fiscal 2022 capital budget includes funding to complete the planning and construction for the new emergency notification system for the school’s Columbia campus.

Summary of Recommended Bond Actions

1. New Emergency Notification System – Columbia Campus

Approve the \$4,275,000 in general obligation bond funding for the new emergency management system at the Columbia campus.

2. Veditz Building Renovation

Approve the \$5,014,000 in general obligation bond funding for the Veditz Building renovation.

3. SECTION 2 – Maryland School for the Deaf – Water Main Replacement Project

Approve the deauthorization of \$630,518 for the water main replacement project.

4. SECTION 13 – Maryland School for the Deaf – Veditz Building Renovation

Approve the preauthorization of \$6,935,000 in general obligation bond funding for fiscal 2023 for the Veditz Building renovation.

Budget Overview

Veditz Building – Frederick Campus

The fiscal 2022 capital budget provides \$5,014,000 to complete the design and begin the construction of renovations to the Veditz Building on the Frederick campus. Although the 2020 CIP programmed the entire construction authorization for fiscal 2022, difficulties in executing a design contract result in a revised schedule and the reprogramming of more than half of the construction authorization for fiscal 2023. This follows previous delays during the programming phase due to reassessments of the project scope. A design contract was approved by the Board of Public Works

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(BPW) at its August 12, 2020 meeting, and design commenced in October 2020, a 7-month delay in what was projected the previous year. Construction is now scheduled to begin in February 2022 and take 12 months to substantially complete. **Exhibit 1** illustrates the recent changes to the project funding schedule.

Exhibit 1
Comparison of 2019, 2020, and 2021 CIP
Fiscal 2019-2023
(\$ in Millions)

<u>CIP</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
2019	\$0.586	\$0.000	\$10.040	\$0.000	\$0.000	\$10.626
2020	0.586	0.000	0.425	12.389	0.000	13.400
2021	0.586	0.000	0.425	5.014	7.575	13.600

CIP: *Capital Improvement Program*

Source: Department of Budget and Management

The project scope includes the renovation of both floors of the building to provide space for academic classrooms that better match the needs of the school’s Career Technology Education (CTE) program, to replace outdated and failing building systems, and to bring the building into Americans with Disabilities Act (ADA) compliance. The building was originally constructed in 1975 to provide vocational training programming space. As employment trends have changed over the decades, the building’s layout is now obsolete and does not adequately meet the programming space needs of CTE students. The renovated floorplan will include computer laboratories and multipurpose spaces for CTE classes. In addition, the project will modernize classrooms with retractable walls and enhanced lighting for greater space utilization versatility.

Renovations to the first floor of the building will redesign and reallocate space for the auto body shop and create additional classrooms for other trades, including welding, plumbing, and electrical. Renovations to the second floor will create 11 classrooms, 3 computer labs, and additional classrooms for students in the life-based education program. The current home economics space will be updated to include a commercial culinary kitchen for the teaching of culinary arts. These renovations will provide students with a CTE program that is comparable to other county public schools and will better enable students with a desire to learn a trade to be workforce ready upon graduation from high school.

Additionally, this project will correct significant deficiencies throughout the building that were revealed during a Department of General Services (DGS) building condition assessment. The building’s HVAC, electrical, mechanical, and plumbing systems are all either severely deficient or failing. The building is also not ADA compliant, so this project will renovate all entryways and restrooms to be wheelchair accessible, among other upgrades.

New Emergency Notification System – Columbia Campus

The fiscal 2022 capital budget provides \$4,275,000 to complete the design and construction of a new emergency notification system in two classrooms and one dormitory on the school’s Columbia campus. The new system will utilize color-coded strobe lights to notify students and staff of emergencies and will also send messages to other electronic devices, including emails, text messages, and television and smart board messages. Current regulations require seven types of emergency management drills to be conducted throughout the school year. Because all students and the majority of staff are hearing impaired or deaf, these drills must be conducted virtually. This project will bring the school into compliance with current fire code and emergency notification regulations.

Funding for this project first appeared in the 2019 CIP with plans to fund the entire design and construction of a new emergency notification system at the Columbia campus in fiscal 2020 at a cost of \$3,975,000. At the time, the plan entailed a short design phase followed by the installation of an off-the-shelf, vendor-supplied emergency notification system. However, due to concerns with the installation of the emergency notification system at the Frederick campus, which was initially cited as noncompliant by the State Fire Marshal, the decision was made to fund only the design phase in fiscal 2020 to ensure that the new system incorporated fully compliant system features. The 2020 CIP delayed additional funding for the project to fiscal 2022, as a full assessment of the Frederick campus system was still underway.

During summer 2020, additional maintenance was conducted on the Frederick campus system to address its noncompliance issues, and it ultimately passed inspection by the State Fire Marshal. It was determined by DGS that the Columbia campus project could proceed and that a design/build contract could be awarded as soon as possible to address the safety concerns of not having a working emergency notification system in place on the campus. Although the project schedule was delayed by four months, all remaining project funding remains programmed for fiscal 2022. A contract was approved by BPW at its January 27, 2021 meeting for an engineering firm to complete a required risk analysis for the project. A design/build contract is anticipated to be advertised by June 2021 with construction beginning later in the year.

Operating Budget Impact Statement

Executive’s Operating Budget Impact Statement – State-owned Projects
Fiscal 2022-2026
(\$ in Millions)

	2022	2023	2024	2025	2026
Veditz Building Renovation – Frederick Campus					
Estimated Operating Cost	\$0.061	\$0.242	\$0.061	\$0.000	\$0.000
Estimated Staffing	0	0	0	0	0
New Emergency Notification System – Columbia Campus					
Estimated Operating Cost	\$0.000	\$0.000	\$0.007	\$0.009	\$0.009
Estimated Staffing	0	0	0	0	0
Total Operating Impact					
Estimated Operating Cost	\$0.061	\$0.242	\$0.068	\$0.009	\$0.009
Estimated Staffing	0	0	0	0	0

- It is expected that the Veditz Building renovation will require the rental of temporary modular classrooms for use during the time that the building is under construction.
- It is expected that the new emergency notification system will increase operating expenses for an annual maintenance and software contract.

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 CIP to construct a new high school boys’ residence and student center, a high school girls’ residence, a middle school residence, a satellite health center, and central offices at the Frederick campus. New residences are required to address ADA and fire code

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deficiencies, allow for proper student supervision, and provide a more home-like environment for students. The estimated total cost of this project is \$27.8 million. Initial planning is programmed for fiscal 2024 and 2025. The current schedule reflects a one-year deferment from what was included in last year’s CIP to accommodate other higher priority projects. Due to the COVID-19 pandemic, Maryland School for the Deaf (MSD) has indicated that the Part I/II program for this project may be updated to revise the design of the residences to include all single rooms, rather than a combination of double and single rooms.

Preauthorizations and Deauthorizations

Exhibit 2 shows the proposed general obligation (GO) bond preauthorizations and deauthorizations. The capital budget bill includes a \$6.935 million GO bond preauthorization for fiscal 2023 for the remaining construction funding for the Veditz Building renovation. The capital budget bill also proposes to deauthorize \$630,518 authorized in the 2016 capital budget bill for the Water Main Replacement Project at the Frederick campus; these funds are no longer needed to complete the project.

Exhibit 2
Preauthorizations and Deauthorizations
Fiscal 2023-2026

Preauthorizations

<u>Project</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Reason</u>
Veditz Building Renovation – Frederick Campus	\$6.935	\$0.000	\$0.000	\$0.000	Complete funding for the project’s construction.

Deauthorizations

<u>Project</u>	<u>Deauthorized Amount</u>	<u>Reason</u>
Water Main Replacement Project – Frederick Campus	\$630,518	Funds not needed.

Source: Department of Budget and Management, 2021 *Capital Improvement Program*

GO Bond Recommended Actions

1. Approve the \$4,275,000 in general obligation bond funding for planning and construction of the new emergency management system at the Columbia campus.
2. Approve the \$5,014,000 in general obligation bond funding for construction for the Veditz Building renovation.
3. Approve the deauthorization of \$630,518 in general obligation bond funding for the water main replacement project. The funds are not needed to complete the project.
4. Approve the preauthorization of \$6,935,000 in general obligation bond funding for fiscal 2023 for the Veditz Building renovation for the project's construction.

Performance Measures and Outputs

Exhibit 3 provides enrollment data for MSD’s Frederick and Columbia campuses for residential and day students. The school’s total enrollment fluctuates from year to year based on a variety of factors. However, at the Frederick campus, the location of the planned project to replace existing residence halls, residential enrollment has declined since fiscal 2017. The poor condition of the current housing facilities is cited as a reason for the declining residential population.

Exhibit 3
Student Enrollment at the Maryland School for the Deaf
Fiscal 2016-2020

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Frederick Campus					
Residential	87	89	76	67	58
Day	278	302	276	287	263
Total	365	391	352	354	321
Columbia Campus					
Residential	30	31	40	37	35
Day	125	110	115	128	135
Total	155	141	155	165	170

Source: Department of Budget and Management, Maryland School for the Deaf
