

State Notes

TOPICS OF LEGISLATIVE INTEREST

September/October 2008



Public Act 278 of 2008: State Building Authority Projects for Universities and Community Colleges

By Bill Bowerman, Chief Analyst

Introduction

This article provides an overview of the university and community college projects included in the fiscal year (FY) 2007-08 Capital Outlay appropriation bill. Fifteen universities and 26 community colleges requested State funding for capital outlay projects in FY 2007-08. The total estimated State share for all of the requested projects was \$699.2 million.¹ On September 29, 2008, the Governor signed Enrolled Senate Bill 511 (Public Act 278 of 2008), which includes authorization for six university projects and 12 community college projects with a total estimated State share of \$220.2 million. Public Act 278 also includes authorization for \$55.0 million in State agency projects, which are not discussed in this article.

Summary of Projects

Most of the projects, except where noted below, are planning authorizations that allow institutions to prepare program development and schematic planning documents, which subsequently must be approved for construction by the Joint Capital Outlay Subcommittee (JCOS) and the Legislature through the appropriation process. Pursuant to Section 242 of the Management and Budget Act, planning authorizations are not a commitment on the part of the Legislature to appropriate funds for the completion of plans or construction of any project. The State share of project costs for universities in recent years has been based on a 75/25 State/institution match. This match is limited in Public Act 278 by a maximum State share of \$40.0 million. Negotiations related to the selection of projects also resulted in adjustments to projects for two universities, which will result in revised project scopes or a higher institution match. Community college projects have been traditionally based on a 50/50 State/institution match.

Table 1 provides a summary of university and community college projects included in Public Act 278.

Table 1

FY 2007-08 State Building Authority Projects			
Project	Total Cost	State Share	Institution Share
Universities: Eastern Michigan University (EMU) – Pray-Harold Addition and Modernization. This building is the largest classroom building on the EMU campus and daily serves an estimated 10,000 students. The building opened in 1969 and suffers from inadequate technology infrastructure, inadequate heating, ventilation and air conditioning systems (HVAC), inefficient energy systems, handicap accessibility issues, and	\$42,000,000	\$31,500,000	\$10,500,000

¹ This amount assumes the \$40.0 million cap on the State share of funding for any individual project.

State Notes
TOPICS OF LEGISLATIVE INTEREST
 September/October 2008



FY 2007-08 State Building Authority Projects			
Project	Total Cost	State Share	Institution Share
overcrowding. The project as originally proposed included renovation of 237,108 square feet and the addition of a net 45,000 square feet for classrooms, lecture halls, and student common areas. This request was based on a total project cost of \$57.0 million. Public Act 278 limited the State match to \$31.5 million. Therefore, EMU is revising the scope of its project to reflect a total cost of \$42.0 million and the State match accounting for 75% of the total project cost.			
Ferris State University (FSU) - Center for Collaborative Health Education. The Michigan College of Optometry at FSU is currently housed in a six-story building that was originally constructed as a residence hall in 1968. There are infrastructure and technology issues, and the design of the structure is not conducive to classrooms and labs. The proposed new 91,000-square-foot facility will include academic, laboratory, and clinical spaces for teaching, research, and patient care. The facility also will be available for use by the Colleges of Allied Health and Pharmacy. Construction is expected to begin by August 2009 with a tentative completion date of August 2010.	26,900,000	20,175,000	6,725,000
Michigan Technological University - Great Lakes Research Center. The new 22,000-square-foot facility will include aquatic research laboratories, a hydraulics laboratory, coastal research instrumentation, boathouse facilities, offices, and meeting rooms. The facility will be located on the waterfront adjacent to the campus. The university hopes to begin construction by summer 2009 with completion sometime in summer 2010.	25,000,000	18,750,000	6,250,000
Oakland University - Human Health Building. The new 157,300-square-foot building will house the School of Health Sciences and the School of Nursing. The university states that the new facility will enable the institution to double undergraduate and graduate enrollment to address shortages in nursing and health professionals. The tentative completion date for the project is fall 2011.	61,748,100	40,000,000	21,748,100
Saginaw Valley State University – Health Sciences Facility. The proposed 80,000 gross-square-foot facility will include laboratories for nursing, occupational therapy, kinesiology, and other allied health professions. The facility also will include general classrooms and faculty offices. Construction is planned to begin by March 2009 with a tentative completion date of August 2010.	28,000,000	21,000,000	7,000,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 September/October 2008



FY 2007-08 State Building Authority Projects			
Project	Total Cost	State Share	Institution Share
<p>Western Michigan University (WMU) – Sangren Hall Building Renovation. The project involves renovating the three-story 190,000-square-foot building that is used for classrooms, teaching laboratories, two branch libraries, and offices for the College of Education and the Department of Sociology. Sangren Hall was built in 1964 and the project will provide for upgrading and replacing mechanical, electrical, and plumbing systems; upgrading infrastructure for state-of-the-art instructional technology; barrier-free requirements; energy improvements; and reconfiguration of the building for optimal use. The planning authorization contained in Public Act 278 would result in the institution's paying for approximately 80.0% of the project cost. Because adjusting the project scope would result in additional costs in future years, WMU is proposing to split the project into phases to obtain an increased State match for the project that is similar to the State percentage share of costs for other institutions.</p>	56,000,000	11,700,000	44,300,000
Subtotal – Universities:			
	\$239,648,100	\$143,125,000	\$96,523,100
Community Colleges:			
<p>Henry Ford Community College - Science Building Improvements. The college is still in the development stage for this project. The project tentatively would include renovation and an addition to the existing Science Building to accommodate all existing programs and the Health Career Middle College, the Bio-technician Program, and the second group in the Accelerated Nursing Program. The college will convert the proposal to a new building if the design phase determines that a new building would better meet the needs of science programs at Henry Ford Community College.</p>	15,000,000	7,500,000	7,500,000
<p>Jackson Community College - Whiting Hall Renovations. The 100,000-square-foot building was constructed in 1968. The renovation and 40,000-square-foot expansion will provide for advanced classroom technologies, state-of-the-art laboratories, and equipment. This will enable the college to expand nursing and allied health career programs. It also will allow for new programming that will include automotive body repair, alternative fuel, wind generation, and several computer areas. The expected completion date for the project is August 2010.</p>	21,900,000	10,950,000	10,950,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 September/October 2008



FY 2007-08 State Building Authority Projects			
Project	Total Cost	State Share	Institution Share
Kalamazoo Valley - Texas Twp Campus Expansion/ Student Success Center. The project includes additional faculty office space, laboratory and classroom expansion, an expansion of the central receiving and facility services area, and the addition of a new 20,000-square-foot Student Success Center. Commencement of construction is planned for May 2009 with a tentative completion date of December 2010.	12,000,000	6,000,000	6,000,000
Kirtland Community College - Campus Well Water System Upgrades. Kirtland's current well system consists of several wells that were installed in the early 1970s. The project will provide for a well system that will meet Kirtland's needs and comply with Type I water system standards. The project includes new wells, a well house, a back-up power source, and a distribution main. This project received construction authorization in Public Act 278. The estimated completion date is December 2009.	1,005,000	502,500	502,500
Monroe Community College - Classroom Technology Center Construction. The proposed new 60,000-square-foot facility would consist of modern classrooms and labs to teach technology-related courses. Existing facilities on the campus no longer meet the physical requirements necessary to provide instruction and training in current technology programs. The project is in the development stage and the college is looking toward a project completion date in 2011.	17,000,000	8,500,000	8,500,000
Montcalm Community College – Michigan Technical Education Center (MTEC) Expansion for Job Training. The expansion will allow for additional training required due to advanced technologies related to manufacturing jobs. Construction is planned for fall 2009 with an expected completion date of fall 2010.	6,000,000	3,000,000	3,000,000
Mott Community College - Mott Library Renovation. The project consists of renovating 28,500 square feet of the current 81,547 gross-square foot building to consolidate the Library, Distance Learning Center, and Viewing, Listening, and Testing Center programs in the Mott Library Building. The renovation will include needed repairs, upgrades, and replacements. The college intends to begin construction by spring 2009 with completion 12 to 18 months thereafter.	8,156,000	4,078,000	4,078,000
Muskegon Community College - Student Services One-Stop Center. This project involves renovation of existing space to consolidate all student services, including registration, records, counseling, testing, career services, student placement, recruitment, financial aid, and student life. These student services	5,000,000	2,500,000	2,500,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 September/October 2008



FY 2007-08 State Building Authority Projects			
Project	Total Cost	State Share	Institution Share
functions will be on one level in a prominent location adjacent to the lobby of the main building. This One-Stop Center began as a college self-funded project and has been expanded to include nursing classrooms and other student support areas. The expected completion date is fall 2008.			
Southwestern Michigan College - Technology Building Renovation and Expansion. The project would renovate and expand the College's technology training facilities located in the A.C. Kairis Building on the Dowagiac campus. Improvements include technology enhancements, asbestos abatement, and parking lot resurfacing. The college plans to break ground in 2009 with completion sometime in 2010.	3,200,000	1,600,000	1,600,000
Washtenaw Community College - Skilled Trades Training Complex. The proposed project includes the renovation and upgrade of the 120,000-square-foot Occupational Education Building. The facility houses automotive body and servicing departments, welding, HVAC training center, and allied health programs. Renovations include a green roof, upgrades to mechanical systems, and renovation of interior spaces. The college also is proposing to renovate an 8,000-square-foot building to house advanced manufacturing technology. The college hopes to begin work as soon as State construction authorization is received.	16,000,000	8,000,000	8,000,000
Wayne County Community College - Northwest Campus Replacement Construction. The project will replace the current obsolete Northwest Campus facility (193,084 square feet) that dates back to the 1950s with 300,000 gross square feet of new space. The Northwest Campus serves 13 communities with a population of around 340,000. Public Act 278 includes construction authorization for this project. The college hopes to commence construction by July 2009 and complete the project by January 2013.	42,000,000	21,000,000	21,000,000
West Shore Community College - Arts and Sciences Center/Remodeling & Additions. The project involves remodeling and renovating 17,500 square feet of space in the Arts and Sciences Center; a 7,500-square-foot addition for classrooms, faculty offices, and student advising space; and a 6,500-square-foot addition for theater support space. The college plans to begin construction by July 2009 and complete the projected by March 2010.	6,900,000	3,450,000	3,450,000
Subtotal - Community Colleges:	\$154,161,000	\$77,080,500	\$77,080,500
Total University/Community College Projects:	\$393,809,100	\$220,205,500	\$173,603,600



Conclusion

Public Act 278 of 2008 contains the first new authorizations for State Building Authority-financed projects at universities and community colleges since the enactment of Public Act 10 of 2005. With the exception of construction authorizations for Kirtland Community College and Wayne County Community College, the planning authorizations for the institutions listed above are just the beginning of the process. Department of Management and Budget approval of plans, JCOS approval, and construction authorization from the Legislature will be required before actual construction begins.