



CECIL COUNTY, MARYLAND DEPARTMENT OF FINANCE

FISCAL NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President Hodge at the request of the County Executive

BILL NO. 2016-10 – BOARD OF EDUCATION CAPITAL PROJECTS – BTOP REVISION AND ADD THREE ADDITIONAL PROJECTS

SYNOPSIS: A bill to amend and increase the revenue and expenditure authority within the Board of Education Capital Projects fund by \$13,752 to record the total cost for the FY2016 phase of the Broadband Technology Opportunities Program (BTOP) project, and to recognize the Federal Communications Commissions' eRate program that will provide \$398,433 towards (BTOP) project costs. The savings gained by federal reimbursement of County bonds funds will allow the transfer of bonds funds from the BTOP project to complete the Perryville High School Cooling Tower (\$150,000), install a new water line at Cecil Manor Elementary (\$175,000) and start work on replacing an interior water line at Bohemia Manor High School (\$59,681).

FISCAL IMPACT SUMMARY: The approval of this bill will have a zero net fiscal impact on the Cecil County Government. The reimbursement from the Federal eRates program for costs related to the BTOP project, will offset the increase project cost of the project and will relieve the bonds funds already funded on the BTOP project, leaving the ability to transfer the reimbursed bond funds to three priority project for Cecil County Public Schools.

FISCAL ANALYSIS:

The Cecil County Public Schools included in its 2017 Requested Budget under "small capital projects" three priority items: replacement of Perryville High School Cooling Tower, install a new water line at Cecil Manor Elementary School and replacement of an interior water line at Bohemia Manor High School. During deliberations of the FY2017 Proposed Budget, CCPS acknowledged that they had initiated a request for reimbursement approval under the Federal eRate program for costs incurred by the BTOP project. The County supported this endeavor and told CCPS at such time the reimbursement was confirmed the County would request from Council, the transfer the reimbursed bond funds to the items on the small capital projects list that coincided with the County's Capital Projects procedures. The three projects identified below by CCPS and supported by the County Executive are as follows:

- 1.) Replacement of Perryville High Cooling Tower – (\$150,000) The existing cooling tower was installed in 1999. The life span of the current cooling tower is 15 to 20 years. The cooling tower that is currently in place is an older style cooling tower and does not have a mechanical fan. Newer model cooling towers have a fan which moves air through the cooling tower to remove enough heat from the condensing water for the chiller. The current cooling tower limits the capacity on the chiller and CCPS cannot lower the chilled water supply temperature to remove the humidity or maintain temperatures in the building on extreme days when the outside temperature and humidity is high.
- 2.) Install a New Water Line at Cecil Manor Elementary School – (\$175,000) Installation of a new domestic water line at Cecil Manor Elementary School. The line will run from the main Artesian water line directly across the street from the school. The existing 63 ' shallow well was drilled when the school was built in 1954. The shallow well raises contamination concerns or may run dry as more wells are tapped into the same aquifer. There is always the risk of damage to the existing well due to the quarry activities across the street. If unexpected damaged occurred to the well, a new well cannot be drilled in the same location which is under the front sidewalk. New electrical and piping needs would be required if another well system was installed at the school. There are also two underground steel storage tanks that store domestic water and support the sprinkler system. They run the risk of developing leaks. Connecting to the Artesian water supply alleviates the current risk.
- 3.) Replace Interior Water Line at Bohemia Manor High School – (\$59,681 partial funding) The existing main domestic galvanized internal domestic water line at Bohemia Manor High school is in need of replacement. The existing pipe was installed when the school was built in 1958. The average life expectancy of the galvanized water line is 20-50 years. The school was on a well system which was high in iron for most of the life of the pipe. A water softener system was in place, but did not prevent all iron from getting into the system. The iron corroded the water line and now that the water line is connected to the Artesian water system, the iron is coming off the sides of the pipe and leaving iron deposits in the plumbing fixtures. A replacement utilizing a copper pipe has been recommended and will last 50+ years. Total project cost is estimated to be \$75,000.