

DATE: September 11, 2025

TITLE: FY 2027 Superintendent's Proposed State Capital Budget

PRESENTER(S): Cornell S. Brown, Jr, Chief Operating Officer

Daniel Lubeley, Executive Director, Capital Planning and Construction

STRATEGIC PLAN ALIGNMENT:

Mission: HCPSS creates an innovative and accountable learning community where we expand opportunities and access, remove barriers, and foster an inclusive environment.

Key Commitment: Creating innovative learning and working environments.

Priority Area: Priority 4: Enhance Systemic Planning & Procedures. **Goal:** Goal 3: Ensure equitable distribution of resources to schools.

OVERVIEW:

A public hearing is scheduled for the Superintendent's Proposed Fiscal Year (FY) 2027 State Capital Projects that was presented on August 21, 2025. Local Education Agencies (LEA) are required to submit to the Interagency Commission on School Construction (IAC) next year's State Capital Budget in early October. The Superintendent's Capital Budget proposal considers the following:

- The proposed FY 2027 State Capital Projects focus on security, roofing, and systemic projects to fully utilize the anticipated State allocation. Additional projects have been identified beyond the anticipated allocation.
- The FY 2027 State Capital Budget request totals \$48,420,000, which includes both the State and County FY 2027 requests for the projects identified as anticipated to be State eligible for participation.
- The capital projects to be funded with local allocations that are not eligible for State funding will be presented to the Board in October, following the approval and submission of the state-funded Capital projects.
- The Howard County Public School System (HCPSS) will continue to refine its facility condition data and use of the Board of Education approved facility prioritization process in developing projects for the FY 2028 Capital Budget. Future work includes fa comprehensive Educational Sufficiency Study.

The Capital Budget projects were developed based on projects that could request funding in FY 2027 based on State requirements. Using the facility prioritization process and criterion data, the projects focus on security initiatives, deferred maintenance, and the continuation of an HCPSS initiative with adding air conditioning in gymnasiums.

RECOMMENDATION/FUTURE DIRECTION:

The Board of Education will be requested to approve the FY 2027 State Capital Projects and FY 2027 State Project Priority List in September to allow for the submission to the IAC in early October.

Submitted

by: Daniel Lubeley Executive Director

Capital Planning and Construction

Approval/

Concurrence: William J. Barnes Superintendent

Karalee Turner-Little, Ph.D. Deputy Superintendent

Cornell S. Brown, Jr. Chief Operating Officer

FY 2027 SUPERINTENDENT'S PROPOSED STATE CAPITAL BUDGET

Capital Budget

The Capital Budget is the funding source that puts forth the physical needs of the school system within the realities of the current fiscal climate. The Capital Budget adds facility improvements and capacity where they are most urgently needed to relieve crowded schools and ensure the equitable allocation of instructional resources.

The budget is developed through an annual process beginning with the identification of Capital needs. The needs are identified through multiple sources, including current and projected enrollment, current maintenance needs, deferred maintenance tracking, the State facility assessments, and program and space needs. The priorities of the school system related to the capital needs are expressed in the Capital Budget Prioritization Process approved by the Board of Education (Board) on April 9, 2025. The prioritization list and related tables can be found in the Educational Facilities Master Plan, in the June 12, 2025, Board meeting.

The Howard County Public School System (HCPSS) capital planning is a continual process and is improving with the development of the facility prioritization process. The priority process is also being refined through the more comprehensive Educational Sufficiency Study to gather additional data on the spatial needs of HCPSS' educational programs and support services. Along with the study, annual processes like enrollment projections, maintenance work tracking, State Facility Assessments, and updating maintenance needs provide updated data based on evolving factors.

The data and prioritization processes are progressive steps in the overall Capital Budget development. While the data will continue to be updated annually, the progress of these initial steps will take time to complete. The prioritization process is anticipated to more clearly represent the HCPSS Capital needs for the FY 2028 Capital Budget cycle. With the overarching initial intents of the priority process to be transparency, consistency, and stability, the proposed FY 2027 Capital Budget is being developed anticipating the FY 2028 Capital Budget will reflect project adjustments.

Capital Budget Process

The FY 2027 Capital Budget is being developed by utilizing the approved facility priority order and reviewing the data to identify facility needs. As the Educational Sufficiency Study will provide more comprehensive data on at least two prioritization criteria, the projects proposed for FY 2027 focus on security, roofing, and systemic needs. These types of projects can allow for their anticipated State funding to be requested in the current budget year, FY 2027. Larger projects, including full renovations, have additional State requirements that affect when State funding may be requested.

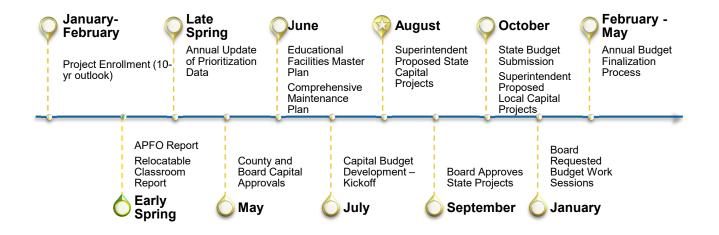
The IAC's approved HCPSS anticipated allocations for FY 2027 total \$23,970,320. The total allocation includes \$14,417,824 of annual Capital Improvement Plan funding and \$3,652,496 of Enrollment Growth and Relocatable Classroom (EGRC) funding. The State has identified HCPSS has the use off an estimated \$5,900,000 in State reserve funding.

The HCPSS staff estimated FY 2027 State request for the projects identified on the attached budget pages is \$27,137,000. The total request is higher than the anticipated State allocation to allow for adjustments, as the State participation is still subject to review and adjustment by IAC staff.

Capital Budget Timeline

The Capital Budget is developed continuously throughout the year. Beginning with the approval of the Educational Facilities Master Plan (EFMP) in June, the budget culminates with the Board of Education's approval the following May. The efforts to update the data and new enrollment projections, which are presented in the EFMP, overlap with the prior year's budget process. The graphic timeline below provides a high-level view of the steps in Capital Budget development. This presentation of the Superintendent's Proposed Capital Budget focuses on State-eligible projects to utilize the anticipated State funding allocations for FY 2027 to comply with the State submission requirements in early October. The locally funded projects for FY 2027 will be brought to the Board in October for review and approval. Board approval in October will create the Board of Education's Proposed FY 2027 Capital Budget. The proposed budget will be provided to the County for staff-level planning in anticipation of the Board of Education's requested budgets after the new year.

Figure 1.1 Capital Budget Timeline



Proposed FY 2027 State Capital Budget

The budget pages below show the first step in the FY 2027 Capital Budget. As noted previously, this report presents State eligible projects to comply with the IAC submission requirements. Funding requests are only shown for the State-eligible projects. The projects solely funded with local funds will be presented in October.

The proposed projects for the FY 2027 State Capital Budget include vestibule enhancement projects at two elementary schools and two middle schools, one Heating, Ventilation, and Air Conditioning (HVAC) renovation project at Ilchester Elementary School, and two roof replacement projects at Fulton and Gorman Crossing Elementary Schools. Total funding for projects may span

multiple years. For example, Ilchester ES HVAC will require additional local funding in FY 2028 to complete the project, which is indicated in the Total Project Cost on the Systemic Renovation Projects table.

In prior fiscal years, air conditioning projects have been included to provide air-conditioned gymnasiums at our schools. Ten of the remaining twenty-four schools without air conditioning in the gymnasium are eligible for State funding. These gym air conditioning projects have been identified as eligible for State funding should additional State funds become available.

FY 2027 State Priority List

Priority	Project	Estimated project total	Request to State
1	Vestibules Enhancement (ES #1)	\$4,860,000	CIP Funding
2	Ilchester ES HVAC Replacement	\$21,197,000	CIP Funding
3	Vestibules Enhancement (MS #1)	\$4,897,000	CIP Funding
4	Vestibules Enhancement (MS #2)	\$5,973,000	CIP Funding
5	Vestibules Enhancement (ES #2)	\$387,000	CIP Funding
6	Fulton ES Roof	\$3,580,000	CIP Funding
7	Gorman Crossing ES Roof	\$3,205,000	CIP Funding
8	River Hill HS Gym HVAC (AC)	\$2,629,000	CIP Funding
9	Triadelphia Ridge ES Gym HVAC (AC)	\$926,000	CIP Funding
10	Folly Quarter MS Gym HVAC (AC)	\$1,141,000	CIP Funding
11	Homewood Center Gym HVAC (AC)	\$1,141,000	CIP Funding
12	West Friendship ES Gym HVAC (AC)	\$926,000	CIP Funding
13	Lisbon ES Gym HVAC (AC)	\$926,000	CIP Funding
14	Clarksville MS Gym HVAC (AC)	\$1,141,000	CIP Funding
15	Dayton Oaks ES Gym HVAC (AC)	\$926,000	CIP Funding
16	Waterloo ES Gym HVAC (AC)	\$926,000	CIP Funding
17	Mt. Hebron HS Gym HVAC (AC)	\$2,629,000	CIP Funding

Table 1.1 – FY 2027 State Capital Budget

FY 2027 State Capital Budget

Superintendent's Proposed State Capital Budge 8/21/2025

(In Thousands)

Project	County Project	State FY27 CIP Request	Local FY27 CIP Request	Total FY27 CIP Request
Systemic Renovations/Modernizations	E1058	23,906	17,728	41,634
Roofing Projects	E1059	3,231	3,555	6,786
TOTALS		\$ 27,137	\$21,283	\$ 48,420

Table 1.2 – FY 2027 State Systemic Renovation Projects

FY 2027 State Systemic Renovation Projects

Superintendent's Proposed State Capital Budget

8/21/2025

(In Thousands)

Project	State FY27 CIP Request	Local FY27 CIP Request	Total FY27 CIP Request
Vestibules Enhancement (ES) #1	2,125	2,735	4,860
Ilchester ES HVAC Replacement	10,201	2,000	12,201
Vestibules Enhancement (MS) #1	2,141	2,756	4,897
Vestibules Enhancement (MS) #2	2,612	3,361	5,973
Vestibules Enhancement (ES) #2	169	218	387
River Hill HS Gym HVAC (AC)	1,315	1,315	2,630
Triadelphia Ridge ES Gym HVAC (AC)	463	463	926
Folly Quarter MS Gym HVAC (AC)	571	571	1,142
Homewood Center Gym HVAC (AC)	571	571	1,142
West Friendship ES Gym HVAC (AC)	463	463	926
Lisbon ES Gym HVAC (AC)	463	463	926
Clarskville MS Gym HVAC (AC)	571	571	1,142
Dayton Oaks ES Gym HVAC (AC)	463	463	926
Waterloo ES Gym HVAC (AC)	463	463	926
Mt. Hebron HS Gym HVAC (AC)	1,315	1,315	2,630
TOTALS	\$ 23,906	\$ 17,728	\$ 41,634

State CIP and BTL funding are draft estimations and are subject to review, approval, and allocation by the IAC. Total funding for projects shown may span multiple fiscal years

FY 2027 Superintendent's Proposed State Capital Budget

September 11, 2025

Cornell S. Brown, Jr.

Chief Operating Officer

Dan Lubeley,

Executive Director, Capital Planning and Construction

FY 2027 State Capital Budget

Superintendent's Proposed State Capital Budge 8/21/2025

(In Thousands)

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TOTALS	\$ 23,906	\$ 17,728	\$ 41,634

Anticipated State Allocations:

- Capital Improvement Plan \$14,417,824
- Enrollment Growth and Relocatable Classroom - \$3,652,496
- HCPSS Estimated State Reserve \$5.9M

FY 2027 State Capital Budget Projects:

- Security Initiatives:
 - Four (4) vestibules
- Roofing Deferred Maintenance:
 - Fulton ES
 - Gorman Crossing ES
- HCPSS Air Conditioning Initiatives:
 - Ten (10) Gym AC projects
- HVAC Deferred Maintenance:
 - Ilchester ES HVAC Renovation

FY 2027 State Funding Order

Priority	Project	Estimated project total	Request to State
1	Vestibules Enhancement (ES #1)	\$4,860,000	CIP Funding
2	Ilchester ES HVAC Replacement	\$21,197,000	CIP Funding
3	Vestibules Enhancement (MS #1)	\$4,897,000	CIP Funding
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Project Needs Selection Criteria

Project:	Selection Criteria:	Additional Notes:
Security Initiatives		
- 2 middle schools	Remaining MS vestibules (1 remaining , full renewal project)	Addressing HS, then MS, then ES
- 2 elementary schools	Based on projects in facility priority order	2 considering project scope and eligibility
HCPSS Initiatives		
- 10 Gym AC Units	Current remaining State eligible projects	14 schools remaining without gym AC after these projects
Roof Deferred Maintenance		
- Fulton ES	1997 installation, next on deferred maintenance list	20-year industry useful life
- Gorman Crossing ES	1998 installation, deferred maintenance and identified condition need	
HVAC Deferred Maintenance		
- Ilchester ES	Identified as next project in FY 2026 CIP (E1058), Facility Priority #8, #1 in Deferred Maintenance Criterion,	Prioritized facilities 1-7 have a current project or under consideration for renewal projects

Capital Budget Next Steps

- September 11, 2025:

 ✓ Public Hearing
 ✓ Board Action

 October 4, 2025:

 ✓ State project submission to the IAC

 October 9, 2025:
 ✓ Superintendent's Proposed Local Project

 October 23, 2025:
 ✓ Board Action

 November 2025:
 ✓ County Council Action on Proposed Budget

 January/February 2026:
 ✓ Operating and Capital Requested Budgets
 Submitted to the County Executive
- Capital Budget Approach Moving forward
 ✓ Use Board of Education approved process
 □ Initial focus on State eligible projects

 State submission on October 4

 □ Local project budget to follow in October
 □ Educational Sufficiency Study to provide more comprehensive data
 □ Future EFMP to present long-range master

plan