



February 19, 2019

MEMORANDUM

To: Members of the Board of Education

From: Michael J. Martirano, Ed.D.  
Superintendent

Subject: Hypothetical Capital Budget Scenario Based on \$2.1B Ten-Year Allocation

The purpose of this memorandum is to provide you with information requested by the Howard County State Delegation regarding a hypothetical Capital Budget ten-year schedule. This schedule shows the potential application of the estimated funding needs that were identified in the January 23, 2019, Board memo titled *Capital Improvement Program Long Range Master Plan (Optimal)* – attached.

The attached hypothetical ten-year schedule includes the estimated costs of \$2.1 billion associated with the following:

- FY 2020 Amended Board Proposed Capital Budget
- Deferred maintenance as of FY 2019
- Previously deferred systemic projects
- Replacement of all relocatables with permanent school facilities
- New initiatives, including capital needs for special education, additions for all-day prekindergarten and projects removed from previous capital improvement programs

As noted on the schedule, this schedule is strictly for illustrative and discussion purposes only.

If you have any questions, please contact Scott W. Washington, Director of Capital Planning and Construction.

Attachment

Copy to: Executive Staff  
Board of Education Office



January 23, 2019

MEMORANDUM

To: Members of the Board of Education

From: Michael J. Martirano, Ed.D.  
Superintendent

Subject: Capital Improvement Program Long Range Master Plan (Optimal)

The purpose of this memorandum is to provide additional information as a follow-up to the January 12, 2019, Howard County State Delegation work session. During the presentation, I informed the Delegation that over a ten-year period, in order to address the current capital improvement program, deferred maintenance and systemic projects, as well as replace all relocatables with brick and mortar it would cost over \$2.0 billion. This estimation captures the capital needs for special education, potential State mandated all-day prekindergarten, and projects removed from previous capital improvement programs to accommodate projects related to enrollment growth. The cost breakdown is as follows:

FY 2020 – FY 2029 Long Range Master Plan (Estimation Changes)	\$1,206,335,000.00
Deferred Maintenance	\$154,424,268.00
Deferred Systemic Projects	\$341,539,365.00
Relocatable Replacement	\$150,459,792.00
New Initiatives	\$269,385,000.00
<b>TOTAL</b>	<b>\$2,122,143,425.00</b>

**FY 2020 – FY 2029 Adjusted Long Range Master Plan**

These costs were submitted to the Board of Education (BOE) as an Information Item at the January 10, 2019 meeting. The total cost shows a 2.6% increase due to changes in educational programming and higher construction costs. This total cost forms the baseline of our plan.

**Deferred Maintenance Program**

Deferred Maintenance shows a cost of \$545,786,294.00; however, a portion of these costs are systemic projects that are covered in our Long Range Master Plan. Until a systemic project moves forward in the Capital Budget, it remains in the Deferred Maintenance category in the Operating Budget. Projects listed in Deferred Maintenance that are captured in the Capital Budget include:

- Talbott Springs ES Replacement
- Hammond HS Renovation/Addition
- Centennial HS Renovation/Addition
- Oakland Mills MS Renovation
- Dunloggin MS Renovation/Addition
- Hollifield Station ES HVAC Replacement
- Fulton ES HVAC Replacement
- Elkridge Landing MS HVAC Replacement

- Manor Wood ES HVAC Replacement
- Bonnie Branch MS HVAC and Boiler Replacements

### **Deferred Systemic Projects**

Due to budgetary constraints in recent years and prioritizing enrollment growth, several projects have been deferred since FY 2016. These projects over time have been pushed beyond the Long Range Master Plan and are therefore not included in it. These projects are still necessary and include:

- Oakland Mills HS Renovation
- Patapsco MS Renovation
- Jeffers Hill ES Renovation
- Elkridge ES Renovation
- Hammond MS Renovation
- Forest Ridge ES Renovation
- Mayfield Woods MS Renovation
- Harper's Choice MS Renovation
- Pointers Run ES Renovation (portions)

### **Relocatable Replacement**

While we as a system continue to use relocatables as one of our strategies to address crowding, it was requested staff explore the option of replacing all of our relocatables with permanent brick and mortar building space. The cost listed above addresses the minimum need for conversion of all 222-classroom spaces to brick and mortar.

### **New Initiatives**

With the continual evolution in educational programming and the changing needs of our local demographics, particularly in regards to special education, there are a number of new projects that have been considered, but have been put on hold due to budgetary constraints. Additionally, there are potential changes at the State level in regards to the requirements for full-day prekindergarten that must be considered. These projects include:

- MS/HS Career Development Center
- Ninth Grade Academy
- Regional Pre-K Centers
- Special Education Classroom Additions

Please note that the cost shown is an estimate for budgetary purposes and represents the minimum monies that are needed to address these items. These costs can shift over time as market values, programming requirements, and local priorities change.

If you have any questions, please contact Scott W. Washington, Director of Capital Planning and Construction.

Copy to:       Executive Staff  
                  Board of Education Office

**Howard County Public School System**  
**Hypothetical Capital Budget Scenario Based on \$2.1B Ten-Year Allocation**  
**Response to State Delegation Request as of 2/4/19**

**FY 2020 - 2029 Long Range Master Plan**  
**(In Thousands)**

Note: **This schedule is for illustrative and discussion purposes only.** Factors including but not limited to project order, estimates, and timelines can change based on needs, economics, and future analysis. Funding estimates are evenly distributed across the Long Range Master Plan and not based on analysis developed during the typical capital budget process. It may not be feasible to expend \$2.1B in a ten year period given current resources. Magnitude of impact on Operating Budget not yet determined. State eligibility and participation cannot be projected and is not guaranteed.

	<u>FY 20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
FY 2020 Capital Budget BOE Proposed (Amended January 10, 2019)	\$ 92,265	\$ 115,872	\$ 135,504	\$ 130,022	\$ 140,043	\$ 105,451	\$ 120,064	\$ 107,039	\$ 106,203	\$ 79,152
Deferred Maintenance as of FY 2019	15,442	15,442	15,442	15,442	15,442	15,442	15,442	15,442	15,442	15,442
Relocatable Classrooms Replacement (Permanent Structure)	15,045	15,045	15,045	15,045	15,045	15,045	15,045	15,045	15,045	15,045
Oakland Mills HS Renovation	18,447	18,447	18,447	18,447	18,447	18,447				
Patapsco MS Renovation	10,202	10,202	10,202	10,202	10,202					
Jeffers Hill ES Renovation			6,505	6,505	6,505	6,505				
Elkridge ES Renovation			12,584	12,584	12,584	12,584				
Hammond MS Renovation					8,279	8,279	8,279	8,279	8,279	
Forest Ridge ES Renovation					10,691	10,691	10,691	10,691		
Mayfield Woods MS Renovation							10,325	10,325	10,325	10,325
Harper's Choice MS Renovation							4,299	4,299	4,299	4,299
Pointers Run ES Renovation (Portions)				5,004	5,004	5,004	5,004			
Career Development Center					20,807	20,807	20,807	20,807	20,807	20,807
Ninth Grade Academy		8,908	8,908	8,908	8,908	8,908				
Regional Pre-K Centers & Special Education Classroom Additions	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>TOTALS</b>	<b>\$ 161,401</b>	<b>\$ 193,916</b>	<b>\$ 232,637</b>	<b>\$ 232,159</b>	<b>\$ 281,957</b>	<b>\$ 237,163</b>	<b>\$ 219,956</b>	<b>\$ 201,927</b>	<b>\$ 190,400</b>	<b>\$ 155,070</b>