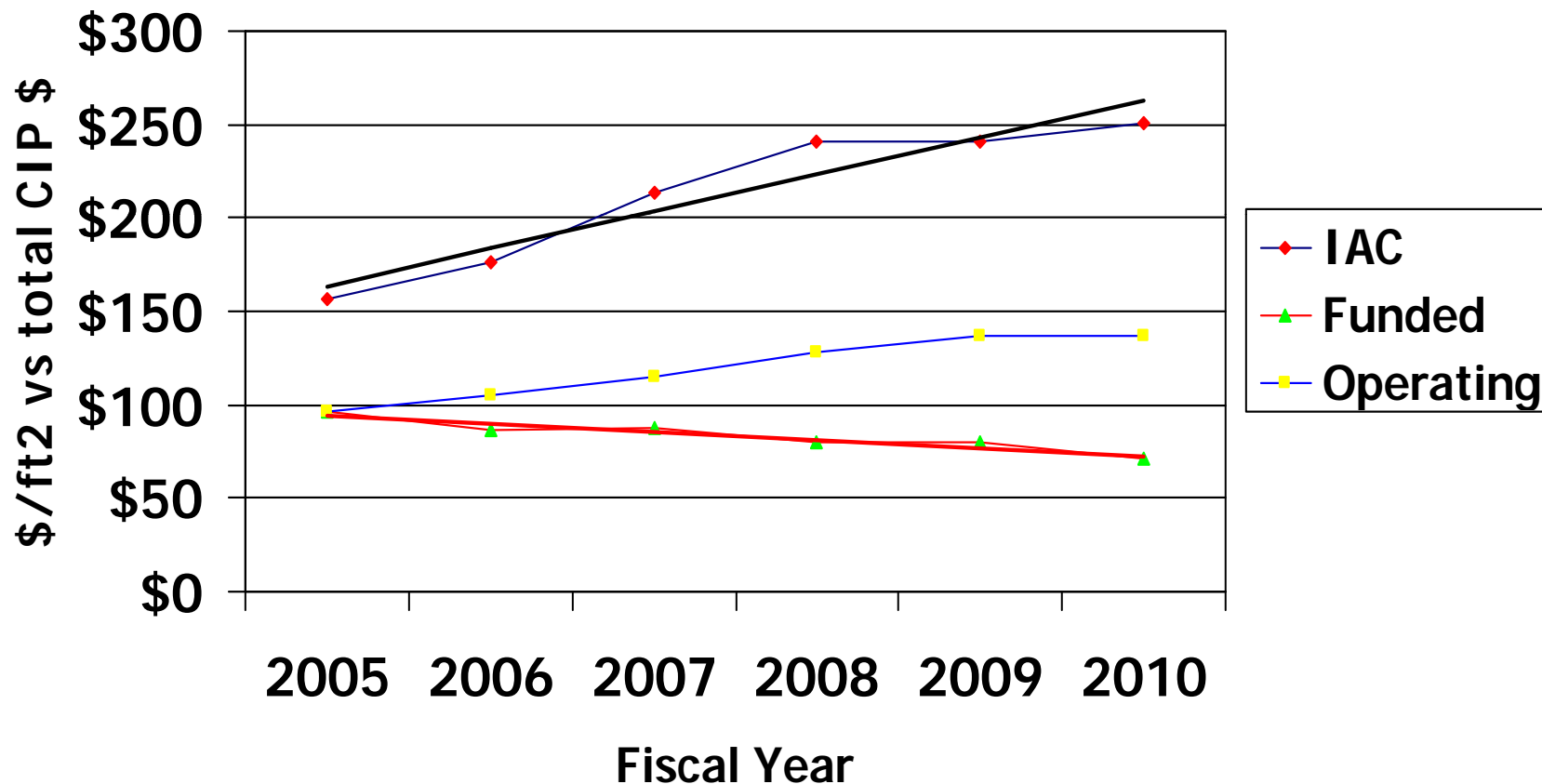


# Budget Process Briefing for Howard County Spending Affordability Advisory Committee

February 4, 2010  
Ken Roey, Executive Director  
Facilities Planning and Management  
Howard County Public School System

# Shopping for a Lexus with a Chevy Cobalt Budget



# Annual School Planning Process

- Annual feasibility study.
  - Long term projection.
  - >90% of schools error rate is <5%.
  - Drives redistricting strategy to balance enrollment among existing facilities.
- Capital budget.
  - Address capacity needs identified thru feasibility study process.
  - Includes renovation and maintenance requirements identified by facility assessments.

# Building and Controlling the Budget (New Construction)

- Staff planner builds initial estimate based on:
  - Project requirements; square footage based on educational specification.
  - State funding formula; varies annually based on market conditions.
  - Similar project experience; affects “soft costs” outside construction estimate.
- Construction Manager (CM) refines estimate based on plans at 2-3 points in design prior to bid.
  - Estimates approved by BOE as part of submissions to State.
  - Add alternates built into designs to help control costs.
- Following award, CM and in house staff closely monitor and coordinate trade work.
  - Monthly payments based on physical progress and retentions are held thru project completion.

# Example: Elkridge ES Addition

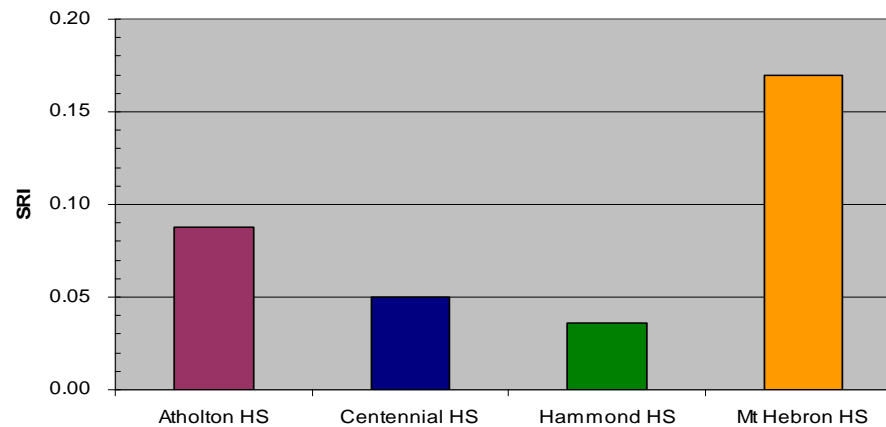
- June 2006 feasibility study identified need for 290 additional seats at Elkridge ES by 2011.
- Planned solution:
  - Build 169 seats at Elkridge ES in short term (779 total).
  - Acknowledged need for redistricting in later years
  - June 2009 feasibility study discusses need for new elementary school in Northeast by 2013.
- Execution:
  - Requested \$6.3M in FY 08 capital budget to build addition.
  - Project completed in Aug 2008 on schedule and under budget (\$1M).
  - Sep 2009 enrollment @EES was 795 students.

# Renovation Needs

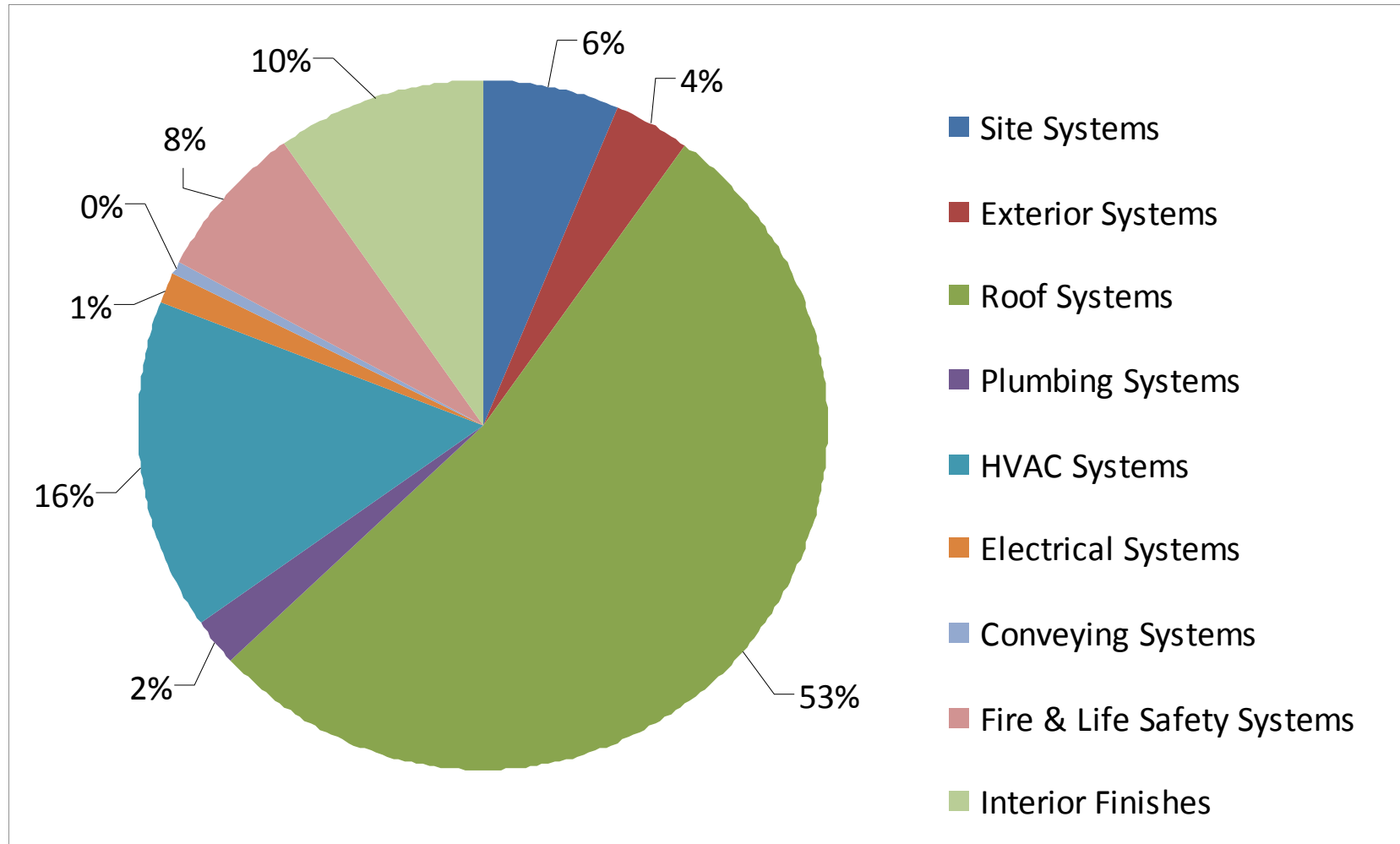
- FCI compares overall physical conditions.
- SRI compares teaching and interior space conditions.
- (Higher # = worse condition).

School	FCI	SRI
Atholton HS	0.16	0.09
Centennial HS	0.11	0.05
Hammond HS	0.03	0.04
Mt Hebron HS	0.11	0.17

**Systemic Renovations Index (SRI)**



# \$53M+ Deferred Maintenance



# Not within Scope of Gilbert- Inside the Walls

- Clarksville MS masonry repairs (\$5M)





# Not within Scope of Gilbert- Inside the Pipes

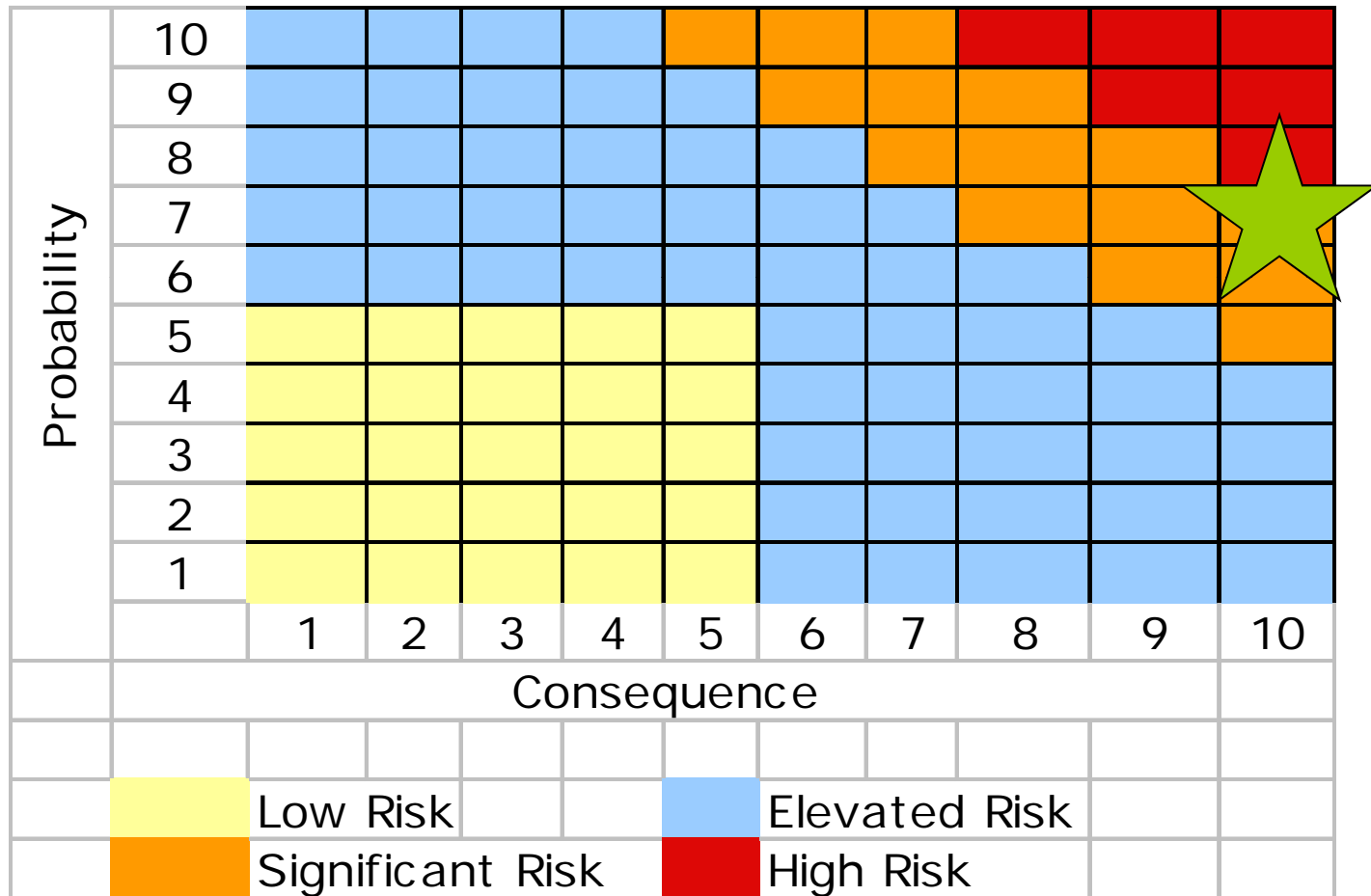
- Glenelg HS HVAC renovation (\$4.7M)



# Accepting Risk

- One way of calculating need is running to failure (Clarksville MS, Glenelg HS).
- A more rationale approach is to review condition of system and consequences of failure.
  - All documented deferred maintenance (DM) assigned a numerical grade 1-10 for both dimensions.
- Example: Thunder Hill ES masonry replacement, estimated cost \$17.5K.
  - Failure is already occurring in areas (Condition-7).
  - Can lead to mold/IAQ issues and structural failure (Consequence- 10).
  - $7 \times 10 = 70$ ; Significant risk.

# Accepting Increased Risk (Probability vs. Consequence)



## Other Significant Initiatives

- Renovation Guidelines approved by BOE in Jan 2009.
  - *Sets clear expectations for staff and community.*
- High School capacity reclassification approved by BOE in Mar 2009.
  - *Increased system wide capacity by 1022 seats.*
- Improved dialogue with State has resulted in increased capital funding.

# Summary

- We have a richly deserved reputation as the finest school system in Maryland.
  - Seven schools received Governor's citation for superior maintenance in last two years.
- School Construction Office has a long history of bringing in projects on schedule and under budget.
- Failure to maintain critical infrastructure will eventually result in impact to school environment.
  - Roofs, HVAC, Electrical distribution, etc.