

Office of the County Auditor
Auditor's Analysis

Council Resolution No. 189-2022

Introduced: October 3, 2022

Auditor: Michael A. Martin

Fiscal Impact:

There is no fiscal impact as a result of this legislation.

Although it appears to propose Fiscal Year 2024 County bond appropriations in the amount of \$67,695,000, the actual appropriation and sources of financing will occur as requested by the County Executive and approved by the County Council in the Annual Budget and Appropriation Ordinance.

NOTE: The details referenced in this analysis reflect the most recent request to the Interagency Commission (IAC) on School Construction as approved by the Board of Education on September 29, 2022. The information in the current legislation reflects the Superintendent's request of September 8, 2022. The legislation will be amended to reflect the request by the Board of Education.

Purpose:

This legislation approves the Board of Education's (BOE) Capital Budget Request for Fiscal Year 2024 and Capital Improvement Program Request for Fiscal Years 2025-2029 for the purpose of submission to the Interagency Commission (IAC) on School Construction. These requests are necessary if the County is to be considered for IAC grant funding.

Other Comments:

The BOE increased the Superintendent's Proposed Capital Improvement Program Request for FY 2025-2029 by \$10.5 million by proposing changes to the following projects:

- *Oakland Mills Middle School* Renovation project (\$4.3 million decrease)
- *New Elementary School #43* now represents the Turf Valley site and is being delayed four years (\$49.7 million decrease)
- *New Elementary School #44* now represents the Southeast school site with an unknown timeline (no impact on funding)

- Prioritizes *Oakland Mills High School* Renovation by expediting the occupancy date from an unknown time to September 2029 (\$115.5 million increase, from Fiscal Year 2026 through Fiscal Year 2029)
 - Removes all funding and delays the *Regional Early Childhood Center* (\$4.3 million decrease), *Patapsco Middle School* Renovation/Addition (\$12.5 million decrease), and *Murray Hill Middle School* Renovation/Addition (\$15 million decrease) projects to a date to be determined in the future
 - Pushes back the funding and timeline of the *Faulkner Ridge Center* project by five years (\$19.1 million decrease)
 - Proposes funding the *New High School #14 and Application and Research Laboratory* projects (no impact on funding)
- Although the Fiscal Year 2024 BOE Proposed Capital Budget is only approximately \$381,000 less than the amount programmed in the Fiscal Year 2023 Council Approved Capital Budget, there are some major changes See **Attachment A** for details.
 - The Fiscal Year 2024 BOE Proposed Capital Budget's Five-Year Capital Program is approximately \$20.3 million less than the amount programmed for the same period in the Fiscal Year 2023 Council Approved Capital Budget.
 - A separate submission to the State will be made to address the allocation of the Pass-Through Grant funding of \$35M allocated to Howard County through Senate Bill 291-2022 once the projects are determined by the County Government.
 - The request is based on the State's revised costs of construction. The cost for new projects increased from \$427 to \$458 per square feet in Fiscal Years 2023 and 2024, respectively. The cost for renovation projects increased from \$358 to \$385 per square foot in Fiscal Years 2023 and 2024, respectively.
 - Staff from the school system confirmed that the new Systemic Renovations/Modernizations project will replace the existing project, E1044, and that they expect all remaining funding under E1044 to be spent by Fiscal Year 2025.
 - The school system provided a list of new projects that are expected to receive State Capital Improvement Program funding (CIP), Enrollment Growth and Relocatable Classrooms grant (EGRC), or Built to Learn (BTL) funding. This list and the corresponding funding amounts can be seen in **Attachment B**.

Attachment A
Comparison of FY 2024 Board of Education Proposed vs
Executive Programmed Capital Projects

(In Thousands)

Project #	Project Title	FY2024 Executive Programmed	FY2024 BOE Proposed	Difference
<u>School Projects</u>				
E1024	Hammond HS Renovation/Addition	4,616	-	(4,616)
E1035	New HS #13	6,955	6,955	-
E1039	New ES #43	5,115	-	(5,115)
E1049	Dunloggin MS Renovation/Addition	4,004	4,484	480
E1036	Oakland Mills MS Renovation	4,269	4,447	178
<u>System Projects</u>				
E1044	Systemic Renovations	33,767	42,434	8,667
E1048	Technology	5,500	5,500	-
E1046	Roofing Projects	1,000	1,000	-
E1045	Relocatable Classrooms	1,500	1,500	-
E1012	School Parking Lot Expansions	600	600	-
E1038	Planning and Design	300	300	-
E0990	Playground Equipment	250	275	25
E0989	Barrier Free	200	200	-
Totals		\$ 68,076	\$ 67,695	\$ (381)

Attachment B
Potential State Funding Supporting New Projects

Project	Draft - Maximum estimate State participation	Draft - Maximum estimate FY24 State participation
Oakland Mills MS Reno/Add	25,759,000	2,343,000 (BTL)
Dunloggin MS Reno/Add	27,777,000	2,342,000 (CIP)
Oakland Mills HS Reno/And	58,617,000	--
New ES #43 (Turf Valley)	25,391,000	--
Centennial HS Reno/Add	56,003,000	--
Faulkner Ridge Center	9,297,000	---
Thomas Viaduct MS Addition	6,310,000	--
Patapsco MS Reno/Add	26,746,000	--
Murray Hill MS Reno/Add	29,893,000	--
Regional Early Development Center	9,297,000	--
New ES #44 (Southeast)	32,727,000	--
Applications and Research Lab Renovation	19,600,000	--
Jeffers Hill ES Renovation	12,534,000	--
New HS#14	73,918,000	--
West Friendship ES MBR/Well	3,164,000	1,680,000
Manor Woods ES Waste Water Treatment Plant	1,680,000	1,680,000
Forest Ridge ES Boiler Replacement	336,000	336,000
St Johns Lane ES HVAC Replacement	5,919,000	3,119,000
Retrofit Gym HVAC (AC) - Multiple schools	11,200,000	2,800,000
Elevator Replacements - Multiple schools	1,400,000	1,400,000
Atholton ES Boiler Replacement	336,000	336,000
Lime Kiln MS HVAC Replacement	5,923,000	3,123,000
Secure Vestibule (HS)	365,000	365,000
Secure Vestibule (ES)	224,000	224,000