

HB 1783 Educational Development Specifications Workgroup

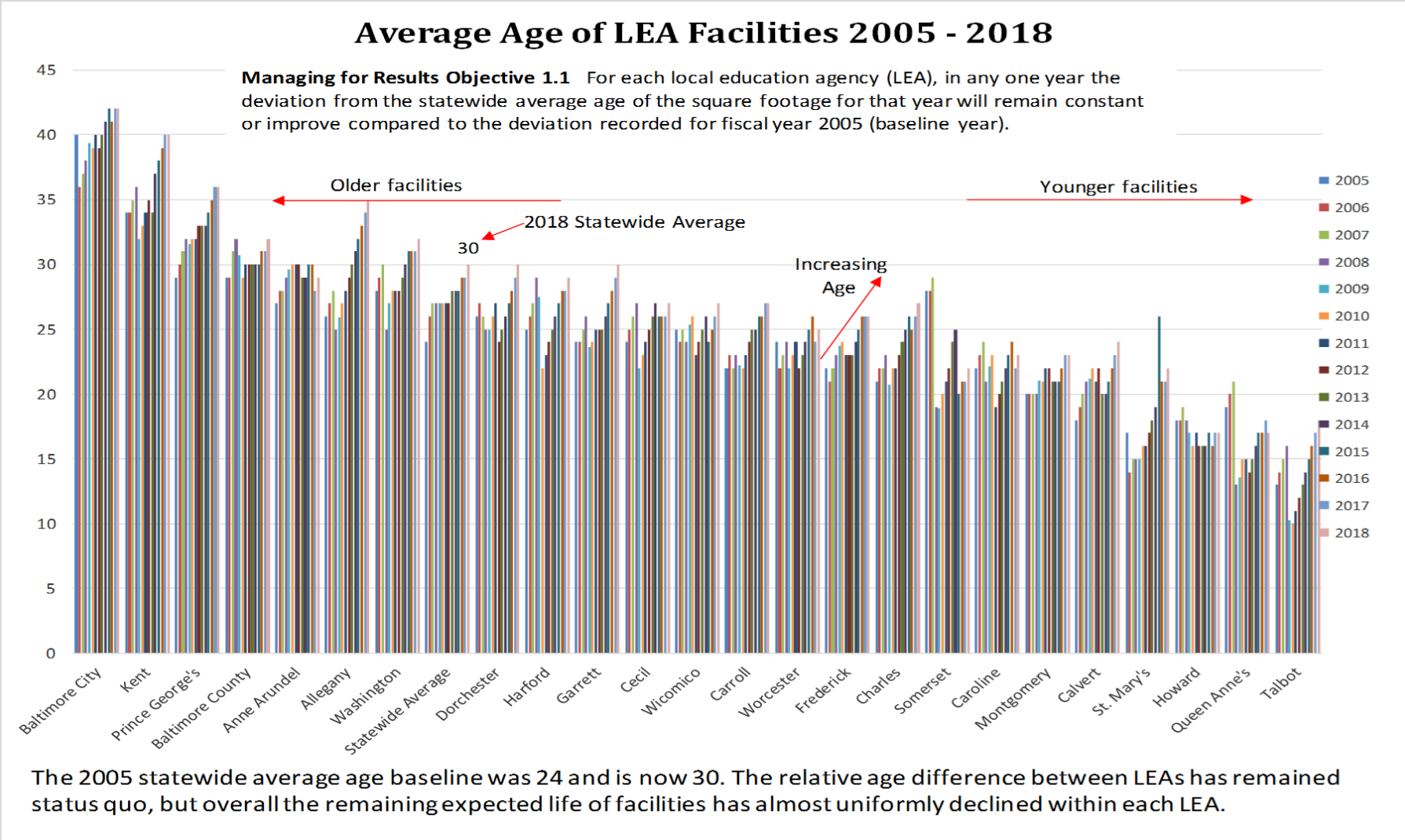
Maryland's K–12 School Facilities Portfolio

- Serves approximately **893,000 students** with 5-10% more students expected by 2025
- Nearly **1,400 facilities** across 24 Local Education Agencies (LEAs) and the Maryland School for the Blind
- **139 million gross square feet (GSF)** of building space and thousands of acres of land
- Total public asset **value of \$56 billion** at a current replacement cost of \$400/GSF
- **Annual cost to maintain and operate** : **\$1.112 billion** (\$8 per GSF)
 - Annual average expenditures 1994–2013: \$1.097 billion* [2016-2018 actuals TBA 11/27]
- **Average annual cost to replace** facilities aging out: **\$1.112 billion** (\$8 per GSF)
 - Annual average expenditures 1994–2013: \$808 million* [2016-2018 actuals TBA 11/27]

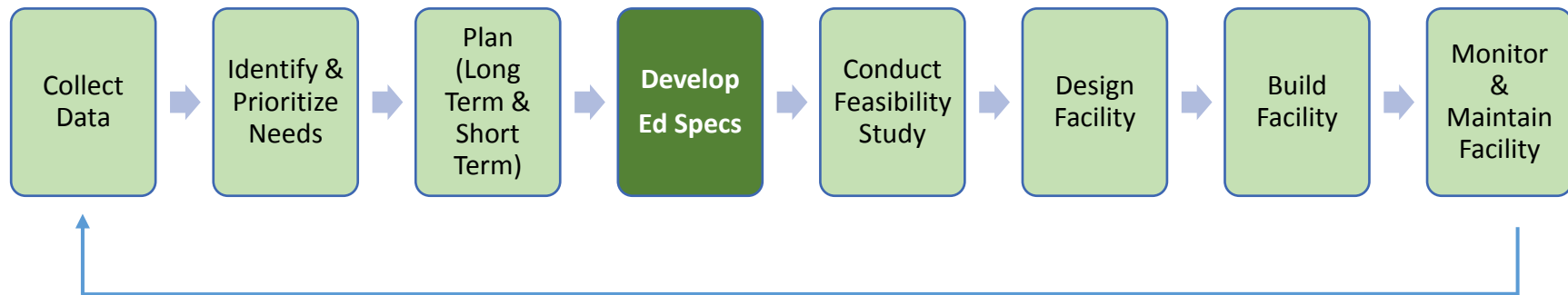
* All years' figures inflation-adjusted to 2014 dollars.

- Average GSF per student in 1971: **80**
 - Average GSF per student in 2018: **163**
-
- Average facility age in 2005: **24 years**
 - Average facility age in 2018: **30 years**

AGE OF FACILITIES VARY WIDELY STATEWIDE



FACILITY MANAGEMENT PROCESS FLOW



Educational Specifications Purpose: The primary purpose is to provide an effective means of communication between the educational agency and design professionals. Educational specifications should also serve as FULL DISCLOSURE to the county, board of education, school staff and citizens, explaining in lay terms the facility's functions and purposes and the expected total-cost-of-ownership to build *and* sustain the facility for its expected life.

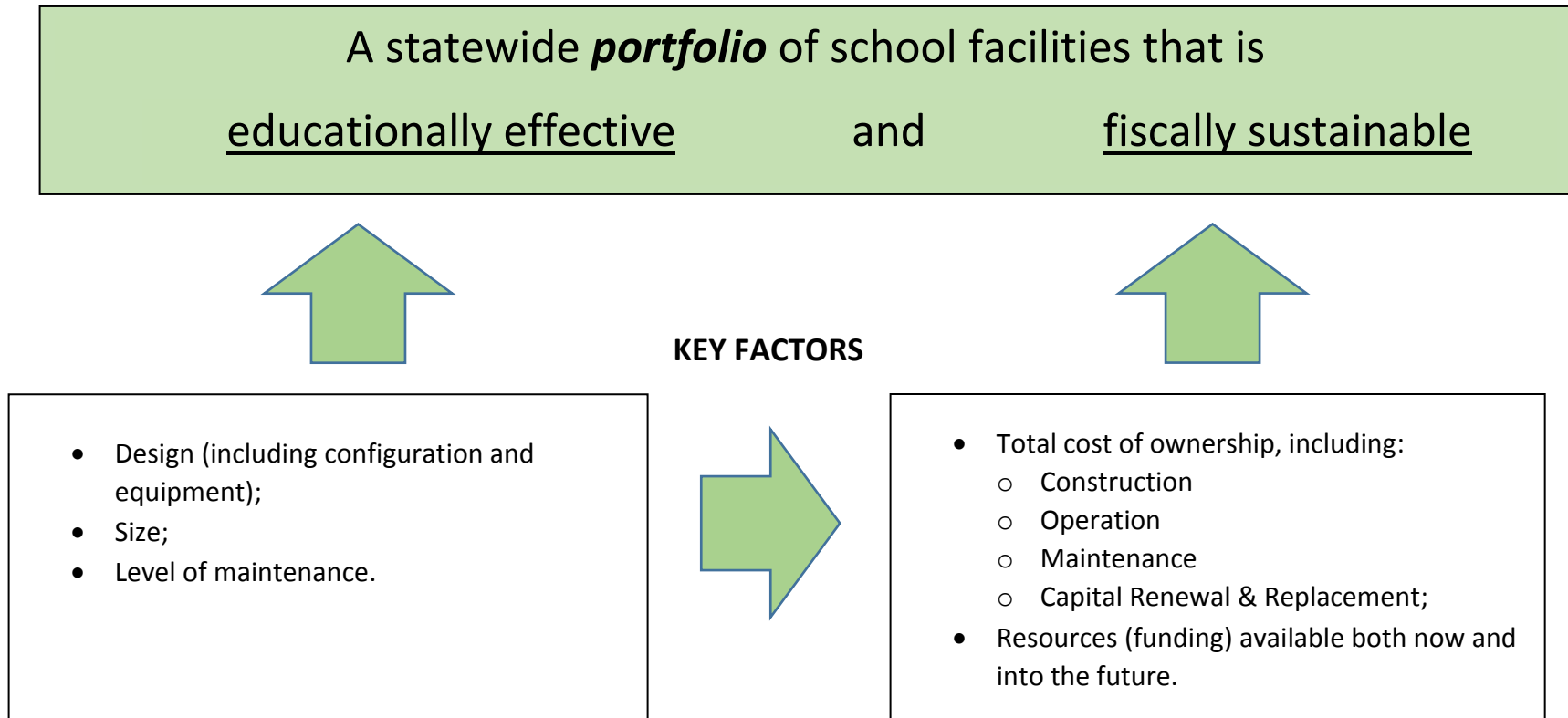
The associated **Feasibility Study** and its subset, the **Life Cycle Cost Analysis (LCCA)**, help provide full disclosure of the total-cost-of-ownership.

The IAC Administrative Procedures Guide (approved Sept. 22, 2011)

Section 202 – EDUCATIONAL SPECIFICATIONS

- A. Educational specifications describe the proposed educational programs, activities, area requirements and the performance expectations (which must include affordability) of the proposed capital project.
- B. Educational specifications are provided to the architect/engineer as the basis for the design.
- C. Educational specifications also serve as a tool for evaluation after construction and occupancy.

PROPOSED STRATEGIC FOCUS FOR IAC WORKGROUP'S EFFORTS



OVERALL OBJECTIVE

There are three variables for sustaining a facility's functional purpose:

- 1) Funding;
- 2) Total asset replacement cost (Overall size of facility is the largest of cost); and
- 3) Achieved life (The IAC expects schools to have a 50-year life, with durability and maintenance effectiveness influencing that achieved life). Each variable affects the others. For example, if funding is sufficient to replace the asset regardless of cost and as often as desired, then achieved life is less important.

Introductory Meeting – Nov. 28, 2018

WORKGROUP’s CHARGES as detailed in HB 1783 (and potential Questions/Answers to achieve these directives)

HB 1783 Charges	Primary Questions	Related Questions
<p>1) MSDE facilities design standards and guidelines</p> <p>REVIEW “To ensure that the standards and guidelines are aligned with the space allowance for each type of space, such as health suites, classrooms, and community-use areas, and are not overly specific” and;</p> <p>MAKE RECOMMENDATIONS regarding “the design standards and guidelines.”</p>	<p>1) Are the space allowances recommended in the MSDE facilities guidelines educationally appropriate and not overly specific (i.e., leaving appropriate flexibility for LEAs’ varied programs and priorities)?</p> <p>2) In the aggregate, do the space allowances recommended in the MSDE facilities guidelines strike the right balance between educational effectiveness and fiscal sustainability?</p>	<p>1) Should the State require that LEAs’ educational specifications contain:</p> <ul style="list-style-type: none"> a. Facility-performance expectations; b. Analyses of the total cost of ownership (TCO); c. Requirements regarding the durability of building materials; d. Requirements regarding the ability to reconfigure facilities; or e. Other items that would enhance fiscal sustainability?
<p>2) IAC process to determine State-Rated Capacity (SRC)</p> <p>REVIEW “the State-Rated Capacity process;” and</p> <p>MAKE RECOMMENDATIONS regarding “updates to the State-Rated Capacity process, including any updates necessary to address special programs and adjacent schools.”</p>	<p>1) Is the SRC process appropriate, or does it need modifications?</p> <p>2) Do schools serving populations with high FARMs percentages require a different SRC approach?</p> <p>3) Do schools with “special programs?”</p>	<p>1) What should be considered to be a “special program?”</p>

HB 1783 Charges	Primary Questions	Related Questions
<p>3) IAC square footage allocations/Maximum Gross Area Allowances (APG App. 102B)</p> <p>REVIEW “to identify any overly restrictive requirements and to determine if alternative methodologies or allocation could result in more efficient use of space in school buildings;” and</p> <p>MAKE RECOMMENDATIONS regarding “the square footage allocations that should be used to calculate the State maximum allowable square footage allocations, including recommendations on community use space in schools, especially in community schools and in schools with a high proportion of students eligible for free and reduced-price meals.”</p>	<ol style="list-style-type: none"> 1) Do the existing MGAs reach an appropriate balance between educational effectiveness and fiscal sustainability? 2) Are there any overly restrictive requirements? 3) Are the existing policies on community-use/cooperative-use spaces appropriate? If not, how to change them? 4) Do schools serving populations with high FARMs percentages require additional space? 	<ol style="list-style-type: none"> 1) Should the MGAs be maintained as hard caps on State participation, or should LEAs be able to apply to the IAC for variances to accommodate special space needs?
<p>4) Cost per square foot (SF) of school construction</p> <p>EXAMINE “the [potential] use of regional cost-per-square-foot figures in the State allowable cost-per-square-foot figures that are established annually, which would reflect the different construction and labor markets in regions of the State;” and</p> <p>MAKE RECOMMENDATIONS regarding “the use of regional cost-per-square-foot figures in the State allowable cost-per-square-foot figures.”</p>	<ol style="list-style-type: none"> 1) Are there differences in construction cost per square foot between regions to such a degree that maintaining a single statewide cost-per-square-foot figure is inequitable? 2) If yes, how should regional cost differences be incorporated into the cost-per-square-foot figure used in determining State funding participation? 	<ol style="list-style-type: none"> 1) To what degree are any cost differences based on LEA requirements as compared with market/supply factors?

HB 1783 Charges	Primary Questions	Related Questions
<p>5) Cost per student of school construction</p> <p>REVIEW “the cost per student of school construction projects for new or replacement schools and major renovations of existing school facilities and examine the differences in cost per student by type of school across local jurisdictions;” and</p> <p>MAKE RECOMMENDATIONS regarding “options for increasing the State share of eligible school construction costs for projects with lower than average cost per student for each type of school.”</p>	<ol style="list-style-type: none"> 1) Are there material differences in the total cost of ownership (TCO) of renovated schools vs. new/replacement schools by school type and jurisdiction/region such that one method should be incentivized over the other by the State? 2) What causes any differences in total cost of ownership between types of school and between local jurisdictions? 3) How should the State incentivize lower per-student construction costs? 	<ol style="list-style-type: none"> 1) How might the State effectively incentivize effective maintenance such that EE is maintained, TCO is reduced, and FS is increased? 2) How might the State effectively incentivize constructing facilities with lower TCO such that educational effectiveness is maintained and fiscal sustainability is increased?

WHAT ELSE MIGHT HELP ACHIEVE THE DESIRED OUTCOMES?

Workgroup on Educational Development Specifications

HB1783 statutory charge

[Subject Matter Contacts listed below.]

The Workgroup shall make recommendations regarding:

- (1) The square footage allocations that should be used to calculate the State maximum allowable square footage allocations, including recommendations on community use space in schools, especially in community schools and in schools with a high proportion of students eligible for free and reduced-price meals. **Contact:** Alex Donahue at 410.767.0102
- (2) The Maryland State Department of Education school design standards and guidelines. **Contact:** Fred Mason at 410.767.0097.
- (3) The use of regional cost-per-square-foot figures in the State allowable cost-per-square-foot figures; and including site costs for renovation (we need to study – 19% vs. 5%). **Contact:** Kim Spivey at 410.767.0742.
- (4) Updates to the State Rated Capacity process, including any updates necessary to address special programs and adjacent schools. **Contact:** Michael Bayer at 410.767.7179.
- (5) Options for increasing the State share of eligible school construction costs for projects with lower than average cost per student for each type of school. **Contact:** Bob Gorrell at 410.767.0610.

On or before July 1, 2019, the Workgroup shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

The Workgroup shall:

- (1) Review the square footage allocations that are currently used to calculate the State maximum allowable square footage for a project to identify any overly restrictive requirements and to determine if alternative methodologies or allocation could result in more efficient use of space in school buildings. **Contact:** Bob Gorrell at 410.767.0610;
- (2) Review the Maryland State Department of Education school design standards and guidelines to ensure that the standards and guidelines:
 - (i) are aligned with the space allowance for each type of space, such as health suites, classrooms, and community use areas; and
 - (ii) are not overly specific. **Contact:** Fred Mason at 410.767.0097;
- (3) Examine the use of regional cost-per-square-foot figures in the State allowable cost-per-square-foot figures that are established annually, which would reflect the different construction and labor markets in regions of the State. **Contact:** Bob Gorrell at 410.767.0610;
- (4) Review the State Rated Capacity process. **Contact:** Michael Bayer at 410.767.7179.
- (5) Review the cost per student of school construction projects for new or replacement schools and major renovations of existing school facilities and examine the differences in cost per student by type of school across local jurisdictions. **Contact:** Kim Spivey at 410.767.0742.