



# Interagency Commission on School Construction

## Second Quarter 2019

### IAC Square Footage Adjustment for Greensboro Elementary

During the FY 2020 CIP application process, Caroline County Public Schools (CCPS) applied to the IAC for additional state funding participation in its Greensboro ES replacement project beyond that permitted under the IAC’s Maximum Gross Area Allowances (MGAA) of square footage per student. CCPS did this under the provisions of COMAR 23.03.02.07, which permits the IAC to increase the maximum State construction allocation for a project within a “One Maryland” jurisdiction such as Caroline County.

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CCPS submitted documentation of the educational needs to be met by the project and the programs and services to be delivered in the school; a proposed floor plan; furniture deployment diagrams; a calculation of the estimated total cost of ownership of the proposed design; and utilization data for each assignable space in the facility. After discussions with IAC staff, CCPS and its architects arrived at a design that it agreed would meet its needs and was only 2,587 GSF or 2.86% larger in total than the State’s MGAAs. Through its analysis of the calculations submitted, IAC staff determined that CCPS had met the requirements under COMAR 23.03.02.07. On April 11, 2019, the IAC approved an additional \$793,000 in State funding for the project.

### IAC Adoption of New Gross Area Baselines

House Bill 1783 (2018) directed the Workgroup on Educational Development Specifications to review the State’s Maximum Gross Area Allowances (MGAAs) that are used to determine state funding participation in approved school construction projects. IAC staff reviewed the MGAAs side-by-side with the Maryland State Department of Education (MSDE) facilities guidelines to determine how much space is reasonable to accommodate State programmatic requirements.

On May 9, 2019, the IAC replaced the MGAAs with Gross Area Baselines (GABs) that increased the State funding participation levels for the majority of new, replacement, and renovation/addition projects. The GABs apply to projects submitted beginning with the FY 2021 CIP cycle. Along with the GABs, the IAC established a variance process by which any LEA may apply for additional funding above the GABs for a specific project. With its request, the LEA will be asked to submit documentation similar to that which the IAC analyzed in the Greensboro ES case above.

CIP application forms are being revised to include the new GABs and will be available on the IAC’s website, alongside the FY 2021 CIP instructions in the coming weeks. A GAB calculator will also be available at [iac.maryland.gov](http://iac.maryland.gov).

## Workgroup on Educational Development Specifications

On May 23, 2019 the Workgroup on Educational Development Specifications adopted their [final report](#), summarizing their conversations and recommendations to the General Assembly, the Governor, the Interagency Commission on School Construction, and others.

Throughout the Workgroup's discussions, several prominent discussion themes emerged, including:

- Sustainability of the Statewide School Facilities Portfolio
- Reduced Total Cost of Ownership
- The State's Role in School Facilities Construction and Management and LEA Flexibility
- Facility Maintenance

The final report includes recommendations relating to five statutory charges as required by HB 1783 (2018).

Some recommendations can be implemented through the authority of the IAC, and in fact, the IAC adopted new GABs to replace the existing MGAs at their meeting on May 9, 2019 as described on page 1 of this newsletter. The IAC will continue to consider proposed actions and policy revisions based upon the Workgroup Recommendations.

Additionally, several recommendations will be carried forward to the Workgroup on the Assessment and Funding of School Facilities.

## Workgroup on the Assessment and Funding of School Facilities

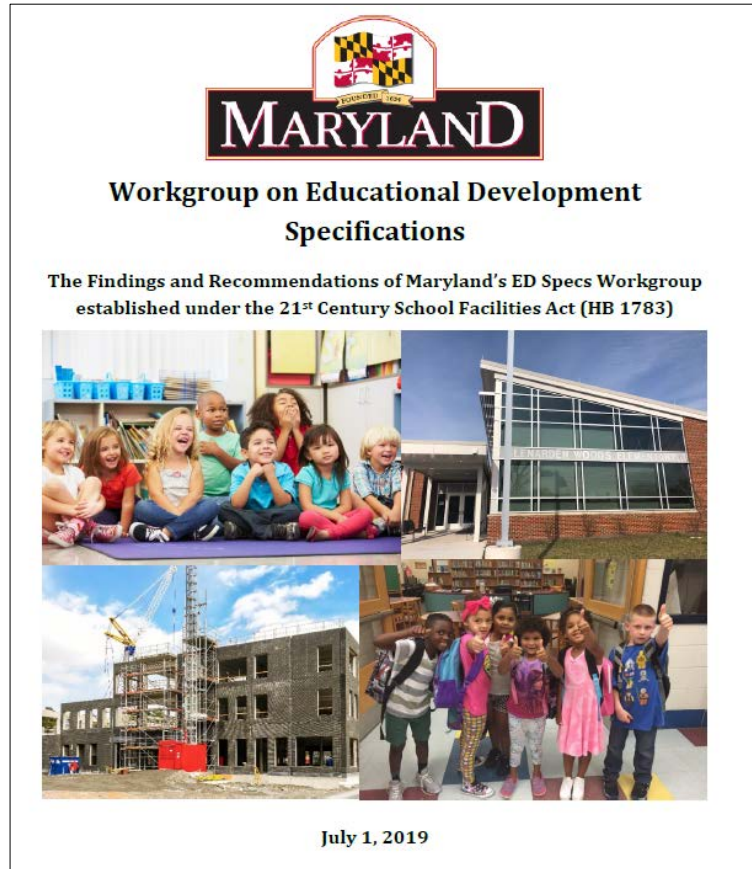
The Workgroup on the Assessment and Funding of School Facilities held their first meeting on June 20, 2019. The Workgroup is charged with considering relative facility condition prioritization and determining whether and how the assessment results should be used in construction funding decisions. Further, the Workgroup is to consider whether the State should provide funding incentives for local jurisdictions that reduce the total cost of ownership of public school facilities.

To provide background foundational information on a number of facilities and facility portfolio management concepts prior to the next meeting of the Workgroup, IAC staff intends to host four webinars to discuss topics such as Facility-Portfolio Management, Total Cost of Ownership, and Maintenance Effectiveness.

Webinars are tentatively scheduled for August 1, August 7, August 12, and August 20. Additional information will be provided on the IAC's website and through the IAC's email update service. Be sure to sign up for updates for the Assessment and Funding Workgroup and other interesting topics by visiting the [IAC's home page](#) and entering your email address in the "Get Updates" section of the left-side navigation bar.

### GET UPDATES

Sign up to receive news and agency updates or to modify current subscriptions.



### Future Meetings

August 28  
September 25  
October 7  
October 28  
November 19

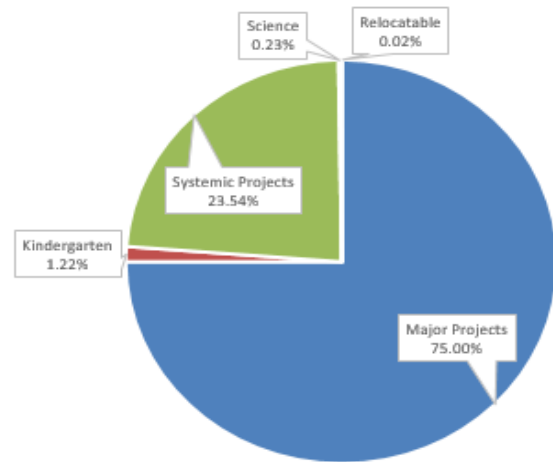
All meetings will be held in the Senate Budget and Taxation Committee Room from 9:00 a.m. to 1:00 p.m. See the IAC website for additional information.

## FY 2020 Capital Improvement Program (CIP)

The IAC met on June 13, 2019 to finalize planning and funding request approvals for projects in each local school system's Public School Construction CIP. The IAC received 193 funding and 49 planning requests for fiscal year 2020.

The IAC approval represents 100% of the total CIP funding for FY 2020 based on a budget of \$251.8 million in new bond authorization, \$64.5 million in Enrollment Growth and Relocatable Classroom funding, and \$50.1 million in prior year funds for a total allocation of \$366.4 million. Approvals reflect the priority given to projects by the local school system, project eligibility, and anticipated project schedule.

**Total FY 2020 CIP Requests by Project Type**

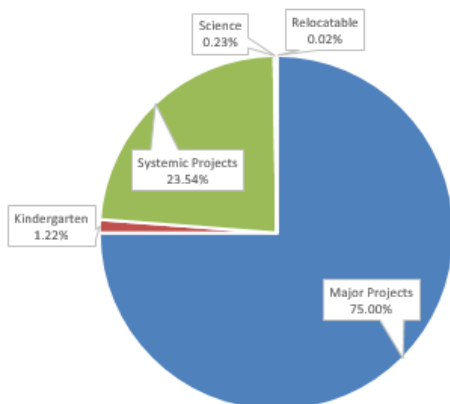


**FY 2020 CIP Requests**

	Total Requests			Requests	% of Requests by Category
	LP	Funding	Total		
<b>Major Projects</b>	47	79	126	\$ 537,510,078	75.00%
<b>Kindergarten</b>	2	5	7	\$ 8,751,871	1.22%
<b>Systemic Projects</b>	0	107	107	\$ 168,697,698	23.54%
<b>Science</b>	0	1	1	\$ 1,622,500	0.23%
<b>Relocatable</b>	0	1	1	\$ 143,840	
	<b>49</b>	<b>193</b>	<b>242</b>	<b>\$ 716,725,987</b>	<b>100.00%</b>

For FY 2020, funding has been approved for 120 of 193 projects requested by local boards of education as shown below.

**Total FY 2020 CIP Requests by Project Type**



**IAC 100% FY 2020 Approvals**

Project Type	LP	Funding	Total	Allocation	% of Recommended Funding by Category
<b>Major Projects</b>	14	51	65	\$ 273,599,500	74.66%
<b>Kindergarten</b>	2	3	5	\$ 4,396,572	1.20%
<b>Systemic Projects</b>	0	64	64	\$ 86,680,574	23.65%
<b>Science</b>	0	1	1	\$ 1,622,500	0.44%
<b>Relocatable</b>	0	1	1	\$ 143,840	0.04%
	<b>16</b>	<b>120</b>	<b>136</b>	<b>\$ 366,442,986</b>	<b>1</b>

Additional information on the Capital Improvement Program can be found on the IAC's website.

## Innovative Solutions to Market Variability: Summer 2019 Maryland Roof Prices

In spring and early summer of 2019, the IAC became aware of a number of roofing projects that were being bid at amounts much higher than anticipated. One LEA in particular reported bid prices nearly double the budgeted amount per square foot, with only 2 bids received and only 1 responsive bidder. When reviewing pricing, the LEA found out that the higher than average rainfall during the prior year—an average of 42 inches around the state—flooded the market with roofing projects, resulting in an increase to both labor and material costs for roofing projects.

However, by identifying intergovernmental cooperative pricing agreements for roofing services and modifying the scope, the LEA was able to get much closer to their anticipated budget. As the IAC had not yet approved the final CIP for FY 2020, the LEA was able to demonstrate this remarkable effort to bring the project within budget and to apply available LEA reserve funding to their project, with an increased project amount, to make up the difference. We have since heard of at least one other LEA that had success pursuing an intergovernmental cooperative pricing agreement after receiving unfavorable bids for a roof project.

IAC staff encourages LEAs to maximize competition to achieve the best pricing possible for a project. However, in instances where bids are higher than anticipated, such as those described, pursuing the use of intergovernmental cooperative agreements can result in cost savings and should be considered. The IAC encourages LEAs and others to share their innovative solutions to facilities and facility project problems, so that the IAC becomes the conduit to provide helpful information to other LEAs that might benefit from the learning experiences of others.

## IAC Adoption of Proposed COMAR Revisions

At their May 9, 2019 meeting, the IAC adopted proposed COMAR revisions. The revisions have been submitted to the Joint Committee on Administrative, Executive, and Legislative Review (AELR) and will be published in the Maryland Register and posted to the IAC's website for public comment in the coming weeks. After the public comment period, the IAC will take final action to adopt the revisions before they take effect.

Primarily, the goal of the COMAR revisions was to comply with statutory changes as a result of HB 1783 (2018) and other enacted legislation. Additionally, the IAC adopted proposed procedural changes to increase flexibility for projects that exceed the state's current parameters for project participation.

First, the proposed revisions allow LEAs with available reserve funding to request a project cost increase on a systemic project if bids are higher than expected and to apply reserve funds to cover the difference. Second, the proposed revisions allow LEAs that are not Tier I Counties (as defined in § 1-101 of the Economic Development Article) to be eligible for increases to the Maximum State Allocation if they can demonstrate that the additional cost is necessary to support the programmatic requirements of the school.

### *Subtitle 39 INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION*

The Interagency Commission on School Construction proposes to:

- (1) Recodify:
  - (a) COMAR 23.03.01 to be COMAR 14.39.01
  - (b) COMAR 23.03.02 to be COMAR 14.39.02
  - (c) COMAR 23.03.03 to be COMAR 14.39.03
  - (d) COMAR 23.03.04 to be COMAR 14.39.04
  - (e) COMAR 23.03.05 to be COMAR 14.39.05
  - (f) COMAR 23.03.06 to be COMAR 14.39.06
- (2) Amend Regulation .01 under COMAR 14.39.01 **Terminology**
- (3) Amend Regulations .01, .03, .05—, .07, .09, and .22—, .29, repeal Regulations .01 and .10, amend and recodify existing regulations .01-1, .12, .13, .14, .15, .16, .18, and .19, to be Regulations .01, .11, .12, .13, .14, .15, .17, and .18, respectively, adopt new regulation .19, and recodify existing Regulations .11 and .17 to be Regulations .10 and .16 under COMAR 14.39.02 **Administration of the Public School Construction Program**
- (4) Amend Regulations .01, .05—, .07, and .09 under COMAR 14.39.03 **Construction Procurement Methods**
- (5) Amend Regulations .01 and .04—, .06 under COMAR 14.39.04 **Project Delivery Methods**
- (6) Amend Regulations .01 and .04 and repeal regulations .05—, .12 under COMAR 14.39.05 **Alternative Financing**