

State Notes

TOPICS OF LEGISLATIVE INTEREST

Summer 2017



Public Act 107 of 2017: FY 2016-17 Capital Outlay Supplemental Appropriation **By Bill Bowerman, Associate Director**

CONTENT OF LEGISLATION

Article II of Public Act 107 of 2017 includes a fiscal year (FY) 2016-17 supplemental appropriation of \$1,100 for 11 new capital outlay planning authorization line items and \$1,300 for 13 construction authorizations. While the Governor's proposal for new capital outlay planning authorizations began as an FY 2017-18 recommendation in the General Government budget, the new projects approved by the Legislature were included under Capital Outlay in the Omnibus Appropriation bill as an FY 2016-17 supplemental appropriation. This enables institutions to begin work on planning documents and schematics before the beginning of the next fiscal year (October 1, 2017).

BACKGROUND

Capital outlay is a two-step legislative process that is delineated in Section 242 of the Management and Budget Act (Public Act 431 of 1984). Planning and construction authorizations are implemented through \$100 line items in appropriation bills. Planning authorizations are not a commitment on the part of the Legislature to appropriate funds for the completion of any project. A \$100 line item planning authorization effectively gives permission for an institution or State agency to develop program statements and schematic planning documents. These documents are then submitted to the Department of Technology, Management, and Budget (DTMB) for review and approval. Projects that are approved for construction by the DTMB are then submitted to the Joint Capital Outlay Subcommittee (JCOS) for its approval. Subsequent to DTMB and JCOS approval, the Legislature may authorize a project for final design and construction with a line item appropriation in an appropriation bill (construction authorization).

FY 2017-18 GOVERNOR'S RECOMMENDATION

As has been the practice, institutions with current planning authorizations for projects that are pending construction authorization are instructed by the DTMB to maintain those projects as their priority request until construction is authorized. Eight universities and eight community colleges had planning authorizations in process during the development of the FY 2017-18 Capital Outlay budget proposal and maintained those projects as their priority request. Three community colleges (Kalamazoo Valley Community College, Montcalm Community College, and Oakland Community College) did not submit a request for a State-funded capital outlay project in FY 2017-18. As a result, the DTMB reviewed funding requests from seven universities and 17 community colleges for the FY 2017-18 capital outlay process. Three university projects and two community college projects were recommended for planning authorizations in the Governor's FY 2017-18 budget recommendation. The Governor also recommended two State agency projects.



Table 1 provides a summary of requested projects, the Governor's recommendation, and the final legislative determination for new capital outlay planning authorizations in Public Act 107.

Public Act 107 also includes construction authorizations, mainly for projects that were previously authorized for planning and have been approved for construction pursuant to the requirements of Section 242 of the Management and Budget Act. There are three projects in Public Act 107 that were advanced to construction authorizations without prior planning authorizations (Caro Center Replacement, State Capitol Restoration/Infrastructure Upgrade Project, and the Kirtland Community College Project). Table 2 provides details on construction authorizations contained in Public Act 107, including the total cost, the State share, the institution share, and estimated annual debt service costs.

FISCAL IMPACT

The Appendix includes a brief description of each project that received a planning or construction authorization in Public Act 107. Community college projects are based on a 50/50 State/college match. University projects are based on a 75/25 State/university match; however, the State contribution is capped at \$30.0 million. Institution match rates also can vary based on the institution's request and project cost increases that occur subsequent to planning authorization. Such cost increases are usually funded entirely by the institution.

Planning Authorizations. If all of the planning authorizations contained Public Act 107 eventually receive construction authorizations, the total cost of the projects (not including the Northern Satellite Psychiatric Facility) will be \$187.6 million, with a State share of \$88.5 million. Annual State Building Authority (SBA) rent payments will be approximately \$6.6 million until the bonds are retired (approximately 17 years).

Construction Authorizations. The construction authorizations result in total authorized costs of \$642.3 million, with the State share totaling \$376.8 million. Annual SBA rent payments (debt service) will total approximately \$28.3 million until the bonds are retired (approximately 17 years).

Table 1

FY 2016-17 Capital Outlay Planning Authorizations

Budget Area	Project	Institution Request			Governor's Recommendation			Public Act 107 of 2017		
		Total Cost	State Share	Institution Share	Total Cost	State Share	Institution Share	Total Cost	State Share	Institution Share
Ferris	Center for Virtual Learning	\$40,000,000	\$30,000,000	\$10,000,000						
Michigan State	STEM Teaching and Learning Facility	72,500,000	29,870,000	42,630,000				72,500,000	29,870,000	42,630,000
Michigan Tech	H-STEM Engineering & Health Tech Complex - Phase 1	39,600,000	29,700,000	9,900,000	39,600,000	29,700,000	9,900,000			
Northern	Technical Career & Engineering Technology Facility	26,500,000	19,875,000	6,625,000						
Oakland	South Foundation Hall Expansion	40,000,000	30,000,000	10,000,000						
Saginaw Valley	College of Business & Management Expansion	17,500,000	9,800,000	7,700,000	17,500,000	9,800,000	7,700,000	17,500,000	9,800,000	7,700,000
Wayne State	STEM Innovation Learning Center	29,500,000	14,750,000	14,750,000	29,500,000	14,750,000	14,750,000	29,500,000	14,750,000	14,750,000
	SUBTOTAL - UNIVERSITIES	\$265,600,000	\$163,995,000	\$101,605,000	\$86,600,000	\$54,250,000	\$32,350,000	\$119,500,000	\$54,420,000	\$65,080,000
Alpena	Center for Health Sciences and Student Success	\$6,700,000	\$3,350,000	\$3,350,000				\$6,700,000	\$3,350,000	\$3,350,000
Bay de Noc	Catherine Bonifas Building Renovation	5,259,200	2,629,600	2,629,600						
Glen Oaks	Library, Concourse, and Fine Arts Studio Transformation	3,202,200	1,601,100	1,601,100						
Gogebic	Lindquist Student Center Renovation/Wellness Center	2,400,000	1,200,000	1,200,000						
Grand Rapids	Applied Technology Center Renovation & Expansion	12,734,500	6,367,200	6,367,300				12,734,500	6,367,200	6,367,300
Henry Ford	Entrepreneur & Innovation Institute/Tech. Bldg. Ren. & Add.	14,900,000	6,700,000	8,200,000	14,900,000	6,700,000	8,200,000			
Jackson	Health and Sports Management Center	6,000,000	3,000,000	3,000,000						
Kirtland	Michigan Forest Products Institute Building	6,100,000	3,050,000	3,050,000				Construction	Construction	Construction
Lansing	505 North Capitol Avenue Building Renovation	6,500,000	3,250,000	3,250,000						
Macomb	Advanced Technology Complex	24,516,800	12,258,400	12,258,400						
Mid Michigan	Classroom and Library Renovations	14,622,100	7,311,050	7,311,050						
Mott	Southern Lakes Branch Center: Rehabilitation/Renovation	8,112,200	4,056,100	4,056,100				8,112,200	4,056,100	4,056,100
North Central	AD/CL Classroom Renovation & Expanded Learning Space	6,800,000	3,400,000	3,400,000				6,800,000	3,400,000	3,400,000
Schoolcraft	Applied Science Renovation & Expansion	20,000,000	10,000,000	10,000,000				20,000,000	10,000,000	10,000,000
St. Clair	Health Sciences AJT - Building Renovation	9,800,000	4,900,000	4,900,000	9,800,000	4,900,000	4,900,000	9,800,000	4,900,000	4,900,000
Washtenaw	Advanced Transportation Center Addition & Remodeling	4,000,000	2,000,000	2,000,000				4,000,000	2,000,000	2,000,000
Wayne	Eastern Campus Repurposing & Upgrading	18,000,000	9,000,000	9,000,000						
	SUBTOTAL - COMMUNITY COLLEGES:	\$169,647,000	\$84,073,450	\$85,573,550	\$24,700,000	\$11,600,000	\$13,100,000	\$68,146,700	\$34,073,300	\$34,073,400
DHHS	Caro Center Replacement - New Psychiatric Hospital	\$115,000,000	\$115,000,000	N/A	\$115,000,000	\$115,000,000	N/A	Construction	Construction	Construction
DHHS	New Northern Satellite Psychiatric Hospital							TBD	TBD	0
DTMB	Secondary Complex - Secretary of State Building Addition	34,100,000	34,100,000	N/A	34,100,000	34,100,000	N/A			
MSCC	State Capitol Restoration/Infrastructure Project	70,009,400	70,009,400	N/A				Construction	Construction	Construction
	SUBTOTAL - STATE AGENCIES:	\$219,109,400	\$219,109,400	\$0	\$149,100,000	\$149,100,000	\$0	\$0	\$0	\$0
	TOTAL SBA PROJECTS:	\$654,356,400	\$467,177,850	\$187,178,550	\$260,400,000	\$214,950,000	\$45,450,000	\$187,646,700	\$88,493,300	\$99,153,400

NOTE: The State Capitol project, the Caro Center Replacement, and the Kirtland Community College project were included as construction authorizations in Enrolled HB 4323.

Table 2

Public Act 107 of 2017 - Construction Authorizations

Budget Area	Project	Total Cost	State Share	Institution Share	Estimated Debt Service
<u>University</u>					
Central	Center for Integrated Health Studies	\$26,000,000	\$19,500,000	\$6,500,000	\$1,462,500
Eastern	Strong Hall Renovation	39,536,000	29,652,000	9,884,000	2,223,900
Grand Valley	Health & Medical Sciences Laboratory & Classroom Bldg.	70,000,000	29,000,000	41,000,000	2,175,000
U of M - Ann Arbor	School of Dentistry Renovation and Addition	139,998,000	30,000,000	109,998,000	2,250,000
U of M - Dearborn	Engineering Laboratory Bldg. Replacement	90,000,000	30,000,000	60,000,000	2,250,000
U of M - Flint	Murchie Science Building Expansion	39,000,000	29,250,000	9,750,000	2,193,800
	Subtotal Universities:	\$404,534,000	\$167,402,000	\$237,132,000	\$12,555,200
<u>Community College</u>					
Delta	Saginaw Center	\$12,739,000	\$6,369,500	\$6,369,500	\$477,700
Kirtland	Michigan Forest Products Institute Building	6,100,000	3,050,000	3,050,000	228,800
Muskegon	Health and Wellness Center	14,100,000	5,640,000	8,460,000	423,000
Northwestern	West Hall Innovation Center Renovation/Expansion	14,398,000	7,199,000	7,199,000	539,900
West Shore	Technical Center Renovation & Addition	5,378,800	2,151,300	3,227,500	161,300
	Subtotal Community Colleges:	\$52,715,800	\$24,409,800	\$28,306,000	\$1,830,700
<u>Legislature and State Agencies</u>					
Capitol Commission	State Capitol Restoration/Infrastructure Upgrade	\$70,009,400	\$70,009,400	\$0	\$5,250,700
DHHS	Caro Center Replacement - New Psychiatric Hospital	\$115,000,000	\$115,000,000	\$0	\$8,625,000
	Subtotal Legislature/State Agencies:	\$185,009,400	\$185,009,400	\$0	\$13,875,700
	Total SBA Construction Authorizations:	\$642,259,200	\$376,821,200	\$265,438,000	\$28,261,600

NOTE: With the exception of the State Capitol Project, the Caro Center Replacement, and Kirtland Community College, the projects listed in Table 2 were previously approved for planning by the Legislature, and have been recommended for construction authorization by the DTMB. Planning costs for the Capitol Restoration/Infrastructure Upgrade Project were funded through annual appropriations for the Capitol Building. The Michigan State Capitol Commission approved the State Capitol Restoration/Infrastructure Upgrade Project, pending approval of construction funding by the Legislature. The Caro Center received a planning authorization as a modernization project with no cost estimate in Public Act 268 of 2016. It is now included in construction authorizations as a new psychiatric hospital.



APPENDIX

Public Act 107 of 2017 - Planning Authorizations			
Project	Total Cost	State Share	Institution Share
<p>Michigan State University: STEM Teaching and Learning Facility. The new facility will support laboratory-based instruction associated with courses in science, technology, engineering and mathematics. The project consists of the construction of an approximate 120,000-gross-square-foot facility that will house undergraduate teaching laboratories for biological related sciences, chemistry, neuroscience, physics, and engineering disciplines in a central campus location. In addition to wet bench teaching laboratories, the facility will include computer labs, informal study areas, break-out spaces, and potentially a campus-wide computerized testing center. The DTMB ranked the project Number 6 in FY 2017-18. (It was Number 5 among FY 2016-17 university capital outlay priority project requests.)</p>	72,500,000	29,870,000	42,630,000
<p>Saginaw Valley: College of Business and Management Expansion. The project includes a 40,000-square-foot addition to the 236,000-square-foot Business & Professional Development Center. The project includes creating various experiential and active learning labs, gathering space, academic centers and offices. It will facilitate the consolidation of programs and services serving the regional business community into one multifunctional space. The university is not requesting the customary 75% State match and is instead using university resources to fund approximately 44.6 % of the project cost. The DTMB ranked the project Number 2 among FY 2016-17 university capital outlay priority project requests. The DTMB ranked the project Number 2 among FY 2017-18 university capital outlay priority requests and included the project in the Governor's FY 2017-18 recommendation.</p>	17,500,000	9,800,000	7,700,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Planning Authorizations			
Project	Total Cost	State Share	Institution Share
<p>Wayne State: STEM Innovation Learning Center. The \$29.5 million project consists of the renovation of the eight-floor/100,000-square-foot Science and Engineering Library that was closed in January 2014. The renovated facility would allow for new technology and teaching methodologies, and the integration and re-assignment of existing and redesigned STEM courses that are currently housed in dated facilities and teaching labs. The university is pledging to fund 50.0% of the project cost instead of the customary 75/25 State/university match. The DTMB ranked the project Number 1 among FY 2017-18 university capital outlay priority requests and included it in the FY 2017-18 Governor's budget recommendation. (It was also included in the Governor's FY 2016-17 budget recommendation when DTMB ranked the project Number 3 among FY 2016-17 university capital outlay priority project requests. In FY 2015-16 DTMB ranked the project Number 6 [tied with University of Michigan - Flint that year], when it was a \$30.0 million request with a standard 75.0% State match.)</p>	29,500,000	14,750,000	14,750,000
Subtotal Universities:	\$119,500,000	\$54,420,000	\$65,080,000
<p>Alpena Community College: Center for Health Sciences and Student Success. The project includes the renovation and repurposing of 36,000 square feet, and 7,500 square feet of new construction. The project will provide space and updated technology to house an enhanced nursing program, centralize critical student support services in a center for student success, and include a second floor Foundation-Alumni community gathering space. Improvements include replacement of existing steam boiler system installed in 1952 with high-efficiency HVAC system (geo-thermal, forced air, or hot water), construction of second story occupying approximately 10,000 square feet located in the middle of the building, ADA compliance for access to the second floor, redesign of main entrance and outdoor courtyard, renovation of restrooms, installation of smart rooms and technology, furnishing and equipping the new Center for Student Success, removal of nonfunctional chimney, and signage updates. The DTMB ranked the project Number 8 among FY</p>	\$6,700,000	\$3,350,000	\$3,350,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Planning Authorizations			
Project	Total Cost	State Share	Institution Share
2017-18 college capital outlay priority requests. (The DTMB ranked the project Number 4 among FY 2016-17 community college capital outlay priority project requests.)			
Grand Rapids: Applied Technology Center Renovation and Expansion. The Applied Technology Center is 25 years old and the existing configuration no longer supports current classroom/laboratory learning requirements. The project includes renovation of approximately 20,000 square feet within the existing facility, and an expansion of approximately 20,000 square feet. Existing space will be reconfigured to meet program needs and expand where necessary to support new program development. The college recently completed infrastructure improvements in the Applied Technology Center which brought all life-safety issues to code, replaced the atrium skylight roof and replaced the elevators. The proposed project is specifically focused on instructional spaces. The DTMB ranked the project Number 9 among FY 2017-18 college capital outlay priority requests.	12,734,500	6,367,200	6,367,300
Mott: Southern Lakes Branch Center: Rehabilitation/Renovation (SLBC). The SLBC is a facility consisting of three wings totaling 57,575 net square feet. The Center houses general education academic classrooms, academic occupational therapy and physical therapy programs, continuing education programs, police training, EMT and fire safety training, and the Institute for Medical Simulation. Renovations will include replacement of exterior wall panels, doors and windows on two wings; boiler and chiller replacements with complete controls replacements; replacement of the fire suppression pump and all controls; replacement of the fire alarm system; replacement of the water well and water treatment system; replacement/addition of emergency generators; replacement of HVAC systems and re-flooring; addition of shower/locker facilities and muster room; renovations and upgrades to classroom and training laboratories; and site modifications and improvements including repaving of driver training area, construction of a shooting range and obstacle course, and site safety lighting	8,112,200	4,056,100	4,056,100

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Planning Authorizations			
Project	Total Cost	State Share	Institution Share
replacements. (The project was ranked Number 2 among FY 2015-16 community college requests by the DTMB and included in the Governor's FY 2015-16 budget recommendation. It was not scored in the FY 2016-17 round and the Governor continued to support the project. It was a \$4.0 million project in FY 2016-17. Mott states that accelerating deterioration of several other major systems, including health and safety systems, has caused the scope and cost of renovation work to increase dramatically. Several systems, originally scheduled for repairs and upgrades, now require complete replacement.) The DTMB rescored the project in FY 2017-18 and ranked it Number 12 among FY 2017-18 college capital outlay priority requests. It was not included in the Governor's FY 2017-18 budget recommendations.			
North Central: Administration/Classroom Renovation and Collaboration Center. The project includes the renovation of 15,000 square feet and the construction of a 3,000-square-foot addition. Two existing classrooms will be renovated into one state-of-the-art computer lab, and four state-of-the-art classrooms will be created. Along with instructional space, the project will include space for students and faculty to meet and collaborate and also provide students with access to support services that are centrally located. Renovations will include significant maintenance and repair, including mechanical and plumbing upgrades. The DTMB ranked the project Number 5 among FY 2017-18 college capital outlay priority requests. (It was ranked Number 13 in FY 2016-17.)	6,800,000	3,400,000	3,400,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Planning Authorizations			
Project	Total Cost	State Share	Institution Share
<p>Schoolcraft: Applied Sciences Renovation and Expansion. The \$20.0 million project includes renovation of a portion of the existing 74,109 square feet and the addition of approximately 34,200 square feet to repurpose, update, and expand spaces in the Applied Science Building following the relocation of STEM programs. The building will support allied health field programs that will move to the Applied Science Building. The 34,200 square feet of new space will expand and reorganize the Nursing Program; include a relocated and expanded Medical Assisting Program; include the addition of two Biology/Anatomy & Physiology Labs; house displaced lecture spaces that are right-sized for current class sizes; and adding social spaces for students to study. The DTMB ranked the project Number 15 among FY 2017-18 college capital outlay priority requests. (It was ranked Number 8 among in FY 2016-17 - then a \$10.2 million project, and Number 8 in FY 2015-16.)</p>	20,000,000	10,000,000	10,000,000
<p>St. Clair: Health Sciences AJT - Building Renovation. The project includes upgrading infrastructure and remodeling 41,750 square feet in the existing AJ Theisen Building. The specialized instructional will include simulation rooms and other program support needs. The building was constructed as an industrial technology learning center in 1969. The renovation proposal will convert this facility into a state-of-the-art instructional space while establishing a “virtual health care environment” to support programs in high-demand, high-wage health sciences careers. The building’s energy efficiency will be improved with new high-performance windows and doors. HVAC, plumbing, and lighting updates will increase efficiency and extend the life of the building. The project also will renovate the interior for faculty offices, dedicated spaces designed for simulated, specialized skills training, and health science instruction support space to be used by the current and emerging health sciences programs. The DTMB ranked the project Number 1 among FY 2017-18 community college capital outlay priority requests.</p>	9,800,000	4,900,000	4,900,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Planning Authorizations			
Project	Total Cost	State Share	Institution Share
Washtenaw: Advanced Transportation Center Addition and Renovation. The project includes the construction of a 12,000-square-foot addition to the Whitworth Occupational Education Building along with renovations to the existing building. The new space will be dedicated to teaching Science, Technology, Engineering and Mathematics; additive manufacturing; and Genetics, Robotics, Information Technology and Nano-Technology-related advanced transportation; and advanced manufacturing technology courses in a laboratory setting. The addition will include five instructional laboratories, large active-learning classrooms and support spaces, CAD-CAM, CAE, and meeting space. The DTMB ranked the project Number 6 among FY 2017-18 college capital outlay priority requests. (It was ranked Number 5 in FY 2016-17 - then a \$12.5 million/30,000-square-foot project, and Number 6 in FY 2015-16.)	4,000,000	2,000,000	2,000,000
Subtotal Community Colleges	\$68,146,700	\$34,073,300	\$34,073,400
Department of Health and Human Services (DHHS): New Northern Satellite Psychiatric Facility. The project envisions a smaller-scale psychiatric facility to serve the Upper Peninsula and the northern Lower Peninsula. A location, exact size of the facility, and cost have not been determined.	N/A	N/A	N/A
Subtotal State Agency Projects	\$0	\$0	\$0
Total Planning Authorizations:	\$187,646,700	\$88,493,300	\$99,153,400

Public Act 107 of 2017 - Construction Authorizations			
Project	Total Cost	State Share	Institution Share
Central Michigan University: Center for Integrated Health Studies. The project consists of a 57,500-square-foot addition to the existing Health Professions Building. The existing building consists of 175,000 square feet that houses the College of Health Professions. The facility will include simulation-focused areas, discipline-specific instructional labs, faculty and support offices, student support and study spaces, general purpose	\$26,000,000	\$19,500,000	\$6,500,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Construction Authorizations			
Project	Total Cost	State Share	Institution Share
flexible classrooms and a 150-seat auditorium. The expanded facility will allow the university to address its needs for classroom and laboratory space, enabling CMU to train more health professionals (physician assistants, physical therapists, audiologists, etc.) as well as bring in students from the College of Business with logistics, information technology and economics majors to better connect these related professions to health care professions and patient care.			
Eastern Michigan University: Strong Hall Renovation. Strong Hall (80,713 square feet) was constructed in 1957. The \$39.5 million project includes renovation of the existing structure, an addition of approximately 10,000 square feet, and improvements to selected spaces within the connected Mark Jefferson Science Complex. The project will replace outdated building systems (building envelope, mechanical, plumbing, electrical, interior systems, ADA accessibility, equipment, and fire suppression systems). The renovation project also will provide additional instructional and research laboratories for Physics and Astronomy, Geography and Geology, Global Mapping/GIS, and Earth Sciences.	39,536,000	29,652,000	9,884,000
Grand Valley State University: Health Medical Sciences Laboratory and Classroom Building. The project will provide for the construction of a new 160,960-square-foot laboratory, classroom and faculty office building on the Pew Grand Rapids campus, on university property adjacent to the GVSU Cook-DeVos Center for Health Sciences on Michigan Street NE. (This area is the city’s “Medical Mile” and hosts numerous hospital, medical, and research activities, including Spectrum Health.) The facility will address capacity issues and provide space for the health sciences, nursing, medical engineering, and computer-based analysis programs.	70,000,000	29,000,000	41,000,000
University of Michigan-Ann Arbor: School of Dentistry Renovation & Addition. The \$140.0 million/202,824-gross-square-foot project includes the renovation of approximately 160,000 gross square feet (42% of existing space) in the Dental Building and W.K. Kellogg Foundation Institute, and 43,000 gross square feet of new space to ameliorate crowded and outdated lab space, provide adaptable	139,998,000	30,000,000	109,998,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Construction Authorizations			
Project	Total Cost	State Share	Institution Share
and flexible space for research, create a special needs clinic, and provide appropriate space for clinical education, while expanding the statewide patient care services (197,000 patient appointments in FY 2015-16). The estimated project cost at the time of the planning authorization was \$122.0 million. The cost increase is due to changes in the scope of the project, expected construction start date, the coordinated phasing of the construction process, the impact of inflation, and the complexity and large scale of the overall project.			
University of Michigan-Dearborn: Engineering Laboratory Building Replacement. The project will replace the existing 92,125-square-foot building that was constructed in 1959 with a new 108,000-square-foot facility. The current facility provides support for degrees in the fields of electrical and computer engineering, industrial and manufacturing systems engineering, and mechanical engineering. The existing building will be taken down to its structural components of foundations, floor slabs, columns, beams and structural roof. The updated state-of-the-art building will consist of 122,852 square feet and house classrooms, labs, research labs, faculty offices, and informal learning spaces.	90,000,000	30,000,000	60,000,000
University of Michigan-Flint: Murchie Science Building Addition. The project includes a 61,345-square-foot addition to the Murchie Science Building. The addition will include teaching labs, research labs, classrooms, student spaces, and faculty spaces. The facility will provide innovative learning spaces, flexible spaces specifically designed to support interactive learning, facilitate interdisciplinary collaboration, meet evolving needs, and free up needed space to support laboratory preparation staff and supplies. The building expansion will address growth patterns that have occurred in physics/engineering, biology, earth and resource sciences, mathematics, computer science information systems, and chemistry programs.	39,000,000	29,250,000	9,750,000
Subtotal Universities:	\$404,534,000	\$167,402,000	\$237,132,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Construction Authorizations			
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<p>Delta: Saginaw Center Project. The \$12.7 million/37,520-square-foot new construction project will support the delivery of educational programs to the City of Saginaw and southeastern Saginaw County. Delta currently leases a 21,500-square-foot 1950s-era elementary school in the Buena Vista area. The new facility will be designed to be flexible to teach general education, skilled trades, health care, and classes offering an entry point to career options. It will include high-level technology, special use training rooms, eight to 10 classrooms, and basic science and computer labs. It also will provide multipurpose rooms/labs, student services and administrative support spaces.</p>	12,739,000	6,369,500	6,369,500
<p>Kirtland: Michigan Forest Products Institute Building. The 37,800-square-foot facility will provide resources to meet increasing training needs of the wood products industries of Michigan. The facility will include spaces for: training workers and prospective employees in the forest/wood products and manufacturing industries, training employees in the use of electronic sensors and controls and mechanical devices and systems used in modern wood manufacturing facilities, training people in the industrial lamination of wood products and composites, and a shop to train heavy equipment/diesel mechanic technicians. The DTMB ranked the project Number 4 among FY 2017-18 college capital outlay priority requests. This project did not receive a prior planning authorization. It was advanced to a construction authorization due to a construction of a new, state-of-the-art, \$400 million particle board plant in Grayling, Michigan. The construction project is expected to generate 700 jobs and running the plant will create 200 direct jobs. Recruitment for the plant will begin in late 2017.</p>	6,100,000	3,050,000	3,050,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Construction Authorizations			
Project	Total Cost	State Share	Institution Share
<p>Muskegon: Health and Wellness Center. The scope of the \$14.1 million project has changed since the planning authorization (Public Act 268 of 2016) from one based on renovation/addition to the construction of a new 52,498-square-foot stand-alone facility. The change does not result in a cost increase. The new classroom and academic building will function as the primary location for the MCC Health, Physical Education and Recreation Department. It will include collaborative learning spaces, large and small classrooms, a state-of-the-art health simulation lab, and a physical education center and fitness room. The college is funding 60.0% of the project cost instead of the normal 50/50 State/college match.</p>	14,100,000	5,640,000	8,460,000
<p>Northwestern: West Hall Innovation Center Renovation and Expansion. The \$14.4 million project includes renovation of approximately 13,000 square feet of the current West Hall building on campus and an expansion of approximately 24,000 square feet to provide space for learning and collaboration. The project will create 30 additional learning spaces in a variety of configuration levels for adaptive learning spaces designed to promote interactive learning experiences; simulation-based experiential learning; and dynamic teaching.</p>	14,398,000	7,199,000	7,199,000
<p>West Shore: Technical Center Renovation and Addition. The \$5.4 million project includes the renovation of 66,000 square feet and a 2,700-square-foot addition. The building was originally constructed in 1969, with additions in 1992 and 1993. The project includes remodeling space for larger class size capacity, expanding high-bay welding lab capacities, simulation laboratories, a renovated nursing lab, a new nursing lab, and general remodeling of classrooms, corridors, offices and restrooms. The cost of the project increased by \$1,076,200 since the original planning authorization due to project program changes and inflation. The college is covering the entire cost increase.</p>	5,378,800	2,151,300	3,227,500
Subtotal Community Colleges	\$52,715,800	\$24,409,800	\$28,306,000

State Notes
TOPICS OF LEGISLATIVE INTEREST
 Summer 2017



Public Act 107 of 2017 - Construction Authorizations			
Project	Total Cost	State Share	Institution Share
<p>Michigan State Capitol Commission - State Capitol Restoration/Infrastructure Upgrade. The State Capitol Commission developed a plan to address structural issues, mechanical upgrades, and energy efficiency improvements (including a geothermal system) through a comprehensive \$70.0 million capital outlay project. On April 10, 2017, the Commission approved the project, contingent upon funding from the Legislature. The estimated duration of the project is 24 to 30 months, with a tentative start date in the summer of 2017. The project will result in parking relocation for 18 to 24 months, commencing July 10, 2017. The project envisions continuous use of the Capitol during construction, with work in the Senate and House chambers and public areas to occur during holiday and summer breaks, and during nights and weekends. The project is designed to address outdated mechanical, electrical, plumbing, fire suppression, and sewage systems; decorative paint and historic furnishings; rusted and leaking pipes; lack of humidity control; relocation of equipment; and energy efficiency.</p>	\$70,009,400	\$70,009,400	\$0
<p>DHHS - Caro Center Replacement - New Psychiatric Hospital. The Caro Center is a State-operated psychiatric hospital that is budgeted for a population of approximately 145 patients. The Caro Center consists of 37 buildings with a total area of 503,537 square feet. Buildings range in age from the early 1900s through the 1950s. Some residential buildings were remodeled in the 1970s. No major remodeling has occurred since 1979. Several buildings are over 60 years old and require maintenance on an ongoing basis. All buildings are in need of exterior improvements to facilitate a safe presentation for patients, staff and visitors. The Caro Center received a planning authorization as a modernization project with no cost estimate in Public Act 268 of 2016. The conference report for House Bill 4323 included a construction authorization of \$115.0 million to replace the Caro Center with a new psychiatric hospital.</p>	115,000,000	115,000,000	0
Subtotal Legislature/State Agency Projects	\$185,009,400	\$185,009,400	\$0
Total Construction Authorizations:	\$642,259,200	\$376,821,200	\$265,438,000