

State of Maryland
Interagency Committee on School Construction
MEETING MINUTES – May 18, 2016

AGENDA (2016 - 327)

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I - APPROVAL OF THE MINUTES	None
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III - APPROVAL OF CONTRACTS	None
IV - APPROVAL OF SITES	None
V - APPROVAL OF PROPERTY TRANSFERS	None
VI - APPROVAL OF ACCOUNTING ACTIONS	
A. Audit Exceptions	None
B. Project Allocation Reversions	None
C. Cancellation of a Contract Award	None
D. Report on Closed Projects	None
E. Funding Amendments	None
VII - APPROVAL OF OTHER ITEMS	None
VIII - INFORMATION	
A. Change Orders	None
B. Property Transfers - 1 acre or less	None
C. Other	None
IX - FUND ADJUSTMENTS	None
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<u>APPENDICES – SECTION II</u>	
A. None	

The Interagency Committee on School Construction (IAC) meeting was held on May 18, 2016. The IAC members present were: Ms. Kristy Michel (proxy for Dr. Jack Smith), Ms. Patricia Goucher (proxy for Mr. David Craig), Ms. Gail Bassette, Mr. John Bohanan, and Ms. Barbara Hoffman. The meeting was chaired by Ms. Kristy Michel.

***Dr. David Lever, Executive Director of the Public School Construction Program, announced his exiting date to be August 31, 2016.*

A. Fiscal Year 2017 Capital Improvement Program (CIP): Actions Related to Board of Public Works Conditions

On May 11, 2016 the Board of Public Works (BPW) approved the recommendations of the Interagency Committee on School Construction (IAC) for the FY 2017 Public School Construction Capital Improvement Program (CIP), with the following conditions, approved by 2 to 1 vote:

- (1) *\$10 million of the total Baltimore County Public Schools allocation is to be withheld until the System returns to the Board of Public Works with a plan to install air-conditioners in all un-air conditioned classrooms by the beginning of next school year (2016-2017); and*
- (2) *\$5 million of the total Baltimore City Public Schools allocation is to be withheld until the System returns to the Board of Public Works with a plan to install air-conditioners in all un-air conditioned classrooms by the beginning of next school year (2016-2017).*

The BPW motion provided no guidance on how the reductions in the allocations were to be achieved, nor did the BPW ask the IAC to reconsider and re-submit the recommendations in order to achieve the reductions of \$10 million and \$5 million respectively. The methodology to be used to achieve the indicated reductions is therefore unclear.

The word “withheld” in the two condition paragraphs is subject to interpretation. The term could mean:

- a. That the funds will not be *dispensed* pending submission of the window air conditioning plans. The total recommended IAC allocations would be considered as approved for these jurisdictions (\$49,912,000 for Baltimore County, \$37,500,000 for Baltimore City), but the jurisdictions will not receive up to \$10 million and \$5 million respectively in funding reimbursements if they submit requisitions to the Public School Construction Program after proceeding with the projects.
- b. That the funds are not *allocated* pending submission of the window air conditioning plans. The total approved allocation for Baltimore County Public Schools would then be \$39,912,000 (\$10 million less than the recommended amount), and for Baltimore City Public Schools it would be \$32,500,000 (\$5 million less than the recommended amount).

The second interpretation appears to be applicable: the language of the motion says that \$10/\$5 million of the total Baltimore County/Baltimore City Public Schools *allocation* is to be withheld. Since the IAC recommendations are based on a per-project allocation, a reduction of overall allocation for a jurisdiction can only be achieved through a similar process, i.e., by reducing recommended allocations for individual projects or eliminating project allocations altogether.

The purpose of the IAC meeting of May 18, 2016 is to discuss the Board of Public Works conditions and determine a course of action.

Motion:

TO DIRECT THE IAC STAFF TO DEVELOP A LETTER FOR REVIEW AND SIGNATURE BY THE IAC MEMBERS, TO BE ADDRESSED TO THE BOARD OF PUBLIC WORKS AND SPECIFYING THAT THE IAC CONFIRMS THE FUNDING AND PLANNING RECOMMENDATIONS SUBMITTED TO THE BPW FOR THE FY 2017 PUBLIC SCHOOL CONSTRUCTION CAPITAL IMPROVEMENT PROGRAM, THAT THE IAC HAS COMPLETED ITS REGULATORY DUTY WITH RESPECT TO THE CIP, AND THAT THE INTERPRETATION AND IMPLEMENTATION OF CONDITIONS IN THE BPW MOTION OF MAY 11, 2016 ARE TO BE DETERMINED BY THE BOARD OF PUBLIC WORKS.

IAC ACTION: THE ABOVE REFERENCED ITEMS WERE:					
	Approved	Disapproved	Deferred	Abstain	Recuse
Dr. Jack R. Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. David Craig	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Gail Bassette	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ms. Barbara Hoffman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mr. John Bohanan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



STATE OF MARYLAND
PUBLIC SCHOOL CONSTRUCTION PROGRAM
200 W. BALTIMORE STREET
BALTIMORE, MARYLAND 21201
410-767-0617

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DAVID G. LEVER
EXECUTIVE DIRECTOR

LARRY HOGAN
GOVERNOR

INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION

JACK R. SMITH, PhD
CHAIRPERSON

May 25, 2016

Ms. Sheila McDonald
Executive Secretary
Board of Public Works
Louis L. Goldstein Building
Room 117
Annapolis, MD 21401

Re: FY 2017 Capital Improvement Program: Conditions Regarding Baltimore City Public Schools and Baltimore County Public Schools

Dear Ms. McDonald:

On May 18, 2016 the Interagency Committee on School Construction (IAC) met to discuss the conditions that were approved by the Board of Public Works on May 11, 2016 for the FY 2017 Public School Construction Capital Improvement Program (CIP) (Secretary's Agenda, Item 20):

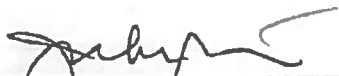
- (1) *\$10 million of the total Baltimore County Public Schools allocation is to be withheld until the System returns to the Board of Public Works with a plan to install air-conditioners in all un-air conditioned classrooms by the beginning of next school year (2016-2017); and*
- (2) *\$5 million of the total Baltimore City Public Schools allocation is to be withheld until the System returns to the Board of Public Works with a plan to install air-conditioners in all un-air conditioned classrooms by the beginning of next school year (2016-2017).*

At the meeting, the IAC members confirmed the recommendations for FY 2017 CIP funding and planning as submitted to the Board of Public Works for the meeting of May 11, 2016. The IAC affirmed that it had completed its process for the FY 2017 CIP, as specified in regulation, and that therefore the interpretation and implementation of the conditions specified in the BPW action of May 11 are to be determined by the Board of Public Works.

We do wish to note that since the IAC recommendations for each school system's total funding represents the summation of the recommended individual project allocations, a reduction of the total allocation for a jurisdiction can only be achieved through a similar process, i.e., by reducing recommended allocations for individual projects or by rejecting recommended project allocations in their entirety.


Ms. Sheila McDonald
May 25, 2016
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Sincerely,



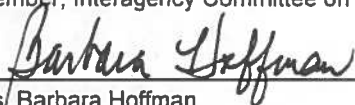
Jack Smith, PhD
Chair, Interagency Committee on School Construction
Secretary David Craig
Member, Interagency Committee on School Construction

Secretary Gail Bassette
Member, Interagency Committee on School Construction



Mr. John Bohanan
Member, Interagency Committee on School Construction

Secretary David Craig
Member, Interagency Committee on School Construction



Ms. Barbara Hoffman
Member, Interagency Committee on School Construction

cc: The Honorable Larry Hogan, Governor
The Honorable Nancy K. Kopp, State Treasurer
The Honorable Peter Franchot, Comptroller
Secretary David Brinkley, Department of Management and Budget
Mr. Mark Newgent, Deputy Policy Director, Governor's Office
Ms. Susanne Brogan, Deputy Treasurer for Public Policy, State Treasurer's Office
Mr. Len Foxwell, Chief of Staff, Comptroller of Maryland
Mr. John Gontrum, Assistant Comptroller, Comptroller of Maryland
Dr. David Lever, Executive Director
Ms. Joan Schaefer, Deputy Director
Elliott Schoen, Esq., Office of the Attorney General

B. Howard County Public Schools: Actions Related to Board of Public Works Directive to the IAC

Background

On May 11, 2016 the Board of Public Works (BPW) approved the recommendations of the Interagency Committee on School Construction (IAC) for the FY 2017 Public School Construction Capital Improvement Program (CIP), with the following stipulation, approved by 3 to 0 vote:

In addition, the Board directed Dr. David Lever and the IAC to move forward immediately with the regularly-scheduled audit of Howard County schools, including steps to investigate mold and maintenance issues.

By way of background, the IAC performs both audits and maintenance inspections of public schools in Maryland:

IAC Audit Function

Financial and compliance audits are performed on every school system in Maryland on a rotating three-year cycle. The audits concern compliance with the fiscal and regulatory requirements of the Public School Construction Program; they do not involve inspection of individual buildings. The most recent audit of Howard County Public Schools was completed in February 2014 (FY 2014), with a letter issued on March 14, 2014 indicating that there were no material findings.

Howard County Public Schools is scheduled for the next audit following the audits of eight (8) other school systems. If the HCPS audit is accelerated, then the audits of a number of these school systems will be delayed.

IAC Maintenance Inspection

The IAC performs annual maintenance inspections of every school system in Maryland, inspecting approximately one-sixth of each LEA's schools. The most recent maintenance inspections for Howard County Public Schools were completed in May 2016 and examined 12 school buildings. Each inspection involves visual examination of 35 categories of building system, resulting in ratings and comments on individual items as well as an overall building rating. Howard County Public Schools consistently ranks well in its overall scores, averaging 92.14 out of 100 points in the last five published years of inspections (FY 2010 – FY 2014). (This is not to say that individual building systems do not need improvement in HCPS: the IAC has pointed out, for example, deficiencies in roof conditions that were corrected by the school system within a short time following the inspections, per materials submitted on April 18, 2016 in response to questions asked by Board of Public Works members on January 27, 2016.)

The scope of the maintenance inspection concerns only the quality of maintenance that is performed by the school system. This type of inspection needs to be distinguished from two other types of assessments that can be performed on buildings:

- a. A facility assessment, involving a detailed determination of the condition of building systems and components and the costs to bring them to contemporary standards of performance. This type of survey, which is generally carried out by a team of engineers and architects, helps an owner to establish a capital program for its fleet of buildings. The assessment typically leads to an overall building score called the Facility Condition Index (FCI), defined as the total repair cost, including site-related repairs, divided by the total replacement cost for the facility. The FCI allows every

building within an inventory to be ranked, with an associated detailed scope of work that can potentially be addressed through the capital funding or the maintenance/repair program of the owner.

Although the IAC maintenance inspections are not facility assessments, the State maintenance inspectors emphasize the correlation between capital investment and maintenance in their reports. If they observe a deteriorated condition such as a roof, the report may include a comment such as “consideration should be given to replacing the roof in the near future.”

- b. An environmental assessment, involving review by an industrial hygienist to identify any suspect materials and if found, to develop a plan for remediation.

Although they are not trained and licensed as industrial hygienists, during the IAC maintenance inspection the inspectors will note any indications of suspect substances, typically including a note such as “this condition should be investigated to determine if mold is present” (similar statements would apply to evidence of friable asbestos or other hazardous materials). The inspectors are constrained by law from offering positive identifications of hazardous materials or proposing specific remediations. The maintenance inspection reports also include advisory comments on actions that can be taken to prevent the inception or spread of mold, for example advice about replacing ceiling tiles that may have been exposed to moisture.

Board of Public Works Directive

It appears that the intent of the BPW motion of May 11, 2016 is that the IAC should combine the regular financial and compliance audit with some aspects of the maintenance inspection survey. However, it is not clear what is meant by the term “steps to investigate mold and maintenance issues” if this extends beyond the normal inspection procedures of the Public School Construction Program staff.

The purpose of the IAC meeting of May 18, 2016 is to discuss the BPW requirement for the IAC to undertake “steps to investigate mold and maintenance issues.”

Motion:

TO DIRECT THE IAC STAFF TO DEVELOP A LETTER FOR REVIEW BY THE IAC MEMBERS, TO BE ADDRESSED TO THE BOARD OF PUBLIC WORKS AND SPECIFYING THAT THE IAC WILL FULFILL WITHIN ITS EXISTING AUTHORITY THE DIRECTIVE APPROVED BY THE BOARD ON MAY 11, 2016 WITH RESPECT TO HOWARD COUNTY PUBLIC SCHOOLS BY COMPLETING THE FINANCIAL AND COMPLIANCE AUDIT OF THE SCHOOL SYSTEM, NOW SCHEDULED FOR FEBRUARY 2017, AND BY COMPLETING THE MAINTENANCE INSPECTION REPORTS FOR HOWARD COUNTY PUBLIC SCHOOL FACILITIES FOR FY 2016; AND THAT ADDITIONAL ACTIONS WITH RESPECT TO THE IDENTIFICATION OR REMEDIATION OF MOLD OR MAINTENANCE DEFICIENCIES WOULD REPRESENT AN EXPANSION OF THE STATE’S OVERSIGHT ROLE INTO AREAS OF LOCAL BOARD OF EDUCATION RESPONSIBILITY.

IAC ACTION: THE ABOVE REFERENCED ITEMS WERE:						
	Approved	Disapproved	Deferred	Abstain	Recuse	
Dr. Jack R. Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mr. David Craig	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ms. Gail Bassette	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ms. Barbara Hoffman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mr. John Bohanan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



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DAVID G. LEVER
EXECUTIVE DIRECTOR

LARRY HOGAN
GOVERNOR

INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION

JACK R. SMITH, PhD
CHAIRPERSON

May 25, 2016

Ms. Sheila McDonald
Executive Secretary
Board of Public Works
Louis L. Goldstein Building
Room 117
Annapolis, MD 21401

Re: FY 2017 Capital Improvement Program: Directive Regarding Howard County Public Schools

Dear Ms. McDonald:

On May 18, 2016 the Interagency Committee on School Construction (IAC) met to discuss the directive approved by the Board of Public Works on May 11, 2016 in association with the FY 2017 Public School Construction Capital Improvement Program (CIP) (Secretary's Agenda, Item 20):

In addition, the Board directed Dr. David Lever and the IAC to move forward immediately with the regularly-scheduled audit of Howard County schools, including steps to investigate mold and maintenance issues.

At the meeting, IAC staff described the efforts made to date by Howard County Public Schools (HCPS) to address the presence of suspect mold in its schools, reporting that the conditions found in Glenwood Middle School resulted from the original HVAC system that is under replacement in the summer of 2015 and 2016. HCPS provided ample evidence in a binder of information submitted on April 18, 2016, that it had acted responsibly in addressing the situation at Glenwood Middle School; the binder included independent third-party inspections that found that the air quality in Glenwood Middle School was within acceptable industry bounds. HCPS has instituted a committee to examine indoor environmental quality throughout its schools, and is working with the County Government to identify and remediate any deficient conditions that could affect the health of students or other school occupants.

IAC staff reported that the next regularly scheduled financial and compliance audit of Howard County Public Schools will take place in February 2017, following the scheduled audits of eight (8) other school systems. The IAC requested that staff maintain the established schedule for the financial and compliance audits of the school systems.

IAC staff also reported that the field maintenance inspections for Howard County Public Schools for FY 2016 were completed on May 5, 2016. The post-field development of maintenance reports for this jurisdiction will be underway shortly. For all school systems, these reports contain observations on suspect materials if they are found, generally accompanied by an advisory that the school system should conduct further investigation to determine the identity of the suspect material and develop remediation measures, if needed. (Since the precise

Ms. Sheila McDonald
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identification of suspect materials and development of remediation plans is the purview of the accredited industrial hygienist, the IAC maintenance inspectors are constrained from any input beyond such advisories.)

The IAC is authorized to conduct regular financial and compliance audits of school systems, and to conduct maintenance inspections of school facilities. The IAC considers that the directive included in the BPW motion of May 11, 2016 is already in process of fulfillment or will be fulfilled with the completion of the February 2017 Howard County Public Schools audit, within the existing authority of the IAC. With respect to the directive to "include steps to investigate mold and maintenance issues," any expansion of the IAC tasks beyond these functions would represent an expansion of the State's oversight role. Currently, the responsibility to investigate mold and to address maintenance issues belongs to the local boards of education and their staff.

Sincerely,



Jack Smith, PhD
Chair, Interagency Committee on School Construction

Secretary David Craig
Member, Interagency Committee on School Construction

Secretary Gail Bassette
Member, Interagency Committee on School Construction



Mr. John Bohanan
Member, Interagency Committee on School Construction

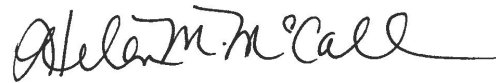


Ms. Barbara Hoffman
Member, Interagency Committee on School Construction

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The Honorable Nancy K. Kopp, State Treasurer
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Mr. John Gontrum, Assistant Comptroller, Comptroller of Maryland
Dr. David Lever, Executive Director
Ms. Joan Schaefer, Deputy Director
Elliott Schoen, Esq., Office of the Attorney General

No announcements.

Respectfully submitted,



Helen McCall
Recording Secretary



APPROVED:

Joan T. Schaefer
Acting Executive Director