



## **DRAFT Meeting Minutes – August 8, 2024**

### **Call to Order:**

Chair Edward Kasemeyer called the video-conference meeting of the Interagency Commission on School Construction to order at 9:00 a.m.

### **Members in Attendance:**

Edward Kasemeyer, Appointee of the President of the Senate, Chair  
Linda Eberhart, Appointee of the Speaker of the House, Vice-chair  
Courtney League as Designee for Secretary Atif Chaudhry, Maryland Department of General Services  
Michael Darenberg, Appointee of the Governor  
Secretary Rebecca Flora, Maryland Department of Planning  
Brian Gibbons, Appointee of the Speaker of the House  
Gloria Lawlah, Appointee of the President of the Senate  
Krishna Tallur as Designee for Dr. Carey M. Wright, State Superintendent of Schools

### **Members Not in Attendance:**

None.

### **Revisions to the Agenda:**

None.

### **Public Comment:**

None.

### **IAC Correspondence:**

None.

#### **1. Executive Director's Report – [Informational Only]**

Executive Director Alex Donahue gave an update on two items. First, he indicated that he and five members of the IAC staff would be attending the Maryland Association of Counties Summer Conference and setting up a booth in the exhibition hall for counties and other organizations to talk to IAC staff and learn about the IAC and its mission and work. Additionally, Executive Director Donahue updated the commission on the progress of the ad-hoc workgroup considering solutions for Worcester County project needs, consisting of the IAC, Worcester County Commission, and Worcester County Board of Education. He informed the commission that there was progress being made and that Worcester County and WCPS officials seemed interested in one of the four scenarios Executive Director Donahue presented. He indicated that additional information would be brought to the next workgroup meeting, and that there was an open discussion ongoing regarding the possibility of a three-party Memorandum of Understanding to support a two-project package that the IAC could consider supporting.

## 2. Consent Agenda – [Motion Carried]

Upon a motion by Mr. Gibbons, seconded by Vice-chair Eberhart, the IAC voted unanimously to approve the consent agenda.

### a. July 11, 2024 Meeting Minutes

To approve the draft July 11, 2024 IAC Meeting Minutes, as presented.

### b. July 23, 2024 Meeting Minutes

To approve the draft July 23, 2024 IAC Meeting Minutes, as presented.

### c. Contract Awards

To approve contract procurement as presented.

### d. Revisions to Previously Approved Contracts

To approve the revision to the previously approved contract awards as presented to accurately reflect the adjustments to the State and local participation in the contract amounts and/or corrections to project allocation information.

### e. Pass-Through Grant Revision to Application – Cecil County Public Schools – Leeds Elementary (PSC 07.041) Playground

1. To approve the rescission of \$53,156 of Pass-Through Grant (PTG) funds for the Cecil County Public Schools playground restoration project at Conowingo Elementary School (PSC 07.019); and,
2. To apply \$53,156 in Pass-Through Grant funds to the playground restoration project at Leeds Elementary School (PSC 07.041), thereby allocating the remaining PTG funds for the LEA to this project.

## 3. Prince George's County Phase II Public-Private Partnership for Public School Construction – Amendment to Approval of Amendment 1 – [Motion Carried]

Executive Director Donahue presented an amendment to the IAC's July 23, 2024 approval of the form of Amendment 1 to the "Project Agreement for the Design, Build, Finance, and Maintenance of Prince George's County Public Schools Alternative Construction Financing Package 2 by and between the Board of Education of Prince's George's County and Progressive Education Partners, LLC" (Project Agreement), which clarified the language of Amendment 1 of the Project Agreement, specifically as it relates to the Availability Payment specified within the Project Agreement.

Mr. Darenberg asked if there would need to be additional approvals each year to correct the dollar amounts with the adjustments of the schedule. Executive Director Donahue indicated that, no, the language which outlines the payments was discussed beforehand and prescribes the payments over the next 30 years. He also clarified that this agreement is between PGCPs and the vendor; future P3 agreements, which other LEAs may enter into, may have different terms. Mr. Darenberg asked if the IAC would know when these payments are determined, and the dates in which they are required to be paid. Executive Director Donahue indicated that after financial close-out all of the payments over the next 30 years will be able to be seen on a schedule so the LEA and the IAC can know that there will be no shortfalls in future years due to unexpected payment amounts. Chair Kasemeyer clarified that the prior approval misinterpreted the language, rather than this being a significant change to the agreement, which Executive Director Donahue confirmed.

Upon a motion made by Senator Lawlah, seconded by Mr. Gibbons, the IAC voted unanimously to amend the IAC's July 23, 2024 approval of the form of Amendment one to the "Project Agreement for the Design, Build, Finance, and Maintenance of Prince George's County Public Schools Alternative Construction Financing Package 2 by and between the Board of Education of Prince George's County and Progressive Education Partners, LLC" (Project Agreement) and authorize Prince George's County

Public Schools to finalize and execute Amendment 1 on the condition that the Availability Payment, solely during the first contract year in which Project Readiness is achieved, does not exceed \$70 million, as indicated in the final financial model, which will be included in Exhibit U of the Project Agreement and attached to Amendment 1 and to expressly revoke the language in the original approval, “and each year thereafter”.

**4. Adoption of FY 2026 Capital Improvement Program Target Allocations – [Motion Carried]**

Deputy Director Cassandra Viscarra presented an Item which presented the proposed FY 2026 target allocations for each LEA. Ms. Viscarra indicated that previously, many LEAs were concerned about BTL funding impacting their future funding targets, which had previously been based on the LEA’s 10 year average CIP funding. Due to these concerns, the IAC voted to ‘freeze’ funding targets for FY 2023, 2024, and 2025 at a consistent level. However, for FY 2026 CIP funding, the prior freeze has expired. Ms. Viscarra informed the IAC that continuing to use these past frozen allocations to develop funding targets has the potential to perpetuate funding inequities, and that the new proposed funding targets, which use wealth-adjusted enrollment-based figures while taking the prior frozen allocations into account, are more equitable.

Mr. Darenberg inquired about how these target allocations impact the LEAs, to which Ms. Viscarra responded that it provides a targeted level of funding that the LEAs can anticipate so they are better able to plan future projects. Mr. Darenberg asked whether the \$5 million that is currently in the State reserve fund had always been held. Ms. Viscarra stated that the IAC began holding this \$5 million in reserve around five years ago, and it serves many purposes including potential uses for emergency funding, overages for projects, and design funding outside of the funding cycle. Executive Director Donahue stated that the need for a fund that would be usable for emergency repair requests became clear when a tornado in Anne Arundel County caused damage to a high school. While the LEA ended up covering the majority of the repair, the IAC decided that with the acceleration of catastrophic climate events, extra money may be needed to recover from damage caused by natural disasters.

Executive Director Donahue also indicated that the 10 year average previously used was based on actual spending levels, rather than need, which gave priority to LEAs who had more available funds to put towards State shares, making funding inequitable. Chair Kasemeyer asked whether the 10 year average is still used when calculating target allocations at all, to which Ms. Viscarra indicated that now roughly 25% of funding determination is based on the 10 year average, while closer to 75% is based on the wealth adjusted enrollment based formula.

Upon a motion made by Vice-chair Eberhart, seconded by Mr. Gibbons, the IAC voted unanimously to adopt the FY 2026 Capital Improvement Program (CIP) target allocations as presented.

**5. COMAR Revisions to Clarify State Rated Capacity Calculation of Cooperative Use Spaces – [Motion Carried]**

Ms. Viscarra presented an Item which proposed a clarification to the definition of the term ‘Cooperative Use Space’ (CUS) in COMAR to indicate under what circumstances a CUS is taken into account when calculating the State Rated Capacity (SRC) for a school. While the prior COMAR definition states that only CUS with written agreements should be excluded from the SRC, the change clarifies that teaching stations which are available for educational purposes during school hours should also be included in the SRC calculation. The recommendation is to approve the publication of the proposed language change in the Maryland Register, which will then be open for public comment for a period of at least 30 days.

Upon a motion made by Mr. League, seconded by Vice-chair Eberhart, the IAC voted unanimously to approve amendments to COMAR 14.39.02.05F regarding the inclusion of Cooperative Use Space (CUS) in calculation of the State Rated Capacity (SRC) as presented and to authorize staff to make additional technical edits as necessary.

**6. Maximum State Allocation Increase and Award of Reserve Funds – Baltimore County Public Schools – Owings Mills High School (PSC 03.073) Electrical Upgrades – [Motion Carried]**

Capital Projects Manager Lisa Vaughn presented a request from Baltimore County Public Schools to increase the Maximum State Allocation and award additional funds to accommodate the higher than expected bids received for the Owings Mills High School Electrical Replacement project. Ms. Vaughn indicated that while the project was initially estimated in the fall of 2021, significant market increases have impacted manufacturing, transportation, and labor costs causing the increase from the original budget.

Mr. Darenberg asked how old the facility was, and whether solely the electrical work was being done. Ms. Vaughn confirmed that solely electrical work was being done for the entire facility, and Executive Director Donahue confirmed that the school was originally built in 1978.

Upon a motion made by Senator Lawlah, seconded by Secretary Flora, the IAC voted unanimously to increase the Maximum State Allocation for the Baltimore County Public Schools Owings Mills High School (PSC 03.073) Electrical Upgrades project from \$851,000 to \$1,251,659 in accordance with COMAR 14.39.02.07B and to transfer \$584,734 from the LEA's reserve account to fully fund the FY 2023 Capital Improvement Program (CIP) project.

**7. FY 2021 School Safety Grant Program Extension Request – Baltimore County Public Schools – Perry Hall Elementary School (PSC 03.070) Intercom Replacement Project – [Motion Carried]**

Funding Programs and Finance Assistant Tatyana Tate presented a request from Baltimore County for a four-month extension to their FY 2021 School Safety Grant Program reimbursement deadline. Ms. Tate indicated that the LEA has seen unexpected supply chain delays, resulting in the project being unable to be completed by the initially anticipated deadline. Ms. Tate stated that the extension would allow for remaining installations, a review of invoices, and payment to the vendor.

Mr. Darenberg asked whether the project had been started or if it was still in planning for the time being. Ms. Tate indicated that they had started the work, but needed an extension for installation and vendor payments, which Ms. Vaughn confirmed. Additionally, Ms. Vaughn added that the equipment had been purchased but not yet installed due to delays in receiving the materials, and now delays in vendor payment. Mr. Darenberg asked when the project was expected to be completed; after the meeting, Ms. Vaughn indicated that the estimated date of completion for the project is December 5, 2024.

Upon a motion made by Mr. League, seconded by Mr. Gibbons, the IAC voted unanimously to approve an extension to the FY 2021 School Safety Grant Program (SSGP) Baltimore County Public Schools Intercom Replacement project at Perry Hall Elementary School (PSC 03.070) reimbursement deadline from August 5, 2024 to December 5, 2024.

**8. Amendments to FY 2025 School Safety Grant Program Notice of Funding Availability – Attachment 1 – [Motion Carried]**

Funding Programs Manager Arabia Davis presented a motion which corrected and reissued the allocation table included in Attachment 1 of the FY 2025 School Safety Grant Program Notice of

Funding Availability which was approved by the IAC at the July 11, 2024 meeting. The amendment reflects the correct allocations for each LEA.

Upon a motion made by Vice-chair Eberhart, seconded by Mr. League, the IAC voted unanimously to approve amendments to Attachment 1 of the FY 2025 School Safety Grant Program (SSGP) Notice of Funding Availability (NOFA) as presented to reflect accurate percentages and calculated allocations based on adjusted enrollment and square footage totals for each LEA.

**9. Closed Session – [Motion Carried]**

Upon a motion made by Mr. Gibbons, seconded by Vice-chair Eberhart, the IAC voted unanimously to close the meeting to Executive Session at 9:33 am; and to fully adjourn the meeting from the closed session.

**Announcements:**

None.

**Adjournment:**

Upon a motion by Mr. Darenberg seconded by Mr. Gibbons, the IAC voted unanimously to adjourn the meeting at 9:58 am.