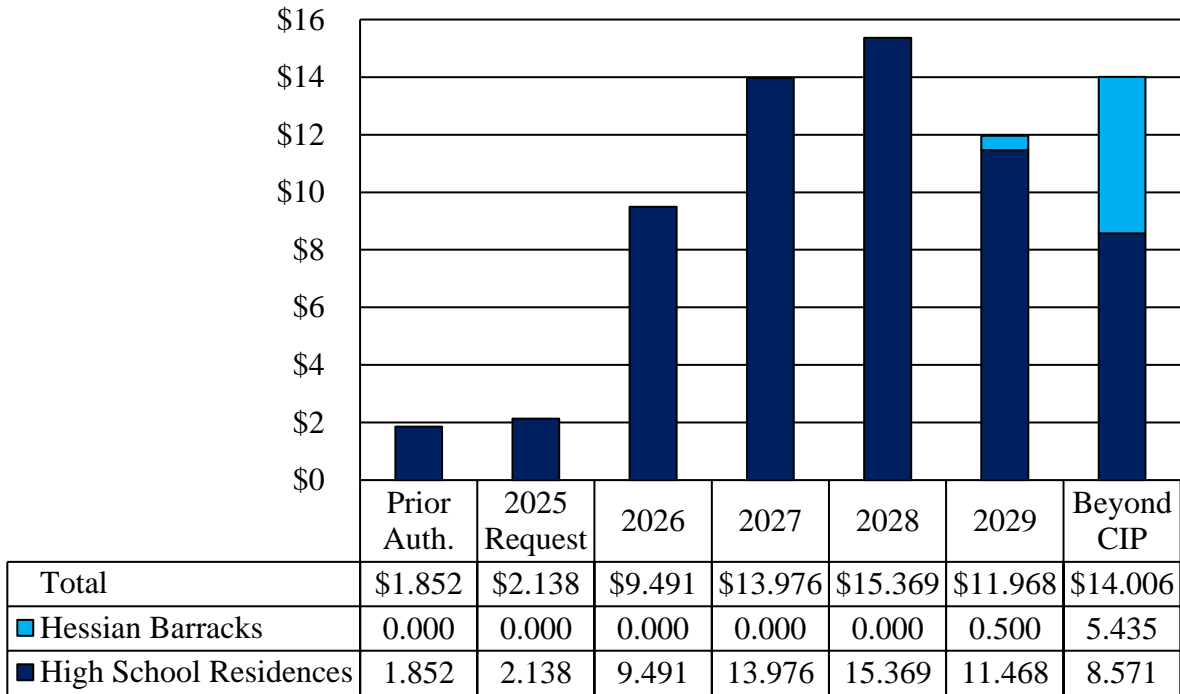


**RE01**  
**Maryland School for the Deaf – Capital**

***Capital Budget Summary***

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**State-owned *Capital Improvement Program***  
(\$ in Millions)



CIP: *Capital Improvement Program*

Note: All projects are funded with general obligation bonds.

***Key Observations***

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- Frederick Campus Residences Project Costs Continue to Increase:*** The fiscal 2025 capital budget provides \$2.1 million in general obligation (GO) bonds for design and planning. These funds are in addition to the \$1.9 million approved for this purpose in fiscal 2024. The 2024 *Capital Improvement Program* (CIP) identifies a total project cost of \$62.9 million, an increase of \$7.4 million, or 13%, over the 2023 CIP. In the 2023 CIP, square footage for the building was expanded, which increased the overall cost for the project; in the 2024 CIP, increased costs are due to schedule delays, escalation, and construction contingency allowances.

For further information contact: Laura H. Hyde

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## ***GO Bond Recommended Actions***

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1. Approve the general obligation bond authorization for the Maryland School for the Deaf.

### **Updates**

- ***Veditz Building:*** From fiscal 2018 to 2023, a total of \$18.8 million was provided for the construction and renovation of the Veditz Building at the Maryland School for the Deaf's (MSD) Frederick campus, including \$6.0 million in GO bond authorizations and \$12.8 million in pay-as-you-go general funds. In September 2023, due to escalating construction costs, the Department of Budget and Management and the Department of General Services (DGS) asked for an additional \$3.4 million from the Construction Contingency Fund to complete the project, bringing the total cost to \$22.2 million. A contract was approved by the Board of Public Works (BPW) on November 29, 2023, and as of February 2024, asbestos abatement is underway, and the contractor is preparing the site for construction. This project was originally scheduled to be completed in May 2024 but due to delays is now scheduled for completion in late calendar 2025 or early calendar 2026.
- ***Columbia Campus Emergency Notification System:*** The fiscal 2019 and 2021 capital budgets included a total of \$4.6 million in GO bonds for design and construction of a new visual emergency notification system at MSD's Columbia (Howard County) campus. The project has experienced multiple delays due to difficulties with the procurement process; however, in November 2023, BPW approved a contract for \$2.3 million. As of December 2023, the project is underway and should be completed by the end of calendar 2024. Even though the contracted amount approved by BPW is only 50% of the authorized funding, DGS advises that the current authorization for \$4.6 million should remain due to cost uncertainty.

## Summary of Fiscal 2025 Funded State-owned Projects

### High School and Middle School Residences – Frederick Campus

**Project Summary:** The project consists of the construction of three new dormitory buildings on MSD’s Frederick campus that include space for a health center, student center, and administrative offices. The project also includes the demolition of three obsolete dormitory buildings.

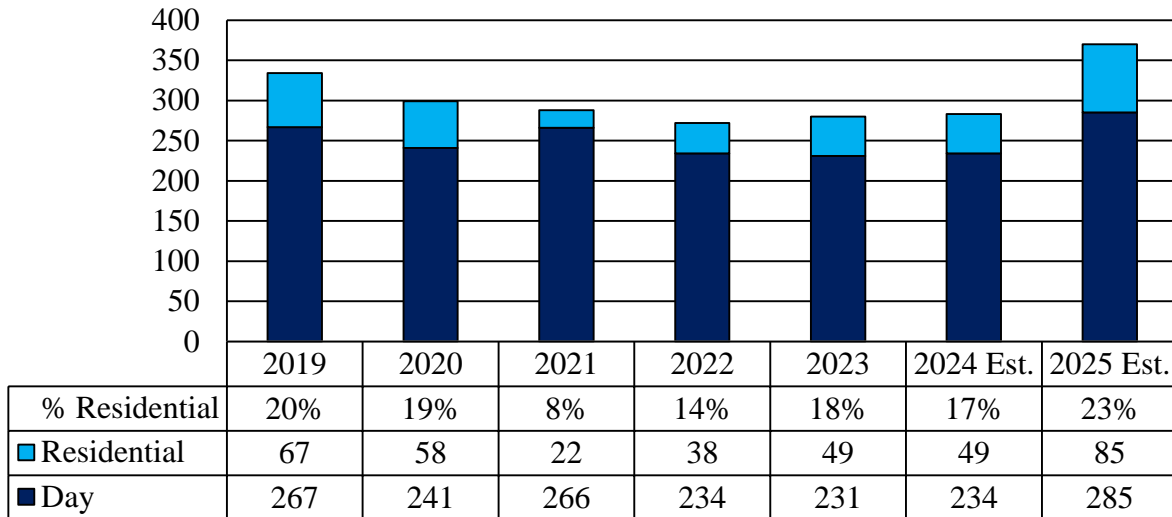
<b>New/Ongoing:</b> Ongoing								
<b>Start Date:</b> April 2024					<b>Est. Completion Date:</b> September 2030			
<b>Fund Sources:</b>								
(\$ in Millions)	Prior Auth.	2025	2026	2027	2028	2029	Beyond CIP	Total
<b>GO Bonds</b>	\$1.852	\$2.138	\$9.491	\$13.976	\$15.369	\$11.468	\$8.571	\$62.865
<b>Total</b>	<b>\$1.852</b>	<b>\$2.138</b>	<b>\$9.491</b>	<b>\$13.976</b>	<b>\$15.369</b>	<b>\$11.468</b>	<b>\$8.571</b>	<b>\$62.865</b>
<b>Fund Uses:</b>								
(\$ in Millions)	Prior Auth.	2025	2026	2027	2028	2029	Beyond CIP	Total
<b>Planning</b>	\$1.852	\$2.138	\$1.723	\$0.000	\$0.000	\$0.000	\$0.000	\$5.713
<b>Construction</b>	0.000	0.000	6.768	13.226	15.369	11.468	8.571	55.402
<b>Equipment</b>	0.000	0.000	1.000	0.750	0.000	0.000	0.000	1.750
<b>Total</b>	<b>\$1.852</b>	<b>\$2.138</b>	<b>\$9.491</b>	<b>\$13.976</b>	<b>\$15.369</b>	<b>\$11.468</b>	<b>\$8.571</b>	<b>\$62.865</b>

- **Need:** Existing dormitories are not compliant with the Americans with Disabilities Act; have inadequate building systems, including air conditioning, electrical, and plumbing deficiencies; exceed the necessary capacity; and are not set up for adequate supervision of students. MSD also notes that the new dormitories will provide students a more home-like environment.
- **Project Status and Schedule:** According to the CIP, the project is expected to be completed in four phases: (1) construction of one new dormitory; (2) demolition of an existing dormitory, which will be replaced with a new, second dormitory; (3) demolition of another existing dormitory, which will be replaced with a new, third dormitory; and (4) demolition of a third existing dormitory, which will be replaced with outdoor space. In June 2023, Part I and II programs were approved. Design is expected to begin in April 2024, with construction starting in March 2026. The project is expected to be completed by September 2030. The construction schedule has been delayed since last year’s CIP, which reported the construction phase beginning in July 2025 and ending in November 2029.

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- **Changes:** Total project costs are estimated at \$62.9 million, which is an increase of \$7.4 million, or 13%, from the 2023 CIP. The Part II Facility Program and the 2024 CIP identify several reasons for the increased cost estimate, including that overall construction costs increased for the following items:
  - \$3.6 million for construction manager cost share, with a percentage increase from 1.0% to 8.0%;
  - \$1.2 million for general utility work, with a percentage increase from 5.0% to 10.0%;
  - \$1.1 million for total construction contingency, with a percentage increase from 10.0% to 12.0%; and
  - \$840,000 for green building premiums, with a percentage increase from 2.0% to 3.9%.
- **Other Comments:** As of February 2024, MSD estimates that residential students will account for 23% of students enrolled at the Frederick campus in fiscal 2025. This represents an estimated increase of 36 students, or 73%, in the number of students living on campus in the 2024-2025 school year. **Exhibit 1** shows total enrollment at the Frederick campus and the percentage share of residential students. The share of residential students decreased in fiscal 2021 due to the COVID-19 pandemic, but since fiscal 2023, these numbers have started to return to pre-pandemic levels. As evidenced by MSD’s estimated growth in residential students starting in fiscal 2025, improved dormitory spaces are anticipated to result in a higher share of residential students.

**Exhibit 1**  
**Frederick Campus Enrollment by Residential Status**  
**Fiscal 2019-2025 Est.**



Source: Maryland School for the Deaf

***Summary of Out-year State-owned Projects***

- Hessian Barracks Renovation Receives Initial Funding in Fiscal 2029:*** The 2024 CIP plans \$500,000 in fiscal 2029 for the Hessian Barracks restoration and renovation. In July 2023, MSD received a \$750,000 federal grant from the National Park Service for this purpose. This building was constructed in 1777, is in the center of MSD’s campus, and is a Maryland historical site that was used in the past for educational tours and programming. The building is currently closed due to structural deficiencies, including cracks in the stonework, unstable flooring, and other concerns. Prior to the start of renovations, MSD plans to partner with the Maryland Historical Trust and DGS to apply for exemptions for masonry experts to provide artisan restorative work. MSD reports that this process is underway, with DGS working to hire an historical architect. The estimated cost for this project totals \$5.9 million and extends beyond fiscal 2030.