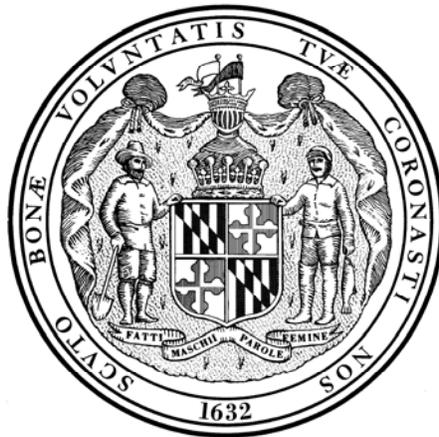


**ADMINISTRATIVE PROCEDURES GUIDE  
FY 2014 CAPITAL IMPROVEMENT PROGRAM:  
AIR CONDITIONING INITIATIVE (FY14 CIP-ACI)**

**THE PUBLIC SCHOOL CONSTRUCTION PROGRAM  
April 18, 2013**

**NOTE: THIS PROCEDURE IS INTENDED TO SUPPLEMENT, NOT SUPPLANT, THE REGULATIONS ON PUBLIC SCHOOL CONSTRUCTION (COMAR 23.03.01 – 23.03.05); PUBLIC SCHOOL CONSTRUCTION PROGRAM ADMINISTRATIVE PROCEDURES GUIDE; AND INSTRUCTIONS FOR SUBMISSION OF FY 2014 CAPITAL IMPROVEMENT PROGRAM.**



Public School Construction Program  
200 W. Baltimore Street  
Baltimore, MD 21201  
(410) 767-0742  
(410) 333-6522 FAX  
Contact: Kim Spivey,  
Program Manager  
E-mail: [kspivey@msde.state.md.us](mailto:kspivey@msde.state.md.us)

**ADMINISTRATIVE PROCEDURE GUIDE  
FY 2014 CAPITAL IMPROVEMENT PROGRAM:  
AIR CONDITIONING INITIATIVE (FY14 CIP-ACI)**

**I. Purpose**

The Air Conditioning Initiative of the FY 2014 Public School Construction Capital Improvement Program (CIP) (hereafter, the FY14 CIP-ACI) is intended to provide State funding grants for air conditioning in schools that currently lack central air conditioning in spaces used for educational programming, with priority given to classrooms and to schools that currently have no air conditioning. The Initiative is not intended to provide State funding grants to upgrade or replace existing central air conditioning systems in schools.

**II. Background**

The Governor announced on January 7, 2013 that \$25 million will be made available for this initiative in the FY 2014 CIP, consisting entirely of general obligation bond proceeds. The intention is for the funds in the FY14 CIP-ACI to be used rapidly and effectively in order to install air conditioning in schools by the end of the summer of 2014.

**III. Allocations**

A. FY14 CIP-ACI funds will be used for:

1. New systemic renovation project requests that will be submitted in accordance with the requirements of *Public School Construction Program Administrative Procedure Guide* (APG) Section 102.4 "Capital Improvement Program" and the specific requirements of Section IV.B of this Guide. New projects will be approved as amendments to the FY 2014 CIP.
2. Eligible systemic renovation requests for air conditioning previously submitted in the FY 2014 CIP (projects identified as Status B, and Status A projects that have been recommended for partial State funding). FY14 CIP-ACI funds will be used, in part or in whole, to provide the State funding up to the limit of State funding participation based on application of the State-local cost share percentage.

B. FY14 CIP-ACI funds will not be used:

1. To supplement State funding in an amount greater than the calculated State funding participation for eligible systemic renovation projects;
2. To fund any portion of a project other than a systemic renovation, including but not limited to a renovation, limited renovation, addition with renovation, addition, new school, or replacement school.

- C. All approved projects will have a local match requirement, based on the State-local cost share percentage applicable to projects approved in the FY 2014 Capital Improvement Program. State participation will be based on the estimated cost of the project.
- D. Allocations for the FY14 CIP-ACI will be based on a competitive application process, with the proviso that every jurisdiction that submits an eligible project will receive approval for at least one project; priority will be given to schools that currently have no air conditioning and to new project requests.
- E. FY14 CIP-ACI funds will be allocated to projects that meet the eligibility requirements set out in Section IV.
- F. Projects that cannot be funded in their entirety through the FY14 CIP-ACI due to State fiscal constraints may be requested for the balance of funds in the FY 2015 or subsequent fiscal year CIPs.

#### ***IV. Application and Approval Procedures***

##### ***A. General Requirements***

- 1. Projects in the FY14 CIP-ACI must meet the procedural requirements that apply to projects submitted in an annual Capital Improvement Program (CIP), and in addition must meet certain specific requirements. General CIP requirements that are applicable include but are not limited to:
  - a. New project applications are to be submitted on Form 102.2, Request for Funding Approval.
  - b. New project requests are *not* to be interfiled with FY 2014 CIP projects that were submitted in the fall of 2012. For new project requests, the FY14 CIP-ACI is a unique initiative that will be treated apart from the regular FY 2014 CIP process.
  - c. New FY14 CIP-ACI projects are to be listed in priority order beginning with the number 1.
  - d. Requests for funding for projects previously submitted in the FY 2014 CIP are to retain the same priority number as when submitted.
- 2. Procedures for completing the required CIP submissions are found in the following documents:
  - a. *Memorandum* dated July 2, 2012, "Fiscal Year 2014 Public School Construction Capital Improvement Program Requests";
  - b. "Instructions for Submission of FY 2014 Capital Improvement Program", dated July 2012;
  - c. *Public School Construction Program Administrative Procedures Guide* (APG) Section 102, "Capital Improvement Program," at [www.pscp.state.md.us](http://www.pscp.state.md.us); and

- d. *Regulations on the Administration of the Public School Construction Program*, COMAR 23.03.02.
3. All eligible projects within the FY14 CIP-ACI must meet the high performance energy criteria indicated in Attachment 2.
4. Local governments must provide assurance by June 24, 2013 that all project costs not funded through the FY14 CIP-ACI will be funded through local funds.
5. Within each project category described in Section B below, eligible projects and expenditures are as specified in COMAR 23.03.02.11, *Regulations on the Administration of the Public School Construction Program*, "Eligible Expenditures".

**B. Eligible Projects/Expenditures**

1. Eligible projects within the FY14 CIP-ACI consist of systemic renovation projects that meet the high performance energy requirements of Attachment 2, as approved by the Department of General Services (DGS).
2. Total project cost is to be not less than \$200,000.
3. Limited non-air conditioning related components or systems that are logically related to the scope of work (e.g. replacement of a portion of a ceiling associated with installation of ductwork) may be included in the total scope, but the majority of the work must be for air conditioning work.
4. The air conditioning work components and related non-air conditioning components may not be part of another CIP project, for example an open-space pod conversion.

**C. Ineligible Projects/Expenditures**

1. Ineligible projects and expenditures are those specified in COMAR 23.03.02.12, *Regulations on the Administration of the Public School Construction Program*, "Ineligible Expenditures." Additionally, the FY 2014 CIP-ACI funds may not be used:
  - a. For air conditioning assessment, design, construction or project management, or inspection fees.
  - b. For improvements to property owned by a board of education that is not used by public school students, e.g. garages, central office facilities, staff training quarters, etc.
  - c. For air conditioning improvements to relocatable classroom buildings.
  - d. For window or wall air conditioning units that are not part of a central air conditioning system.
  - e. For the establishment of a contingency account for change orders for any public school construction project.

2. Systems or components that have less than a 15 year life are not eligible for funding in the Initiative.

**D. Application Process and Requirements**

1. See Attachment 1 for Schedule of Applications and Approvals.
2. Applications for *new* projects are to be submitted in accordance with APG Section 102, "Capital Improvement Program," as approved by the IAC on September 22, 2011 (available on PSCP website at [www.pscp.state.md.us](http://www.pscp.state.md.us)).
  - a. All new FY14 CIP-ACI project requests are to be submitted in priority order, starting with the number 1.
    - i. Do *not* alter the priority of FY 2014 CIP projects that were submitted in the fall of 2012;
    - ii. Do *not* interfile the new FY14 CIP-ACI projects with the projects previously requested;
    - iii. Do *not* interfile the new FY14 CIP-ACI projects with projects submitted in the FY 2014 CIP Security Initiative (FY14 CIP-SI).
  - b. Submit seven hard copies of all CIP materials.
  - c. Provide the following submission materials:
    - i. New IAC/PSCP Form 102.2 Request for Approval of Funding, dated July 19, 2012 (Excel).
    - ii. New IAC/PSCP Form 102.4 Summary of Project Requests, dated July 19, 2012 (Excel).
3. Applications for eligible projects previously submitted in the FY14 CIP:
  - i. Submit the most recent version of IAC/PSCP Form 102.2 Request for Approval of Funding. Indicate in the project description that funds are requested from the FY 2014 Air Conditioning Initiative.
  - ii. Do *not* alter the priority of FY 2014 CIP projects that were submitted in the fall of 2012;
  - iii. Do *not* interfile the new FY14 CIP-ACI projects with the projects previously requested;
  - iv. Back up materials are not required.
  - v. Submit a revised Form 102.4 Summary of Project Requests, clearly indicating which projects are requested to receive FY14 CIP-ACI funds.

**E. Project Approval Process**

To be eligible for approval in the FY14 CIP-ACI, a requested project must meet all of the following requirements:

1. The project must meet the submittal requirements of APG Section 102.4;
2. The project draw schedule should indicate that the funds requested for FY 2014 will be expended by June 31, 2014. Funds which are not required in FY 2014 may be requested in the FY 2015 CIP.
3. The FY14 CIP-ACI projects will be approved as amendments to the FY 2014 CIP.

**V. Design Review**

Projects approved in the FY14 CIP-ACI are subject to the same level of design review as other systemic renovation projects approved in an annual CIP.

**VI. Procurement/Contract Awards**

- A. Procurements shall be in compliance with COMAR 23.03.03 *Construction Procurement Methods*, as well as with State public school procurement law Section 5-112 of the Education Article, “*Bids*”. All requirements that apply to projects funded in the CIP will apply to FY14 CIP-ACI projects, including:
  1. Competitive procurement requirements;
  2. Minority Business Enterprise requirements; and
  3. Prevailing wage rates as applicable.
- B. State CIP funds may only be expended for FY14 CIP-ACI projects which are placed under contract or procured after approval by the Board of Public Works, after a PSC number is assigned, and after the project has proceeded through the required review process for the specific project type. Failure to comply with this requirement will result in the withholding of funds for that project.

**VII. Processing For Payment/Financial Reporting**

- A. Payment for work completed by an IAC-approved contractor under the FY14 CIP-ACI will utilize the same payment forms as other projects approved in the Capital Improvement Program, including all applicable MBE Payment documentation.
- B. Payment will be made either directly to the contractor or through reimbursement to the school system.

1. For a direct payment to a contractor use Form IAC/PSCP 306.1, LEA Request for Payment to Contractor. For a reimbursement to the LEA use Form IAC/PSCP 306.2, Request for Reimbursement to LEA.
  2. The State shall be reimbursed for its share of energy conservation rebates, in accordance with Section 306.1.D of the *Administrative Procedures Guide for the Public School Construction Program*.
- C. All FY14 CIP-ACI projects require submission of the IAC/PSCP Form 306.6 Close-Out Cost Summary upon substantial completion for the ACI project.

***VIII. Future Project Funding***

- A. Partial funding may apply to projects approved in the FY14 CIP-ACI due to State fiscal constraints. If the State is only able to fund a portion of the State-eligible expense due to fiscal constraints, a request may be made for future funding in the FY 2015 and/or subsequent fiscal year Capital Improvement Programs.
- B. If a public school building is renovated through the Public School Construction Program within 15 years of the completion of a FY14 CIP-ACI project, the maximum State construction allocation for the renovation or limited renovation of the building will be adjusted to account for the State's previous FY14 CIP-ACI allocation. Local funds expended for such improvements will not be deducted in future years from the maximum State construction allocation.

**END OF PROCEDURE**

**FY14 CIP-ACI ATTACHMENT 1**

**SCHEDULE FOR APPLICATION AND APPROVAL OF  
FY 2014 CIP AIR CONDITIONING INITIATIVE (FY14 CIP-ACI)**

4/18/13	IAC approval of Final ACI <i>Administrative Procedures Guide</i> . Application and Administrative Procedures are posted at <a href="http://www.pscp.state.md.us/programs/programindex.cfm">http://www.pscp.state.md.us/programs/programindex.cfm</a>
4/22/13 - 5/27/13	Application period for FY14 CIP-ACI.
5/2/13	Facility Planners Meeting: review of FY14 CIP-ACI program standards and application forms; discussion of application process.
6/24/13	Last date for the receipt of LEA FY14 CIP-ACI amendments
6/24/13	Local governments must provide assurance that all project costs not funded through the FY14 CIP-ACI or subsequent year State allocations will be funded through local funds.
7/11/13	Designees prepare funding recommendations to the IAC.
7/18/13	Special IAC meeting to consider staff recommendations; IAC submits funding recommendations to the Board of Public Works for approval.
7/24/13	Board of Public Works approval of the Amended FY 2014 CIP for projects in the FY14 CIP-ACI.

## FY14 CIP-ACI ATTACHMENT 2

### MINIMUM EFFICIENCY REQUIREMENTS

#### SPLIT OR PACKAGED HVAC (INCLUDES HEAT PUMPS AND VARIABLE REFRIGERANT FLOW SYSTEMS)

Size (tons)	System Type	Minimum Efficiency			
		Air Cooled	Water Cooled	Geothermal	VRF
<5.4	Split	15.0 SEER and 12.5 EER	14.0 EER	17.1 EER	14.0 SEER and 12.0 EER
	Packaged	15.0 SEER and 12.0 EER	14.0 EER	17.1 EER	N/A
≥5.4 and <11.25	Split or Packaged	12.0 EER and 12.2 IEER	14.0 EER	17.1 EER	11.3 EER and 14.2 IEER
≥11.25 and <20	Split or Packaged	12.0 EER and 12.2 IEER	14.0 EER	17.1 EER	10.9 EER and 13.7 IEER
≥20 and <63.3	Split or Packaged	10.85 EER and 11.0 IEER	14.0 EER	17.1 EER	10.3 EER and 12.5 IEER
≥63.3	Split or Packaged	10.2 EER and 10.3 IEER	14.0 EER	17.1 EER	10.3 EER and 12.5 IEER

#### THROUGH THE WALL UNITS (PTACs AND PTHPs)

Size (tons)	Minimum Efficiency	
	PTAC	PTHP
<0.75	11.8 EER	11.5 EER and 3.3 COP
≥0.75 and <1.0	11.0 EER	10.8 EER and 3.2 COP
≥1.0	10.3 EER	10.1 EER and 3.1 COP

#### CHILLERS

Chiller Type	Size	Minimum Efficiency	
		Full Load	IPLV
Air Cooled	All Sizes	10.2 EER	N/A
Water Cooled Reciprocating	All Sizes	.71 kW/ton	N/A
Water Cooled Screw	<150 tons	.71 kW/ton	N/A
	≥150 tons and <300	.58 kW/ton	.47 kW/ton
Water Cooled Centrifugal (screw chillers ≥300 tons also eligible)	<150 tons	.59 kW/ton	N/A
	≥150 tons and <300	.59 kW/ton	.56 kW/ton
	≥300 tons	.56 kW/ton	.38 kW/ton

- **Demand Controlled Ventilation (DCV)** – This control strategy uses CO<sub>2</sub> levels to control ventilation rates. CO<sub>2</sub> monitoring may be done in the space or in the return duct. Outdoor air dampers must be controlled to maintain CO<sub>2</sub> levels at no less than 900 ppm. Retrofit only, DCV in new equipment is ineligible.
- **Economizer Retrofit** – Economizer cooling uses outdoor air to provide cooling when cooling is called for and outdoor air is cooler than return air. Retrofit only, economizers in new equipment are ineligible.
- **Variable Frequency Drives (VFDs)** – VFDs vary the speed of the motors they are controlling, resulting in energy savings. Incentives for VFDs on RTUs or air handlers are for retrofit only, VFDs on new RTUs or air handlers are ineligible.