



*Maryland Department of General Services*  
**2003 Annual Report**



Robert L. Ehrlich, Jr.  
*Governor*

Michael S. Steele  
*Lt. Governor*

Boyd K. Rutherford  
*Secretary*

Steve Cassard  
*Deputy Secretary*

Accountability to the taxpayers of Maryland, through fiscally responsible operations, is our number one priority. The Department of General Services has a proud tradition of serving the State and its citizens by assisting State and local government agencies to achieve their missions.

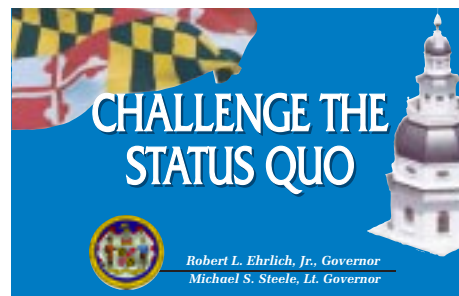


Boyd K. Rutherford  
Secretary

In FY 2003, DGS reorganized several of its Divisions resulting in an increase in the quality and efficiency of services provided the Department's customers. Tasks undertaken by DGS include:

- Spearheading the effort to improve inventory-tracking procedures at all State agencies. The end goal is to restore accountability to State government through the establishment of a comprehensive inventory tracking and auditing system.
- Improved the protection of State property through the implementation of a new property pass program.
- Developed, with the Maryland Department of Planning, a real property inventory. Both departments are reviewing all State-owned property to determine if the property should be retained or placed in private hands.
- Instituting steps to increase security in all State-owned facilities against potential terrorist threats and took proactive measures to insure the safety of employees and citizens.
- Created the position of Energy Manager to help minimize energy use and cost to the State.

With these and other improvements, and the skill, competence and commitment to government service of our employees, DGS now has the opportunity to focus on its core mission – Customer Service.





# Maryland Department of General Services

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# Maryland Department of General Services

The Department of General Services (DGS) manages, operates, and maintains multi-agency State facilities; assesses State-owned facilities and manages the renewal funds of those facilities; provides full spectrum real estate support to include acquisition and disposal of any interest in real property in the name of the State; master plans and manages space in State-owned and leased facilities; provides professional and technical services for the design and construction of State public improvements (except those of the Departments of Transportation, Public Safety and Correctional Services, and the University System of Maryland); as a primary procurement agency, manages centralized procurement of materials, supplies and equipment used by State agencies; provides and manages centralized graphic reproduction capabilities including duplicating/printing, graphic design, and graphic art production; provides centralized inventory standards and controls; provides document imaging services and manages records of State agencies; and manages the Maryland State Agency for Surplus Property.

By statute, the Secretary of General Services advises the Board of Public Works and any unit of State government on public improvements and construction matters, and serves as a member of a number of boards and committees.

## **MISSION**

The Department of General Services serves Maryland and its citizens by working to ensure that other State agencies are able to achieve their respective missions in an efficient and effective manner.

## **KEY GOALS**

- Goal 1: Operate efficiently and effectively.
- Goal 2: Manage Departmental Projects efficiently.
- Goal 3: Provide timely and accurate management information.
- Goal 4: Achieve responsible asset management.
- Goal 5: Provide best value for customer agencies and taxpayers.
- Goal 6: Maintain a professional workforce and workplace.
- Goal 7: Carryout social, economic, and other responsibilities as a State agency.



## OFFICE OF THE SECRETARY

The Secretary of General Services is the chief executive officer of the Department with responsibility for the Department's programs, services, and budget. Pursuant to §4-403 and 4-406 of the Annotated Code of Maryland, the Secretary also advises and assists the Board of Public Works and other units of State government in matters which are under the jurisdiction of the Department. The Secretary serves as construction advisor to the State Board of Public Works and the Executive Department, chairs the Maryland Green Buildings Council, the Electricity Deregulation Advisory Committee, and the Government House Trust. The Secretary is also a member of the Priority Places Subcabinet, the Information Technology Board, the Procurement Advisory Council, the Maryland Food Center Authority, the Interagency Council for Public School Construction, the Chesapeake Bay Cabinet, the Hall of Records Commission, and the Maryland Security Council.

The Deputy Secretary advises the Secretary, plans, strategizes, performs special functions, and shares responsibility for management of the Department.

### **FY 2003 Highlights**

- Reorganized the Office of the Secretary to increase the level of accountability.
- Implemented efficiency improving programs.
- Initiated improved customer service through the establishment of a customer service liaison position.
- Improved the protection of State property through the implementation of a property pass program, a more accountable inventory-tracking program, and an improved police operation.
- DGS moved DGS Police from Facilities Operations and Maintenance and made it a stand-alone Division reporting directly to the Office of the Secretary.
- Coordinated emergency response plans with the Maryland Emergency Management Agency.

### **OFFICE OF EXTERNAL AFFAIRS**

The Office of External Affairs directs public relations, legislative initiatives, business development, and customer service activities for DGS. The primary goals of this office are to promote DGS, provide legislative direction to the Secretary, and coordinate efforts to ensure that customer needs are met.

Public relations efforts include the development, coordination, and implementation of a comprehensive program for the Department. Activities include proactive media relations, preparation of news releases, publications, speeches, and coordination of special events within the Department and in support of the Office of the Governor and DGS customer agencies.

The Office of External Affairs coordinates departmental policy and provides direction and support to the Secretary in matters relating to all branches of State government. This includes establishing the Department's legislative agenda and analyzing the impact of proposed legislation; representing the Department's position to the Governor's Legislative Office, other agencies, and members of the General Assembly; and coordinating and reviewing mandated reports and studies. Currently, the Office is responsible for 23 mandated reports.



## OFFICE OF THE SECRETARY

The Office is responsible for the development and assessment of the Managing for Results Initiative, ensuring that DGS' mission, values, and goals are attained through the implementation of strategic planning, effective policies and procedures, and measurable objectives.

The Office of External Affairs is also responsible for business development and customer service. The DGS Services unit works within the Department to ensure effective coordination of customer agency needs. Customer agencies now have a single point-of-contact within DGS to address any of their concerns. This new role allows DGS to help customer agencies carryout their missions in a more timely and efficient manner.

### **EMERGENCY MANAGEMENT**

This Unit serves as the DGS liaison with the Maryland Emergency Management Agency (MEMA) by acting on behalf of the Secretary in matters involving DGS and departmental resources in the event of a natural disaster or civil emergency. In such an event, DGS provides essential Emergency Support Functions such as engineering services, public works recovery, debris management, and supplemental resource support. The Deputy Secretary is coordinating the development of a DGS Continuity of Operations Plan (COOP) which will ensure that in an emergency, we will provide the essential services that our customers and State citizens depend on in a timely and organized manner.

### **LEGAL DIVISION**

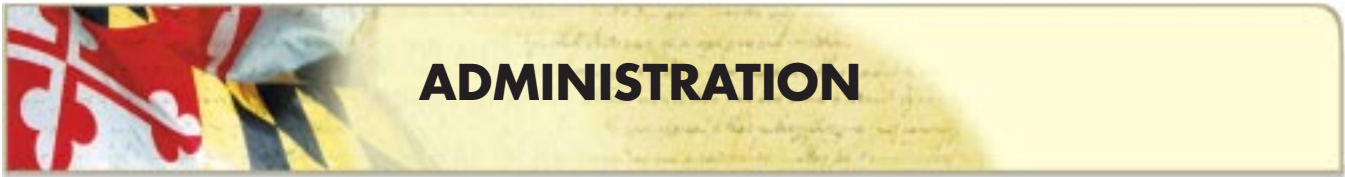
The Legal Division was established in accordance with legislation which requires the Attorney General to "act as the legal advisor to the Department." At present there are six Assistant Attorneys General who function as "in-house counsel" to the Department and two additional attorneys in the Contract Litigation Unit of the Attorney General's Office who devote time to DGS litigation and are funded out of Departmental funds on a reimbursable basis to the Attorney General.

Duties of the Legal Division include responsibility for court cases, reviewing and preparing contract documents, and providing both formal and informal legal opinions on a regular basis to the Department's Divisions. These include the following:

- A/E Selection and Procurement
- Advice and Counsel to the Secretary
- Affirmative Litigation
- Approval of Contracts for Form and Legal Sufficiency
- Bid Protests
- Defense of Construction Litigation
- E-Commerce Initiatives
- Leases
- Legislation
- Minority Business Enterprise Participation
- Personnel Hearings
- Preservation Easements
- Procurement Law
- Public Information Act Requests
- Regulations
- Sale and Acquisition of Real Property
- Tort Claims

### **FY 2003 Highlights**

- Legal remained active at the Maryland State Board of Contract Appeals where it defended several contractor claims and numerous bid protests brought against the Department. In FY 2003, the State settled and/or resolved nine claims. The total amount of the claims filed by contractors was \$5,039,728 of which DGS paid \$10,900 or .0021 percent.



# ADMINISTRATION

The Administrative Division encompasses Personnel, Fiscal Services, and the Information Technology Group (ITG). Each unit is tasked with support of Departmental operations. Prior to April 2003, the Administration Division was part of the Office of the Secretary.

## **PERSONNEL**

The Personnel operation directs, manages, and coordinates all areas of human resources and collective bargaining for the Department. This includes setting policy and procedural guidelines to ensure compliance with State personnel law and regulations. Other activities include: recruitment and hiring, salary determination, position classification and promotion, employment counseling, health benefits, employee assistance, medical referrals, reporting of accident leave, employee's leave bank, mandated drug testing, budget and staff projections, ADA compliance, grievance resolution, EEO and Affirmative Action compliance, complaint resolution, arbitration of employer/employee disputes, training initiatives, various employee awards programs, and representing management before the Office of Administrative Hearings.

## **FISCAL SERVICES**

Fiscal Services is comprised of three primary units: statewide capital projects accounting, operating accounting, and budget management. The Unit provides accounting and budget management services to the Department. This includes: providing guidance to management on various fiscal and budgetary matters; representing the Department's views on fiscal and budgetary issues to outside agencies and the public; accounts payable; accounts receivable; payroll; leave keeping; fixed asset management; forecasting of revenues and expenditures; budget preparation; and accounting and financial reporting.

### **FY 2003 Highlights**

- Fiscal Services unit paid 12,402 out of 12,520 invoices, in a timely manner, an on time percentage of 99.06 percent.
- Fully implemented an electronic document management system.

## **INFORMATION TECHNOLOGY GROUP**

ITG is responsible for automation of DGS processes to support departmental activities. Responsibilities include vendor and product selection, systems development, systems installation and integration, data center operations, system maintenance, and end-user support.

### **FY 2003 Highlights**

- Instituted an outsourcing of operation initiative.
- Developed and implemented a comprehensive database to track real estate land acquisition and disposal transactions.
- Began creating Annapolis network hub between DGS-managed buildings and the Baltimore headquarters for energy management and security.



DGS Police Officers and Security Officers offer around-the-clock security for the Annapolis and Baltimore State Office Centers. Prior to April 2003, the DGS Police Division was part of Facilities Operations and Maintenance.

### **BALTIMORE DETACHMENT**

The Baltimore DGS Police Detachment provides law enforcement and security for 11 buildings, six State parking lots and four parking garages and has concurrent jurisdiction for traffic enforcement throughout the City of Baltimore. The buildings include 201, 300 and 301 W. Preston Street, the Fifth Regiment Armory, the William Donald Schaefer Tower, the Public Defender Building, Saratoga State Center, Civic Plaza, 2100 Guilford Avenue, 500 N. Calvert Street, and 201 St. Paul Street.

### **ANNAPOLIS DETACHMENT**

The Annapolis Detachment of DGS Police provides security to 19 buildings, including the Maryland State House, the Revenue Administration and the Goldstein Treasury Buildings, as well as the Lowe House Office Building, the James Senate Office Building, and the Miller Senate Office Building. In addition, the detachment covers five parking garages and 11 surface parking lots. Annapolis officers also handle both scheduled and unscheduled demonstrations held on State property and coordinate closely with the Annapolis City and Maryland State Police Departments on traffic enforcement and other security matters.

#### **FY 2003 Highlights**

- Instituted a command change.
- Developed increased coordination with the Maryland State Police and Executive Protection.
- With DGS Police oversight, x-ray machines were installed at entrances to the Lowe House Office Building and the Miller Senate Office Building. The x-ray machines enhance security and speed-up the screening process.





## **FACILITIES OPERATIONS AND MAINTENANCE**

The Facilities Operations and Maintenance Division is responsible for establishing policy and directing the statewide operation and maintenance of 55 buildings with 6.2 million square feet of space under the Department of General Services' authority. The Division oversees two principal office centers - Annapolis Public Buildings and Grounds and Baltimore Public Buildings and Grounds - along with 15 regional Multi-Service Centers. Staffs at each of the complexes and the Multi-Service Centers provide both preventive and routine maintenance as well as major repairs, alterations, improvements, and housekeeping services to support other State agencies.

In the interest of reliability, responsiveness, and cost effectiveness, the Department accomplishes the majority of its mission by employing maintenance, trades and other special service personnel to support the operations, preventive maintenance and repair services. The Department is supplemented with specialized support by private contractors for a full range of facility services to meet State requirements.

### **ANNAPOLIS BUILDINGS AND GROUNDS**

Annapolis Public Buildings and Grounds (APB&G) operates and maintains the State Office Center in historic Annapolis. APB&G oversees 26 State-owned buildings, 49 acres of landscaped areas and 24.5 acres of parking lots. The buildings house approximately 4,700 State employees and elected officials. Among the buildings the division maintains are: the State House, House and Senate Office Buildings, Legislative Services, Treasury, Revenue Administration, the five-building Tawes Office Complex which includes the Annapolis Day Care Center, the Maryland State Archives, Jeffrey Building, Shaw House, Courts of Appeals, and Maryland State Police Barrack "J". APB&G is also responsible for maintenance and daily operations of the Crownsville Day Care Center, the Crownsville People's Resource Center, and for the Governor's residence, [Government House](#).

#### **FY 2003 Highlights**

- Renovated Governor's personal space in Government House and upgraded the security system.
- Facilitated new roof for the Archives Building and the Legislative Services Building.
- Refurbished the Governor's Reception room and renovated the front porch at the State House.
- Construction completed on a new maintenance building in Crownsville.

### **BALTIMORE PUBLIC BUILDINGS AND GROUNDS**

Baltimore Public Buildings and Grounds (BPB&G), which includes the Inner Harbor Complex, is responsible for the operation and maintenance of 16 State-owned buildings. BPB&G houses approximately 8,400 State employees and maintains 100 acres of land and 22 acres of parking lots. Among the buildings the division maintains are: 201, 300 and 301 W. Preston, 2100 Guilford Avenue, the William Donald Schaefer Tower, Public Defenders Building, Civic Plaza, Saratoga Center, 2100 Guilford Avenue, 500 North Calvert, the Hilton Heights Community Center and the Woodstock Job Corps Center. BPB&G also oversees the State Records Management Center, State Use Industries offices and warehouse, the Motor Fuel Lab in Jessup, and the Maryland State Agency for Surplus Property in Jessup.



## **FACILITIES OPERATIONS AND MAINTENANCE**

### **FY 2003 Highlights**

- Upgraded the fire alarm system at the Preston Street complex, including emergency back-up generators for the elevators, emergency phones and cameras. Security upgrades for the Lab Tower at 201 West Preston.
- Replaced the roof at 2100 Guilford Avenue, repaired two air handlers on the 2<sup>nd</sup> floor and replaced window blinds throughout the building.
- Completed renovations and mold remediation of the Hilton Heights Community Center.
- Installed emergency generator at Saratoga State Center, renovated the elevators, and worked with Baltimore City to complete the repair of exterior underground piping.
- Replaced the roof and renovated the 5<sup>th</sup> and 12<sup>th</sup> floors of the William Donald Schaefer Tower.

### **DISTRICT COURT/MULTI-SERVICE CENTER FACILITIES**

Currently there are 15 Multi-Service Center/District Court (MSC/DC) facilities across the State. These facilities encompass more than 1.5 million square feet on 44.2 acres of landscaped areas and 18 acres of parking lots. The Multi-Service Centers are divided into five geographic regions. The Regional Manager for each region oversees daily operations and is responsible for contract procurement, maintenance, grounds keeping and snow removal for their buildings. These facilities are: Arbutus/Catonsville, Mary E. Risteau MSC in Bel Air, Edward F. Bergerding MSC in Baltimore City, Carter M. Hickman MSC in Centreville, John R. Hargreaves MSC in Denton, Elkton MSC, Ellicott City MSC, Essex/Rosedale MSC, George M. Taylor MSC in Glen Burnie, J. Louis Boublitz DC in Hagerstown, W. Paul Martin DC/MSC in Salisbury, Shillman Building in Baltimore City, Carroll County DC, John R. Hargrove, Sr. DC in South Baltimore, and the Robert F. Sweeney Building in Annapolis.

### **FY 2003 Highlights**

- Restructured the organization to incorporate geographic regions that provide more opportunity to share resources and improve customer service.
- Security initiatives included installation of security cameras at Glen Burnie and Shillman, and the installation of new garage doors at Salisbury.
- Westminster District Court opened in fall 2002. A spring 2004 opening is planned for the new District Court in Silver Spring.
- South Baltimore District Court opened in spring 2003.



## **FACILITIES OPERATIONS AND MAINTENANCE**

### **PORTFOLIO MANAGEMENT**

Portfolio Management tracks and matches vacant space in State-owned and capital lease properties with State agency requirements. The staff reviews the rent components paid to the leaseholders on capital leases, debt service, and operating costs. The unit identifies rent paid to DGS by agencies and determines if all federally and specially funded programs are properly assessed. The Portfolio Management team reviews operating costs incurred by Facilities Management on a per building/complex basis, reviews capital leases and determines if bonds should be refinanced.

#### **FY 2003 Highlights**

- Identified locations for newly elected Governor's Transition Team in Annapolis and Baltimore and coordinated the logistical setup of the team in both locations.
- Identified space for relocation of Governor's Office of Volunteer Services.
- Coordinated efforts for new roof and HVAC at Prince Frederick District Court, a Capital lease that DGS will inherit.



# REAL ESTATE

The Office of Real Estate is responsible for establishing policy and for directing all real property functions of three units: the Land Acquisition and Disposal Unit, the Lease Management and Procurement Unit and the Valuation and Appraisal Unit. Along with management oversight the Assistant Secretary is responsible for communicating with the leadership of client agencies, State and local elected officials, private property owners and brokers, and the Board of Public Works.

## Land Acquisition and Disposal

The Land Acquisition and Disposal Unit is responsible for the acquisition and disposal of real property for all State agencies, with the exception of the Department of Transportation’s transactions for highways, roads and bridges. Acquisition activities include obtaining and compiling real property information for ordering titles and appraisals, evaluating the property condition via due diligence, conducting negotiations with property owners/representatives, securing purchase option agreements, rights-of-way and easements, pursuing the powers of eminent domain, and preparing Board of Public Works action items for approval.

The Unit receives special funding for its support of Program Open Space from the Department of Natural Resources. The Unit is also responsible for the disposal of excess real property and intergovernmental property transfer, after such a recommendation is made by the Maryland Office of Planning. Disposition is usually in the form of a sale for fair market value through requests for bids, requests for proposals or requests for expression of interest.

Maryland’s GreenPrint program, created by the 2001 General Assembly, provides funding for the purchase of large tracts of land to connect conservation corridors throughout the State. DGS handled all real property acquisitions for GreenPrint in FY 2003 preserving 16,129 acres.

The Unit presented 32 purchase and sale agreements, options, and easements to the Board of Public Works for a total FY 2003 transaction value of \$35,929,321.

	FY 01	FY 02	FY 03
New Program Open Space Cases	35	56	20
POS Cases Approved by BPW	15	26	5
POS Acres Acquired	1,536	3,376	11,081
POS Acquisition Costs	\$13.3m	\$10.8m	\$9.4m
GreenPrint Acres Acquired	—	4,184	16,129 acres
GreenPrint Acquisition Costs	—	\$23.1m	\$12m
Other Acquisitions Approved by BPW	24	39	3
Other Acquisition Costs	\$56.5m	\$34.8m	\$11.9m
Transactions Approved by BPW w/no consideration	0	0	20
Total # of Disposals	0	0	4
Total Value of Disposals	0	0	\$2.7m



# REAL ESTATE

## Valuation and Appraisal

The Valuation and Appraisal Unit oversees real property valuation issues for all State agencies, except MDOT. The valuation issues include, but are not limited to, preparing preliminary estimates of development potential and contracting for private fee appraisals. It is responsible for reviewing for form, fact, and legal sufficiency the independent appraisals of the properties to be acquired. Valuation recommendations are made to the Assistant Secretary for a determination of a property's approved value. This Unit also evaluates appraisals for Capital Grants and Loans and disposal of State real property assets and it conducts staff appraisals and other real estate related studies.

	FY 01	FY 02	FY 03
Appraisal Reviews	865	865	1,015
Staff Appraisals	69	123	142
BPW Items	149	133	NA

The Unit receives special fund support from the Maryland Agricultural Land Preservation Foundation through the Department of Agriculture for its support of the Agricultural Easement Program. In FY 2002, the Unit established valuation parameters and presented to the Board of Public Works 171 easement options valued at \$32 million.

	FY 01	FY 02	FY 03
Ag Easements Approved by BPW	149	144	68
Ag Easement Acreage	19,397	14,041	12,684.80
Ag Easement Costs	\$32.5 m	\$25.5 m	\$15.2 m
GreenPrint Ag Easements Approved by BPW	—	27	17
GreenPrint Ag Easement Acreage	—	4,000	3,480.99
GreenPrint Ag Easement Costs	—	\$6.5 m	\$5.6 m

## Lease Management and Procurement

The Lease Management and Procurement Unit acquires and manages new and renewal leasehold agreements for real property between State agencies (excluding USM and certain MDOT actions) and commercial and governmental landlords. This includes soliciting lease proposals in approved geographic boundaries, evaluating requests for proposals, negotiating rental rates, terms and conditions with the apparent winner, reviewing and approving space modifications; preparing lease documents, establishing standards for the use of office space, and preparing action agenda items for Board of Public Works approval.



# REAL ESTATE

The Unit also inspects leased property to enforce lease terms.

### Current Annual Lease Inventory

	Annual Rent	Measured Space	No. of Leases
Office/Storage	\$ 65,057,957	4,653,115 nusf	372
Parking	\$ 2,905,073	6,131 spaces	64
Revenue Leases		321	
Office	\$ 979,752	—	18
Other	\$ 251,297	—	113
Tower	\$ 619,175	—	94
Land	\$ 3,501,762	—	96

Employee housing leases were completed for 169 occupied units totaling \$279,807 annually in rental payments. (This represents a \$40,000 increase over FY 02.)

### FY 2003 Highlights

- The Land Acquisition and Disposal unit was successful in securing \$2.7 million in the sale of real property.
- The Lease Management and Procurement unit oversaw the completion of construction and moved the Maryland Department of the Environment and the Maryland State Lottery Agency into leased space in the Montgomery Park Business Center in southwest Baltimore City.
- The Lease Management and Procurement unit negotiated total rent savings of \$5,543,636 for the State of Maryland. Additionally, the unit realized escalation review savings of \$100,438 and excess fit-up review savings of \$208,877.



## **FACILITIES PLANNING, DESIGN AND CONSTRUCTION**

The Office of Facilities Planning, Design and Construction (FPDC) is responsible for the management and direction of four units: Project Management and Design; Construction; Maintenance Engineering; and Energy Projects and Services. Support staff includes a project cost center and a management information team. FPDC develops and implements policies, procedures, regulations, and standards to assure that programs and services meet the needs of its State agency customers. These customers include DGS, DHMH, DJJ, DMIL, District Courts, DNR, DHR, DMSP, DBED, DLLR, DHCD, MDVA, MD Schools for the Deaf, Higher Education, local governments and nonprofit agencies (Grant & Loan Program), Community Colleges, and the Inter-Agency Committee on Public School Construction. Other agencies requesting support include: St. Mary's College of Maryland, MES, MAIF, and the Maryland State Retirement Agency.

The Assistant Secretary is responsible for Statewide Executive Branch Capital Project program review. This program review includes providing feasible alternatives, cost estimates, technical review comments, and design and construction schedules. The Assistant Secretary is also responsible for Architect/Engineer (A/E) selection for all projects (with the exception of USM and MDOT) with design fees greater than \$25,000.

### **FY 2003**

74 negotiated design contracts totaling \$2.5 million

Estimated Construction Value - \$71.3 million

As the engineering and facilities advisor to the Governor and the BPW, the staff provides support to the Secretary as well as to task forces and committees, e.g., Interagency Committee on Public School Construction, Economic Growth and Resource Protection Planning Committee, Asbestos Oversight Committee, Chlorofluorocarbon (CFC) Task Force, the Maryland Building Rehabilitation Code Advisory Council, the Lower Western Shore Tributary Team/Maryland Green Building Network, the Maryland Green Buildings Council, and the Task Force to Study Lighting Efficiency and Light Pollution in Maryland.

### **PROJECT MANAGEMENT AND DESIGN**

Project Management & Design (PM&D) verifies and amplifies project scopes and definitions, reviews and approves capital programs, establishes project schedules; coordinates with using agencies, grantees, and the DBM Office of Capital Budgeting; appears before legislative budget committees; develops architect/engineer contract scopes of work; and monitors construction budget and project schedules during design and construction. The Project Management staff provides a single point of contact for the using agencies' Capital Improvement Program projects. The project managers provide oversight review and recommend approval of change orders during construction. They also monitor funding expenditures and appropriation balances. In FY 2003, due to budget reductions, the Project Management staff conducted only one A/E selection over \$200,000, under the authority of the General Professional Selection Board. This was for the steam boiler replacement and plant renovation at Morgan State University.

PM&D staff managed the completion of design contracts, conducted successful procurements for construction contractor selections and awarded construction contracts for several important projects across the State during FY 2003. These include: the \$2.8 million Salisbury Armory Organizational Maintenance Shop in Wicomico County, the \$1.5 million interior roads and parking lot upgrades and the \$1 million Goldstein Memorial Gallery at the Jefferson Patterson Park and Museum in Calvert County, the



## **FACILITIES PLANNING, DESIGN AND CONSTRUCTION**

\$14.8 million Silver Spring District Court in Montgomery County; the \$3 million addition and alterations to the Banneker Douglass Museum in Annapolis; the \$4.6 million physical training center at the Public Safety Training Center in Carroll County; the \$14.7 million expansion and renovation of Somerset Hall and the \$1.4 million new campus entrance road at St. Mary's College of Maryland in St. Mary's County.

The Project Management and Design's multi-discipline Design Team provides technical reviews of construction documents and approves the final construction documents for bidding and construction. The Design Team also provides technical consultation services to using agencies to investigate problems or new requirements at user facilities and recommends solutions or modifications. PM&D responded to more than 30 requests for special assistance from State facility managers during FY 2003. The unit also supports the Office of Real Estate by performing building assessment inspections and preparing building condition reports for prospective property acquisitions.

PM&D also reviews public school designs and manages community college construction projects. For FY 2003, the legislature approved \$167 million for public school construction and \$32.4 million for community college construction. Total construction value of these projects is estimated to be \$619 million. Community college contracts awarded in FY 2003, representing 61 contracts in 24 counties, totaled \$40.1 million.

This Unit is also responsible for the Capital Grant and Loan Program, involving administrative and technical support for over 477 grant recipients and projects with an estimated construction value of \$682 million. Responsibilities include program and design review and accountability of funds associated with the program. Capital Grant and Loan Contracts awarded in FY 2003 totaled \$409,073,671.

### **ENERGY PROJECTS AND SERVICES**

Energy Projects and Services' (EP&S) mission is to assist State agencies in reducing energy consumption and unit costs, improve building indoor air quality, and optimize equipment life in State facilities by providing building system commissioning and quality equipment service. EP&S is responsible for the following programs:

#### **Energy Performance Projects**

This program provides capital upgrades (heating, cooling, ventilation, central plant, peak power generation, electrical distribution, energy management systems, lighting) for State agencies, using funds financed all or in part from reduced energy consumption by a legislature-mandated minimum of 15 percent per square foot by 2010, of which 10 percent is expected by 2005 compared to the year 2000 base. DGS also oversees monitoring and verification of actual savings throughout the payback period to insure that the guaranteed savings are met.





# FACILITIES PLANNING, DESIGN AND CONSTRUCTION

## Energy Performance Projects Awarded in FY 2003

\$ Value of potential projects in initial and Phase I review:	\$ 1,600,000
\$ Value of projects awarded (including maintenance for life of payback period):	\$ 5,415,000
Capital funding 100% financed from energy savings:	\$ 10,295,000
\$ Value of maintenance projects presently in initial and Phase I review:	\$ 247,000

## Chlorofluorocarbon Phase-out Program

Manages a Statewide capital program to replace chilled water systems that use environmentally damaging CFCs. The U.S. Environmental Protection Agency has recognized Maryland's CFC Program as the first statewide program to eliminate ozone-depleting CFC refrigerant in the United States.

## Energy Phase-out Projects Awarded in FY 2003

\$ Value of projects awarded :	\$460,000
(Construction will be awarded in FY 2003/04)	
Lbs. of CFC removed from State's inventory of chillers:	720 lbs.

## CONSTRUCTION

The mission of the Construction Unit is to inspect and supervise private contractors as they alter, renovate, or construct State buildings. By monitoring their work, the Unit ensures that construction conforms to approved designs and specifications. The Construction Unit ended FY 2003 with 71 projects worth \$148.3 million under construction, 21 projects worth \$103 million in the punch list stage, and 28 projects worth \$48.1 million awaiting final payment for a total workload of 120 projects valued at \$299.4 million. A total of 142 projects valued at \$117.9 million were completed in FY 2003. In addition, of the 437 projects under warranty, valued at \$197.5 million, 386 warranty inspections were performed during this period.



# FACILITIES PLANNING, DESIGN AND CONSTRUCTION

## FY 2003 – Major Capital Projects Completed

<u>Project</u>	<u>Cost</u> (in millions)
Carroll County District Court, Westminster	\$ 7.3
State Police Barrack "X", Princess Anne	\$ 3.8
Renovation of James Senate Office Building, Annapolis	\$11.1
Renovation of Rehab Services Wing, Clifton Perkins Hospital Center	\$ 3.2
Classroom Building, Southern Maryland Higher Education	\$ 5.3
Construction of the Juvenile Justice Center, Baltimore	\$46.0
South Baltimore District Court, Baltimore	\$13.7
24 Bed Juvenile Services Detention Center, Hagerstown	\$ 7.7
24 Bed Juvenile Services Detention Center, Salisbury	\$ 8.0
Bloomsbury Square Relocation, Annapolis	\$ 8.3

## Major Capital Projects Currently Under Construction

<u>Project</u>	<u>Cost</u> (in millions)
Enoch Pratt Free Library Addition, Baltimore	\$11.1
Operations Maintenance Shop, Salisbury Armory	\$ 2.8
Banneker-Douglass Museum, Addition and Alteration, Annapolis	\$ 2.9
Silver Spring District Court	\$15.1
Somerset Hall Expansion and Renovation, St. Mary's College	\$14.8
State Police Barrack "F", Northeast	\$ 4.1
Public Safety Training Center, Springfield, Carroll County:	
Physical Training Center	\$ 4.6
Academic & Administration Buildings	\$22.0
Renovation of the Main Administration Building	
Baltimore City Community College	\$14.7
African-American Museum, Baltimore	\$21.4

## MAINTENANCE ENGINEERING

Maintenance Engineering's mission is to implement Maintenance Management Services for State-owned facilities. This includes, but is not limited to, establishing policies and procedures, establishing and supervising a comprehensive and continuing program of maintenance and repairs of all public improvements, reviewing maintenance and operation of public improvements, resolving engineering questions and managing the Capital, Operating, Program Open Space, Critical Maintenance, Underground Heating Oil Tank Replacement and Hazardous Waste budgets. Maintaining existing resources is the primary directive of this unit and an important complement to Priority Places.

Maintenance Engineering is responsible for carrying maintenance projects from conception through completion. In addition, the unit is responsible for asbestos and other hazardous material projects, whether as stand-alone projects or as part of larger renovation projects.



## FACILITIES PLANNING, DESIGN AND CONSTRUCTION

Besides the normal customer service requirements inherent in project management duties, the Unit responds to numerous unscheduled requests from various using agencies. For example, the Unit performs handicap accessibility projects as needed and is in charge of the sprinkler head replacement and underground storage tank replacement projects.

In FY 2003, Maintenance Engineering's Roofing Unit inspected 236 roofs at 36 facilities and issued condition reports for each. Roof design reviews for major roof projects are performed at least twice, during the document design and the 95 percent phases. The roofing unit is instrumental in resolving roof problems discovered during the construction phase. Additionally, throughout the year, the Unit held seminars focused on selected roof topics.

During FY 2003, Maintenance Engineering's Assessment Unit inspected approximately 5.1 million gross square feet of State-owned buildings and reported on their maintenance condition. The ultimate goal is to inspect all State-owned buildings under the Department's jurisdiction every five years.

The Maintenance Engineering Division managed the following workload in FY 2003:

<b>Type of Project</b>	<b>Estimated # of Projects</b>	<b>Construction Value</b>
Capital Maintenance	80	\$ 20,757,994
Object 14 Maintenance	88	\$ 1,822,351
Haz Waste (asbestos, lead)	48	\$ 2,046,000
Program Open Space	86	\$ 3,194,413
Other (UA Oper, etc.)	61	\$ 6,275,010
Underground Heating Oil Tanks	4	\$ 588,673
<b>TOTALS</b>	<b>367</b>	<b>\$ 34,684,441</b>



## PROCUREMENT & LOGISTICS

DGS is a primary procurement agency with numerous responsibilities for purchasing a variety of goods and services statewide for State and local government agencies, as well as non-profit entities. The Division of Procurement and Logistics (P&L) is responsible for the planning, implementation, and coordination of a variety of services offered by DGS.

The Department's procurement office provides professional and technical support services to State and local government agencies; conducts central procurement of architectural and engineering services, commodities, construction, facilities maintenance, and printing services. The professional procurement staff performs specialized contracting, bid/proposal administration, and bid security for all State government users except the University System of Maryland. The Technology unit administers Internet-based *eMaryland Marketplace*, a full-service interactive procurement system.

P&L is also responsible for the activities of the Minority Business Enterprise Office (MBE), Inventory Standards and Support Services Division (ISSSD), Visual Communication and Digital Imaging (VCDI), and Records Management. MBE maximizes the business DGS conducts with minority-owned businesses participating in the State procurement process. ISSSD oversees Statewide inventory of equipment, supplies and other materials. ISSSD also administers the State's 87-station Fuel Management System, including four compressed natural gas fueling sites, and the Department's fleet. VCDI provides central support for all State government activities related to graphic design and printing. Records Management stores more than 17,000 cubic feet of State documents at the Records Center in Jessup, and advises agencies on records management.

### **CONSTRUCTION, ARCHITECTURE/ENGINEERING AND CAPITAL MAINTENANCE**

Construction, A/E, and capital maintenance procurement provides a broad spectrum of functions and administers contracts for Construction, A/E services, construction related services, and capital maintenance in a timely and cost effective manner.

#### **FY 2003 Highlights**

- The Capital Maintenance Unit was merged with Construction and A/E Procurement Units as part of the Procurement and Logistics reorganization. Each is soliciting competitively sealed bids through *eMaryland Marketplace*.
- Procurement officers are more thoroughly reviewing the capability of low bidders to perform required work. Criteria have been established for identifying non-responsive bidders and questionable bids.
- 94 capital maintenance projects were successfully solicited and awarded through *eMaryland Marketplace* at a value of \$29,295,427.
- 41 construction projects were awarded for construction and construction related services totaling \$75,202,012.
- Architectural/Engineering solicited A/E services for 10 projects, including five individual projects and five Indefinite Quantity Contracts (IQC). The dollar value for the individual projects was \$1,012,857 and the anticipated dollar value for the IQC Contracts is \$6 million.
- Established claims position to reduce the number of contractor protests and litigation expenses.



## PROCUREMENT & LOGISTICS

### FACILITIES MAINTENANCE CONTRACTING

Facilities Maintenance provides support for day-to-day operations and upkeep of facilities and properties under the control of DGS. Typical service contracts under this program are for: security, janitorial services, pest control, equipment maintenance and repair, snow removal, comprehensive building management, trash removal, and recycling.

This Unit provides information on pricing trends for assistance in budget projections and enhancement requests by tracking data on hourly billing rates for security services and costs-per-square-foot for janitorial contracts.

#### FY 2003 Highlights:

- Proactively sought new vendors by hosting monthly meetings to solicit their advice on bid boards and other information available on the DGS website. Also discussed at these meetings: minimum qualifications required for specific projects; *eMaryland Marketplace*; and benefits provided to minority businesses through Maryland Department of Transportation's MBE certification program.

### COMMODITY PROCUREMENT

Commodity Procurement continues to be in the forefront as a service-oriented program dedicated to providing leadership, assistance, and support in the acquisition of equipment and supplies that enable State agencies to complete their missions.

#### FY 2003 Highlights:

- Provided State agencies with the ability to acquire equipment and supplies totaling more than \$158 million annually through electronic solicitation on *eMaryland Marketplace*.
- Procurements for additional equipment to assist Maryland Public Television in its digital broadcast upgrade continued throughout 2003.
- Awarded multiple contracts that afford State agencies access to lawn care and general grounds maintenance equipment and hand tools at direct discounts of 5 to 49 percent off manufacturers published prices.
- New statewide contracts were developed in conjunction with the Maryland Emergency Management Agency to purchase hazmat protective clothing and gear; hazmat detection equipment and supplies; and decontamination equipment, as well as other Homeland Security related equipment.
- Contracted for the procurement of furniture, draperies, and other items for the refurbishing of the James Senate Office Building, the Miller Senate Office Building, and the Enoch Pratt Free Library.



## **PROCUREMENT & LOGISTICS**

### **BOARD OF PUBLIC WORKS ADMINISTRATION**

Board of Public Works Administration supports the Department by formulating and disseminating the Department's Action Agenda to the State Board of Public Works (BPW), advising the Secretary on matters related to the Agenda, processing contract awards made through the BPW and the Departmental Procurement Review Board (DPRB) including bonding and insurance verification, and management of the Bid/Proposal Administration.

Over the past fiscal year, the BPW Administration has assisted the Department in processing 1,665 procurements through the BPW and the Departmental Procurement Review Board totaling \$693,305,205.

### **PROCUREMENT LAW AND STATE POLICY**

Since first promulgated in 1982, State Procurement Law and regulations have been modified over time to further a number of social and economic goals.

#### **Preferred Provider Program**

State law establishes a means of obtaining additional socio-economic benefits in the procurement process. This is accomplished by ensuring that the Department of Public Safety and Correctional Services' State Use Industries and businesses foster training and opportunities for physically and mentally handicapped citizens. These Preferred Providers have the first right of refusal for contracts to provide State agencies with goods and services contained in a Master List of products maintained and published by DGS.

#### **Acceptable Recycled Products**

The Acceptable Recycled Products List contains recycled items currently under State contracts, as well as other information which is also available on the DGS web site and is part of the State's effort to promote environmental sustainability. Maryland Procurement Law includes a price preference for recycled materials to further encourage their use.

#### **Small Business Awards**

Procurement Law also provides a small business preference. DGS made 310 awards to small businesses in FY 2003 for more than \$7.3 million.

#### **In State/Out State Purchases**

As allowed by law, DGS is committed to the success of Maryland-based companies. The ratio of In-State/Out-of-State purchases continues to exhibit the careful attention P&L pays to Maryland businesses. During FY 2003, there were 1,029 In-State Awards totaling \$217.6 million vs. 490 Out-of-State Awards totaling \$85.1 million.



## PROCUREMENT & LOGISTICS

### TECHNOLOGY

The Technology program provides support and training for the Advanced Purchasing and Inventory Control System and *eMaryland Marketplace (eMM)*, the State's technology-based procurement and procurement information systems. As part of this support, the program manages the statewide ADPICS vendor and commodity tables.

*eMaryland Marketplace* has demonstrated significant growth over the past year, with more than 2,600 participating vendors, 2,414 bidding opportunities posted and approximately 700 trained users. DGS alone processed over \$90.5 million in procurement on *eMM* during FY 2003.

### VISUAL COMMUNICATIONS AND DIGITAL IMAGING

Provides central support for all State government activities relating to design, printing, storage, and retrieval of printed materials. Services provided include: graphic design, offset duplicating, high-speed digital duplicating, digital color printing/duplicating, Computer Output to Laser Disk (COLD), mail processing/courier, and records management/storage/retrieval. Services once performed by VCDI, such as Computer Output to Microfilm (COM); Conversion of Paper Documents to Electronic Files; Conversion of Microfilm to Electronic Files; Document and Drawing Microfilming; Processing of Microfilm have been identified for outsourcing and eliminated.

#### FY 2003 Highlights

- Study to examine the feasibility of consolidating or downsizing its operation to determine what printing should be done in-house and what should be outsourced.
- Identifying needed improvements in printing technology and management.
- Producing a Statewide strategic plan with policies to guide and control agency copy duplicating operations and procurement; and better utilization of current print shop capacity and increased productivity.

### RECORDS MANAGEMENT

This Program manages the records of all departments and agencies of Maryland State government and helps prepare retention and disposal schedules for those records. By law, no public records of State agencies can be destroyed without scheduling and the prior approval of the State Archives. At the Records Management Center in Jessup, the Division stores inactive State records, that must be retained for specified periods of time to meet State legal and administrative needs.

The unit also coordinates the *Forms Management Program* and the forms management plans of each department or agency to minimize the number of forms needed. In FY 2003, forms were reduced by 9.5 percent compared to 3.9 percent in FY 2002. Additionally, 50 percent of State departments and agencies switched to electronic forms that are available on the Internet.

### INVENTORY STANDARDS AND SUPPORT SERVICES DIVISION

Inventory Standards and Support Services (ISSSD) oversees statewide management of inventory of materials, supplies, foodstuffs, and State personal property. This program provides agencies with technical automated inventory control assistance, establishes procedures, and auditing programs to assure compliance with State regulations and control standards. The program is the disposal authority for

# PROCUREMENT & LOGISTICS

disposition of excess and surplus personal property. ISSSD is responsible for the Department's Fleet Management Program consisting of 98 motor vehicles and the Statewide Automated Fuel Dispensing and Management System with 87 refueling stations located in Baltimore City and every Maryland County.

### FY 2003 Highlights

- Revised the DGS Inventory Control Manual.
- Initiated a Property Officer training program.
- Conducted fourteen inventory compliance audits.
- Processed 2,446 excess property declarations involving 96,603 excess and surplus property items with an original acquisition value of \$52 million.
- Supervised the auctioning of 1,029 operable/inoperable surplus State motor vehicles which returned \$2.05 million to State agencies.
- Initiated and implemented the DGS Fleet Management UReserve System; and reduced DGS Fleet by 9.3 percent.
- The Statewide Fuel Dispensing and Management System dispensed more than 11 million gallons in gasoline, diesel, motor fuel, and compressed natural gas. Total savings was \$533,106. Since its June 1991 inception, the program has saved the State a total of \$4.31 million.

### MINORITY BUSINESS ENTERPRISE

DGS has a comprehensive Minority Business Enterprise (MBE) program in place to expand the State business conducted with Small and Minority Businesses. The MBE program manager is responsible for administering the State's policies and standard operating procedures for all areas of DGS procurement.

In FY 2003, DGS awarded \$239,471,635 in contracts requiring minority business participation. Of that amount, \$36,331,359 or 15.2 percent was awarded to 555 certified MBEs. In addition, the MBE sub-goals represent a total of \$15,609,363 or 6.5 percent was awarded to certified African American businesses. A total of \$12,417,325 or 5.2 percent was awarded to Women-owned and a total of \$8,304,671 or 3.5 percent was awarded to other minority businesses.

	Construction	Maintenance	Services	A/E	Commodity	Totals
Total Dollars	\$60,085,360	\$22,803,292	\$423,254	\$1,303,895	\$154,855,834	\$239,471,635
MBE'S						
Dollars	\$15,284,468	\$14,105,089	\$14,500	\$469,026	\$6,458,276	\$36,331,359
Percent	25.4%	61.9%	3.4%	36.0%	4.2%	15.2%
African American	\$6,961,796	\$7,216,810	\$0	\$129,417	\$1,301,340	\$15,609,363
Percent	11.6%	31.7%	0%	8.7%	.84%	6.5%
Women Owned	\$6,194,763	\$2,179,003	\$14,500	\$113,673	\$3,915,386	\$12,417,325
Percent	10.3%	9.6%	4.2%	8.7%	2.5%	5.2%
Other Groups	\$2,127,909	\$4,709,276	\$0	\$225,936	\$1,241,550	\$8,304,671
Percent	3.5%	20.7%	0%	17.3%	.8%	3.5%





## PROCUREMENT & LOGISTICS

The Department is committed to the success of the State's MBE program through enforcement of minority business enterprise requirements in all areas of architecture/engineering, construction, maintenance, services and commodity procurement. More importantly, DGS is at the forefront of State agencies working to provide opportunities for Small and Minority business to serve as prime contractors for the State.

### FY 2003 Highlights

- The Maryland African American Museum of History and Culture construction project was awarded for \$21,325,000. Of that amount, \$7,489,538 was awarded to 16 certified minority businesses. MBE participation consisted of eight women-owned businesses at 10.4 percent, seven African American-owned businesses at 23.4 percent and one Asian American-owned business at .8 percent.
- Construction of the Food Service Center project at Springfield Hospital Center was awarded for \$4,821,900. Of that amount, \$1,252,000 or 26 percent was awarded to two certified minority businesses. MBE participation consisted of one woman-owned business at 18.7 percent and one African American-owned business at 7.3 percent.

### MARYLAND STATE AGENCY FOR SURPLUS PROPERTY

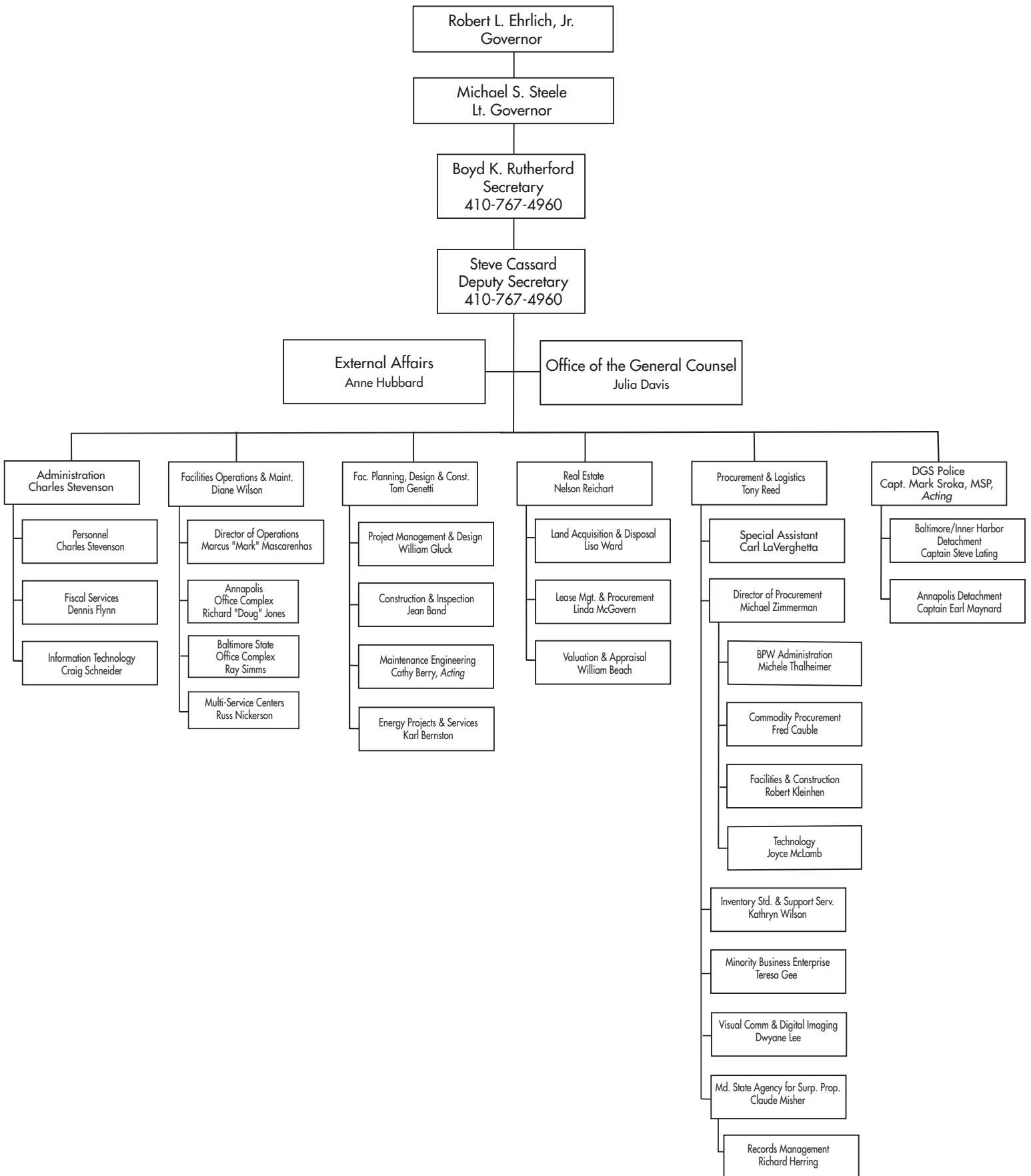
The Maryland State Agency for Surplus Property (MSASP) is responsible for the receipt and redistribution of State and Federal surplus property for the State of Maryland. MSASP is a self-supporting program; all operating funds are generated by the sale of surplus property or service charges applied to Federal property.

Surplus State property is available to the public, but Federal surplus property is limited to eligible donee institutions through a direct transfer program.

### FY 2003 Highlights

- Received \$665,664 from the sale of surplus property.
- Donated \$91,000 in Federal excess property to Maryland schools.
- Donated \$66,000 in Federal excess property to the Department of Business and Economic Development's Maryland Film Office in support of the Home Box Office cable television production "The Wire" and the John Travolta film "Ladder 49."
- In conjunction with the Department of Human Resources, donated 35,000 blankets to Maryland shelters and other "providers of assistance" organizations.

# Maryland Department of General Services FY 2004





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