

Maryland

Department of General Services



FY 2021 Capital Budget Analysis DGS Response

Senate Budget and Taxation Committee
Capital Budget Subcommittee – February 25, 2020

House Appropriations Committee
Capital Budget Subcommittee – February 26, 2020

Larry Hogan, *Governor*
Boyd K. Rutherford, *Lt. Governor*
Ellington Churchill, Jr., *DGS Secretary*

Department of General Services
Office of the Secretary
Fiscal Year 2021 Capital Budget Analysis
DGS Response

FISCAL YEAR 2021 CAPITAL BUDGET TESTIMONY

DEPARTMENT OF GENERAL SERVICES

Introduction

Good afternoon, Chair and Members of the Committee. For the record, I am Ellington Churchill, Secretary of the Department of General Services (DGS). On behalf of all the hard-working, dedicated employees at DGS, thank you for the opportunity to appear before you today regarding the Department's capital budget. I would like to thank Mr. Patrick Frank for his analysis of the Department's FY 2021 Capital Budget Request.

The Department of General Services has the key role of supporting the Capital infrastructure needs of those agencies we serve. The proposed \$42.899 million in Capital Facilities Program funding will allow DGS to continue its ongoing capital facilities program.

The Department continues to provide efficient and effective customer service to our state agencies. During FY 2019, we awarded over \$98 million in new projects and completed over \$61 million of ongoing capital projects. We currently have 76 projects in design that have a construction value over \$182 million.

In 2019 the department has delivered the following statewide results.

- The Department has reorganized state procurement pursuant to HB 1021 (2017) and implemented significant statewide procurement reforms through the new Office of State Procurement. This has improved procurement of Capital projects.
- The 6 employees in the Capital Grants Unit manage a caseload of 1,688 Capital grants valued at over \$1.1B.

- The Department has on-boarded the reinstated conditions assessments unit. The unit created a framework to conduct conditions assessments through DGS supported facilities. The first campuses to be assessed will be DPSCS's Jessup and DJS's Hickey School. Once these assessments are complete DGS will have a better estimate of timeframes to work through the entire portfolio.

DGS is focused on maintaining the States existing infrastructure; this includes managing significant investments in the Facilities Renewal fund which have led to a decrease in backlogged projects. Additionally, DGS' submitted capital projects are all focused on maintaining existing assets phased into out years of the capital budget including the State House, Goldstein Treasury Building, Shaw House, and Grasmick Education Building. DGS is in the final stretch of the infrastructure replacement project at Lawyers Mall with the underground utility work winding down and the replacement of the plaza beginning this spring.

This Department of 625 employees is working diligently to maximize its stewardship of Maryland resources. We proudly provide these and other services, making it possible for State government to function efficiently and effectively in a safe and secure environment on behalf of the citizens of Maryland.

GO Bond Recommended Actions

1. Approve the \$2,500,000 general obligation bond authorization for the Construction Contingency Fund.

DGS Concur

2. Approve the \$34,726,000 general obligation bond authorization for the Facilities Renewal Program.

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3. Approve the \$1,000,000 general obligation bond authorization for the Fuel Storage Tank Replacement Program.

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4. Approve the \$5,000,000 general obligation bond authorization for the replacement of Lawyer's Mall Underground Infrastructure.

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5. Approve the \$300,000 general obligation bond de-authorization for the Old Senate Chamber Reconstruction Project.

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