

CAPITAL OUTLAY BUDGET
FY 2007-08 Recommendations
HB 5221 (H-4) As Reported From HAC



Analyst: Al Valenzio

	FY 2006-07 Year-To-Date	FY 2007-08 Executive	FY 2007-08 Committee	Difference: HAC Change From FY 2006-07 YTD	
				Amount	%
IDG/IDT	\$2,000,000	\$2,000,000	\$2,000,000	\$0	0.0
Federal	151,230,200	193,392,000	193,392,000	42,161,800	27.9
Local	12,648,300	15,209,400	15,209,400	2,561,100	20.2
Private	0	723,900	723,900	723,900	NA
Restricted	89,842,400	68,764,600	68,764,600	(21,077,800)	(23.5)
GF/GP	5,000,000	2,900	4,500	(4,995,500)	(99.9)
Gross	\$260,720,900	\$280,092,800	\$280,094,400	\$19,373,600	7.4

Overview

The Michigan Capital Outlay process encompasses the budgetary and administrative functions devoted to financing and planning for the acquisition, construction/renovation, and maintenance of facilities used by a state agency, public university, or community college. General operational practices and procedures are contained in the Management and Budget Act (1984 PA 431), the State Building Authority Act (1964 PA 183), the annual Capital Outlay Appropriations Act, and the formal policies of the Legislative Joint Capital Outlay Subcommittee (JCOS). Act 431 contains numerous oversight and approval action steps that define the respective roles of the Executive and Legislative Branches.

The State Building Authority (SBA) finances most major state-owned facility renovations and new construction projects through issuance of revenue bonds. Debt service on these bonds is annually appropriated as "rent" because it is based on the respective individual facility's economic or market value. The SBA has a statutory bonded indebtedness ceiling, currently set at \$2.7 billion. **Tables A and B** on the next page provide an analysis of the currently projected available bond cap and how the new proposed projects can be accommodated within that .

Bullet Points:

- Provides project planning authorizations for 39 higher education State Building Authority financed projects totaling more than \$684 million of State monies (Please see Table 1)
- Authorizes 6 construction projects with more than \$121 million of State Building Authority financing (Please see Tables 1, 2, and 3)
- Provides \$183 million of federal, state and local funds for airport safety and improvement projects
- Provides \$34.5 million for Natural Resources Trust Fund recreation projects (Please see Table 4)
- Provides \$26.5 million of federal monies for military facilities
- Includes \$12.6 million from Waterways Fund and federal funds for boating recreation projects
- Includes \$14.3 million state restricted funds for MDOT facilities
- Includes \$3.75 million federal and state restricted funds to purchase property development rights
- Provides \$2 million state restricted funds for state park maintenance

A. STATE BUILDING AUTHORITY BOND CAP PROJECTIONS

Maximum Statutory Authorization \$2.7 Billion

(\$Millions)

Current Projections

		FY2008	FY2009	FY2010	FY2011
Authorized Bond Cap	\$2,700.0	\$615.4	\$607.6	\$654.4	\$700.7
<i>Prior Bond Issues, all time</i>	<i>(5,129.0)</i>				
<i>Renewed Capacity, principal payments</i>	<i><u>3,226.7</u></i>				
Subtotal	\$797.7				
<i>Commercial Paper Projects</i>	<i><u>(182.3)</u></i>				
Available Bond Cap (02/01/08)	\$615.4				
Current Authorized Construction Projects		(\$7.8)	(\$83.0)	(\$66.6)	
Renewed Capacity Estimates			\$129.8	\$112.9	\$165.3
Cap Carry Forward	\$615.4	\$607.6	\$654.4	\$700.7	\$866.0

Source: State Building Authority; HFA calculations

04/23/2008

B. STATE BUILDING AUTHORITY BOND CAP PROJECTIONS

Maximum Statutory Authorization \$2.7 Billion

(\$Millions)

New Projects Based on All Higher Education/Executive Requests to Date

		FY2008	FY2009	FY2010	FY2011
Authorized Bond Cap	\$2,700.0	\$615.4	\$607.6	\$634.4	\$460.6
<i>Prior Bond Issues, all time</i>	<i>(5,129.0)</i>				
<i>Renewed Capacity, principal payments</i>	<i><u>3,226.7</u></i>				
Subtotal	\$797.7				
<i>Commercial Paper Projects</i>	<i><u>(182.3)</u></i>				
Available Bond Cap (02/01/08)	\$615.4				
Current Authorized Construction Projects		(\$7.8)	(\$83.0)	(\$66.6)	
Renewed Capacity Estimates			\$129.8	\$112.9	\$165.3
FY 2008, HB 5221 (H-4), Table 1			(\$20.0)	(\$220.1)	(\$566.2)
Alternative Energy Payment, 1%			In Above	In Above	In Above
Cap Carry Forward	\$615.4	\$607.6	\$634.4	\$460.6	\$59.7

Source: State Building Authority; HFA calculations

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<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
Sec. 104. Department of Military & Veterans Affairs		
1. For Department Remodeling and Additions and Special Maintenance Projects Lump sum account to finance regular and emergency repairs at armories and other departmental facilities. For remodeling and additions and major special maintenance projects.	Gross Federal	\$15,000,000 15,000,000
2. Camp Grayling, Infantry Platoon Battle Course/Live Fire Range, For Design and Construction Authorizes a 100% federally funded project to construct a large area for small arms fire.	Gross Federal	\$3,500,000 3,500,000
3. Camp Grayling, Multiple Company Headquarters Buildings, For Design and Construction Authorizes a project cost increase of \$8,000,000 for a new total of \$45,000,000, 100% federally funded. These buildings include attached barracks and dining facilities.	Gross Federal	\$8,000,000 8,000,000
Sec. 105. Department of Natural Resources		
A. State Park and Forest Area Improvements 1. State Parks Repair and Maintenance Funds from the State Parks Improvement Fund for infrastructure repairs and/or improvements.	Gross Restricted	\$2,000,000 2,000,000
B. Waterways Boating Program 1. Infrastructure Improvements – State Projects Lump sum account for emergency repairs, engineering studies, utility upgrades, and preventive maintenance at state-owned harbors and docks.	Gross Federal Restricted	\$2,287,000 250,000 2,037,000
2. Infrastructure Improvements – Local Projects Grants to local units for preventive maintenance and upgrades of publicly-owned harbors and marinas.	Gross Restricted	\$2,115,000 2,115,000
3. Boating Program, Local Boating Access Sites, Grants In Aid; Walloon Lake, Charlevoix County, New Site Construction These funds will be used towards the construction of a replacement launch site in Charlevoix County.	Gross Restricted	\$510,000 510,000
4. Otsego Lake, Otsego County, Dock and Launch Replacement These funds will be used to replace the existing dock and boat launch ramp as well as a new storm water control system.	Gross Restricted	\$144,000 144,000
5. Boating Program, State Harbors and Docks; Cheboygan, Cheboygan County, Lock and Dam Repairs Federal funds will be used for certain repairs mandated by the Federal Energy Regulatory Commission such as bank stabilization and repairing the lower spillway and cribbing.	Gross Federal Restricted	\$1,679,400 1,304,400 375,000
6. Boating Program, Local Harbors and Docks; Grand Haven, Ottawa County, Marina Improvements and Dock Replacement, Phase II Appropriation to complete this project that is being equally matched by the local unit.	Gross Restricted	\$505,000 505,000

<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
7. Petoskey, Emmet County, Marina Dock and Harbormaster Building Expansion Appropriation to provide matching funds for completion of this project to upgrade these facilities.	Gross Restricted	\$861,000 861,000
8. Mackinac Island Marina Mooring Expansion Appropriation to provide funds for completion of this project to expand this marina.	Gross Federal Restricted	\$1,976,000 1,220,000 456,000
C. Natural Resources Trust Fund Projects This appropriation will fund 31 recreational acquisition projects, including 19 for local units, and 34 recreational development projects, including 30 for local units. (Please see Table 2 for a complete listing)	Gross Private Restricted	\$35,266,200 723,900 34,542,300
Sec. 106. Department of Transportation		
A. Department Buildings and Facilities; 1. Pontiac Transportation Center, Rail and Bus Terminal, For Design and Construction Comprehensive Transportation Fund (CTF) bonds will finance the construction of a new 4,400 sq. ft. facility to serve rail and bus transportation operational needs. The current facility is considered unsafe and is being demolished. This is a departmentally owned site.	Gross Restricted	\$1,750,000 1,750,000
2. L'Anse Maintenance Garage Renovation, For Design and Construction Due to the transfer of additional equipment and staff, the current facility is too small to meet this need. In addition to expansion, the project also entails roof repairs, energy efficiencies, and HVAC upgrades.	Gross Restricted	\$755,000 755,000
3. Lansing, Central Maintenance Garage Consolidation, For Design and Construction The department is proposing to construct a new maintenance garage and related storage facilities a few miles southeast of the current location off of Canal Road in Delta Township. The current facility is about 40 years old and is deemed too small for current staffing levels and equipment. Once vacated, the department intends to sell the old facility at fair market value (estimated to be \$3 million).	Gross Restricted	\$7,450,000 7,450,000
B. Airport Improvement Programs; 1. Airport Safety, Protection and Improvement Program These funds will be used to support security and general improvement projects at more than 100 local and state airports.	Gross Federal Local Restricted	\$183,191,300 162,867,600 15,209,400 5,114,300

<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
Sec. 107. University and Community College Planning Authorizations The bill provides planning authorizations for 39 community college and university State Building Authority (SBA) projects as listed below. Legislative authorization allows the institutions to hire professionals to develop a program statement and preliminary planning documents to more accurately identify project scope and cost. These development costs are the responsibility of the respective institutions. A planning authorization does not 'absolutely' guarantee state funding for an individual project, but it normally is considered a solid state commitment for future funding. NOTE: In addition to the state funding amounts identified below for each project, a school may be eligible for an extra 1% state incentive payment for meeting certain LEED scores and if matched by the respective school.		
1. Central Michigan University - Bio-Tech Building. This project is estimated to cost \$75,000,000 with the State share being capped at \$40,000,000. This project entails the construction of new 82,000 sq. ft. science facility.	Gross GF/GP	\$100 \$100
2. Eastern Michigan University - Pray-Harrold Expansion & Renovation. This project is estimated to cost \$57,000,000 with the State share being capped at \$40,000,000. This project entails the renovation of more than 237,000 sq. ft. of instructional space and new construction of 45,000 sq. ft.	Gross GF/GP	\$100 \$100
3. Ferris State University - Center for Collaborative Health Education. This project is estimated to cost \$26.9 million with the State share being \$20,175,000. This project entails the construction of a new 91,000 sq. ft. science facility for the Optometry, Pharmacy, and Allied Health programs.	Gross GF/GP	\$100 \$100
4. Grand Valley State University - Learning & Technology Center. This project is estimated to cost \$70,000,000 with the State share being capped at \$40,000,000. This project entails construction of a new 180,000 sq. ft. facility to serve as the main library. The old library will be renovated for classroom and faculty office space.	Gross GF/GP	\$100 \$100
5. Lake Superior State University - School of Business, Economics, & Legal Studies. This project is estimated to cost \$14,750,000 with the State share being capped at \$11,062,500. This project entails the construction of a new 45,000 sq. ft. instructional facility.	Gross GF/GP	\$100 \$100
6. Michigan State University - Life Sciences Bio-Economy Expansion. This project is estimated to cost \$146.3 million with the State share being capped at \$40,000,000. This project entails the renovation of several facilities including the Plant Sciences and Plant Biology buildings, as well as the Engineering Building.	Gross GF/GP	\$100 \$100
7. Michigan Technological University - Center for Integrated Learning & Information Technology, Phase II. This project is estimated to cost \$59,000,000 with the State share being capped at \$40,000,000. This project entails expanding and upgrading Fisher Hall, the main classroom for math and physics.	Gross GF/GP	\$100 \$100

<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
8. Northern Michigan University - Bio-Mass Heat & Power Cogeneration Plant. This project is estimated to cost \$55,000,000 with the State share being capped at \$40,000,000. This project entails the construction of an addition to the existing heating plant that will provide both heat and power utilizing bio-mass fuels.	Gross GF/GP	\$100 \$100
9. Oakland University - Human Health Building. This project is estimated to cost \$61.2 million with the State share being capped at \$40,000,000. This project entails the construction of a new 150,000+ sq. ft. instructional facility.	Gross GF/GP	\$100 \$100
10. Saginaw Valley State University - New Health Sciences Facility. This project is estimated to cost \$28,000,000 with the State share being capped at \$21,000,000. This project entails construction of a new 80,000 sq. ft. instructional facility.	Gross GF/GP	\$100 \$100
11. University of Michigan-Ann Arbor - New Biology Building. This project is estimated to cost \$175 million with the State share being capped at \$40,000,000. This project entails construction of a new 200,000 sq. ft. instructional and research facility.	Gross GF/GP	\$100 \$100
12. University of Michigan-Dearborn - Science & Computer Center Renovations. This project is estimated to cost \$36,000,000 with the State share being capped at \$27,000,000. This project entails renovating the Science Building and the Computer Information Science Building, both originally constructed in the 1950s.	Gross GF/GP	\$100 \$100
13. University of Michigan-Flint - Murchie Science Laboratory Renovations. This project is estimated to cost \$20,800,000 with the State share being capped at \$15,600,000. This project entails upgrading and expanding scientific laboratories and support space.	Gross GF/GP	\$100 \$100
14. Wayne State University - New Multi-Disciplinary Biomedical Research Building. This project is estimated to cost \$180 million with the State share being capped at \$40,000,000. This project entails construction of a new 300,000 sq. ft. instructional and research facility.	Gross GF/GP	\$100 \$100
15. Western Michigan University - Sangren Hall Renovations. This project is estimated to cost \$56,000,000 with the State share being capped at \$40,000,000. This project entails the renovation of this 190,000 sq. ft., 40-year old instructional facility.	Gross GF/GP	\$100 \$100
16. Alpena Community College - Transportation Center Construction & Renovation. This project is estimated to cost \$7,830,000 with the State share being 50% or, \$3,915,000. This project entails both new construction and renovation to create a state-of-the-art auto body shop and auto service training facility.	Gross GF/GP	\$100 \$100
17. Bay de Noc Community College - Nursing Laboratory & Lecture Hall Remodeling. This project is estimated to cost \$1,000,000 with the State share being 50% or, \$500,000. This project entails upgrading nearly 4,000 sq. ft. of space that date back at least 30 years.	Gross GF/GP	\$100 \$100

<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
18. Delta College - Health & Wellness-F Wing Renovations. This project is estimated to cost \$12,800,000 with the State share being 50% or, \$6,400,000. This project entails renovating nearly 83,000 sq. ft. of space that support Allied Health and Nursing programs.	Gross GF/GP	\$100 \$100
19. Grand Rapids Community College - Lifelong Learning Center. This project is estimated to cost \$33,500,000 with the State share being 50% or, \$16,750,000. This project entails construction of a new 133,000 sq. ft. instructional facility.	Gross GF/GP	\$100 \$100
20. Henry Ford Community College - Science Building Renovations. This project is estimated to cost \$15,000,000 with the State share being 50% or, \$7,500,000. This project entails complete renovation of the 52,000 sq. ft. Science Building including the mechanical and electrical systems.	Gross GF/GP	\$100 \$100
21. Jackson Community College - Whiting Hall Renovations. This project is estimated to cost \$21,900,000 with the State share being 50% or, \$10,950,000. This project entails renovating nearly 100,000 sq. ft. of instructional space in this 40-year old building.	Gross GF/GP	\$100 \$100
22. Kalamazoo Valley Community College - Texas Township Campus Expansion. This project is estimated to cost \$12,000,000 with the State share being 50% or, \$6,000,000. This project entails adding new space for faculty offices, classrooms, laboratories, and a student services facility.	Gross GF/GP	\$100 \$100
23. Kellogg Community College - C Classroom Building Renovations. This project is estimated to cost \$5,000,000 with the State share being 50% or, \$2,500,000. This project entails renovating nearly 32,000 sq. ft. of instructional space in this 40+ year old building.	Gross GF/GP	\$100 \$100
24. Lake Michigan College - Emerging Technologies Initiative Renovations. This project is estimated to cost \$21,735,000 with the State share being 50% or, \$10,867,500. This project entails upgrading laboratories and classrooms in the Napier Academic Building that supports science programs.	Gross GF/GP	\$100 \$100
25. Lansing Community College - Science Classroom & Laboratory Expansion. This project is estimated to cost \$47,300,000 with the State share being 50% or, \$23,650,000. This project entails new construction of 70,000 sq. ft. and renovations of another 78,000 sq. ft. to support science programs.	Gross GF/GP	\$100 \$100
26. Macomb Community College - Health Science & Technology Building, Phase II. This project is estimated to cost \$14,500,000 with the State share being 50% or, \$7,500,000. This project entails construction of a new 30,000 sq. ft. state-of-the-art facility to support both basic science and emerging technology programs.	Gross GF/GP	\$100 \$100
27. Mid Michigan Community College - Mt. Pleasant Campus Unification. This project is estimated to cost \$27.1 million with the State share being 50% or, \$13.65 million.	Gross GF/GP	\$100 \$100
28. Monroe Community College - New Technology Center. This project is estimated to cost \$17,000,000 with the State share being 50% or, \$8,500,000. This project entails construction of a new 60,000 sq. ft. facility	Gross GF/GP	\$100 \$100

<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
to support technology instructional programs.		
29. Montcalm Community College - M-TEC Expansion. This project is estimated to cost \$6,000,000 with the State share being 50% or, \$3,000,000. This project entails construction of an addition to support the Integrated Manufacturing Technology program.	Gross GF/GP	\$100 \$100
30. Mott Community College - Library Renovation. This project is estimated to cost \$8,156,000 with the State share being 50% or, \$4,078,000. This project entails renovation of the 81,000 sq. ft. main library.	Gross GF/GP	\$100 \$100
31. Muskegon Community College - Student Services One-Stop Center. This project is estimated to cost \$5 million with the State share being 50% or, \$2.5 million.	Gross GF/GP	\$100 \$100
32. North Central Michigan College - University & Science Center Construction & Renovations. This project is estimated to cost \$16,323,800 with the State share being 50% or, \$8,161,900. This project entails both new construction and renovations to support 4-year programs and nursing and general classrooms.	Gross GF/GP	\$100 \$100
33. Northwestern Michigan College - Student Learning Center. This project is estimated to cost \$13,500,000 with the State share being 50% or, \$6,750,000. This project entails the construction of a new 35,000 sq. ft. instructional facility.	Gross GF/GP	\$100 \$100
34. Oakland Community College - Building A Addition & Renovations, Auburn Hills Campus. This project is estimated to cost \$32,065,000 with the State share being 50% or, \$16,032,500. This project entails both new construction and renovations to support the Vocational Technology program.	Gross GF/GP	\$100 \$100
35. St. Clair County Community College - Health & Human Services. This project is estimated to cost \$7 million with the State share being 50% or, \$3,500,000. This project entails both new construction and renovations to support health education programs.	Gross GF/GP	\$100 \$100
36. Schoolcraft College - Public Safety/Homeland Security Classroom Building. This project is estimated to cost \$15,000,000 with the State share being 50% or, \$7,500,000. This project entails construction of a new facility to consolidate all of the college's public safety/homeland security training in one location.	Gross GF/GP	\$100 \$100
37. Southwestern Michigan College - Technology Building Renovation & Expansion. This project is estimated to cost \$3,200,000 with the State share being 50% or, \$1,600,000. This project entails renovating and expanding the college's technology training facility at its Dowagiac campus.	Gross GF/GP	\$100 \$100
38. Washtenaw Community College - Skilled Trades Training Complex. This project is estimated to cost \$16 million with the State share being 50% or, \$8 million. This project entails construction of a new facility to support occupational education and training programs.	Gross GF/GP	\$100 \$100

<u>FY 2007-08 Budgetary Issues:</u>		<u>HAC Rec's.</u>
39. West Shore Community College - Arts & Science Building Addition & Renovation. This project is estimated to cost \$6.9 million with the State share being 50% or, \$3,450,000. This project entails both new construction and renovations to support art and science education programs.	Gross GF/GP	\$100 \$100
Sec. 108. State Agency and Community College Construction Authorizations The bill provides cost and construction authorizations for the State Building Authority (SBA) projects listed below. NOTE: In addition to the state funding amounts identified below for the community college projects, the school may be eligible for an extra 1% state incentive payment for meeting a certain LEED score and if matched by the respective school.		
1. Department of History, Arts, and Libraries - Warehouse Facility Acquisition. This grants an authorization to purchase, at \$9.69 million, a warehouse facility in Lansing to accommodate the storage of museum collections and state archival materials into one location. In a complex move involving the Department of Military and Veterans' Affairs, the Records Center, which houses some 360,000 boxes of archives, must be vacated by 10/1/08 to allow for the U.S. Property and Fiscal Office to then move into the space after renovations are complete.	Gross GF/GP	\$100 \$100
2. Department of Management and Budget - State Facility Preservation Projects, Phase III. This authorizes an additional \$70,310,000 to continue upgrading, repairing, and renovating state-owned facilities. Potential projects include various roof repairs/replacements, energy system upgrades, fire suppression systems, and various prison renovations. (Please see Table 3)	Gross GF/GP	\$100 \$100
3. Department of Natural Resources - State Park Improvement Projects. This provides an authorization of \$17.9 million to fund various state park improvement projects. The state park system contains 103 facilities and covers more than 260,000 acres across the state. (Please see Table 2)	Gross GF/GP	\$100 \$100
4. Department of Natural Resources - Forest Fire Experiment Station Replacement. This provides an authorization of \$2.1 million to replace the above facility located in Roscommon County. The department indicates that further modifications to the existing facility are not feasible due to its age and condition. The new facility would be constructed at the current site and includes new septic and well water systems.	Gross GF/GP	\$100 \$100
5. Kirtland Community College - Campus Water Well System Upgrades. This project is estimated to cost \$1,005,000 with the State share being 50% or, \$502,500. This project entails the drilling of at least 2 new wells, construction of a well house and an elevated storage tank, and installation of a back up power source.	Gross GF/GP	\$100 \$100
6. Wayne County Community College - Northwest Campus Replacement. This project is estimated to cost \$42 million with the State share being 50% or, \$21 million. This project entails construction of a 203,000 sq. ft. instructional facility in northwest Detroit.	Gross GF/GP	\$100 \$100

MAJOR BOILERPLATE ISSUES

GENERAL SECTIONS

Sec. 204. Buy Michigan/American

Requires Department to give preference to Michigan or American produced goods and services regarding purchases made with funds appropriated in part 1.

CAPITAL OUTLAY PROCESSES, PROCEDURES, & REPORTS

Sec. 401. Projects Subject to PA 431 of 1984

Refers to capital outlay requirements and document approval process delineated under the Management and Budget Act.

Sec. 403. Final Planning and Construction Requirements

Outlines certain administrative procedures a community college or university must comply with in order to move a project to the final design/construction phase.

Sec. 406. Re-Appropriation of Construction Funds

This language terminates the \$4.5 million Power Plant Automation Project at Riverside Correctional Facility and re-directs those State Building Authority funds to other DOC projects as follows:

(a). Huron Valley Complex - Food Service Addition & Facility Renovations, total authorized cost is increased from \$3,675,100 to \$5,775,100; SBA share from \$3,675,000 to \$5,774,800; and GF/GP share from \$100 to \$300.

(b). Michigan Reformatory Expansion, 140 beds, total authorized cost set at \$1,100,000; SBA share at \$1,100,000.

(c). Camp White Lake, New Waste Water Treatment Plant, total authorized cost set at \$1,300,000; SBA share at \$1,300,000.

Sec. 407. Wayne County Community College Project Restriction

Requires JCOS approval of planning documents and construction authorization before project can move to the final design stage.

Sec. 408. Alternative Energy Initiative for Higher Education Projects

Higher education projects named in Sections 107 and 108 could qualify for additional state financing if they exceed a minimum LEED (Leadership in Energy and Environmental Design) score. An additional 1% state match will be provided to each school that obtains a score equivalent to either 'gold' (with an on-site renewable energy component), or 'platinum' in direct connection with its respective project. The school must equally match the additional state funds as well.

COLLEGES AND UNIVERSITIES

Sec. 601. Administrative Criteria – Matching Funds

Details certain administrative requirements for a community college with a partially state funded project; limits state funds for a project to 50% of the total cost.

Sec. 603. Matching Funds Documentation

Allows DMB director to require community colleges and universities to document matching funds and governing board approvals.

Sec. 604. Bond Cap Limitations

The appropriations included in section 107 for university and community college planning project authorizations allow for the completion of program statements and schematic planning documents. These projects will not receive cost and construction authorizations in subsequent budget acts unless there is sufficient bonding capacity available under the state building authority's statutory bond capacity limit.

MAJOR BOILERPLATE ISSUES

USE AND FINANCE STATEMENTS

Sec. 651(1). Submission Requirements – Universities

Consistent with JCOS policy, a university must receive subcommittee approval for certain, completely self-funded capital projects costing \$3,000,000 or more. These include land/property acquisitions, remodeling and additions, maintenance projects, roads, landscaping, equipment, telecommunications, utilities, and parking lots and structures.

(2). Submission Requirements – Community Colleges

Same as above for universities except this limit is \$2,000,000.

(3) and (4). Exemptions

All projects associated with the University of Michigan Hospitals and Health Centers are exempt from these requirements.

If health and safety concerns warrant, a project may be completed without prior approval, however the timely filing of a use and finance statement is required.

(5). Sanctions

An institution found in violation of the use and finance process will lose any state capital outlay funding for 2 years and may not commence any self-funded projects for 1 year (unless health and safety dictate).

(6) and (7). Submission Requirements – State Agencies

The limit for state agencies is \$1,000,000 and covers projects not already authorized in a capital outlay budget act or are on completely federally-owned land.

(8). Reporting Requirement

Twice per year universities and community colleges are to report construction activity within certain dollar thresholds.

Sec. 652. Notice of Demolition

Requires state agencies to notify JCOS of a planned building demolition. If not disapproved by the subcommittee within 30 days, demolition will be deemed as authorized. The 30 day disapproval period is not valid when the Legislature is out of session for at least 15 days.

Sec. 653. Operating Funds for Capital Outlay Purposes

A state agency may expend up \$1,000,000 from operating appropriations for special maintenance, remodeling, additions, or other capital outlay purposes.

Table 1 - STATE BUILDING AUTHORITY PROJECTS, HOUSE APPROPRIATIONS COMMITTEE RECOMMENDATIONS FY 2007-08

<u>Department/Institution</u>	<u>Project</u>	<u>Total Project Cost</u>	<u>State Share</u>	<u>School Share</u>	<u>State %</u>
<u>A. Construction Authorizations:</u>					
Corrections	Riverside Power Plant Automation (Project Terminated)	(\$4,500,000)	(\$4,500,000)	0	100.0%
Corrections	Huron Valley Complex- Food Service, Project cost increase	2,100,000	2,100,000	0	100.0%
Corrections	Michigan Reformatory-A Ward 140-bed Expansion	1,100,000	1,100,000	0	100.0%
Corrections	Camp White Lake-New Waste Water Treatment Plant	1,300,000	1,300,000	0	100.0%
History, Arts, & Libraries	Warehouse Facility Acquisition	9,690,000	9,690,000	0	100.0%
Management and Budget	State Facility Preservation Projects, Phase III	70,310,000	70,310,000	0	100.0%
Natural Resources	State Parks Improvement Projects	17,900,000	17,900,000	0	100.0%
Natural Resources	Forest Fire Experiment Station Replacement	2,100,000	2,100,000	0	100.0%
Kirtland Community College	Campus Wide Water Well System	1,005,000	502,500	502,500	50.0%
Wayne County Community College	Northwest Campus Replacement	42,000,000	21,000,000	21,000,000	50.0%
Alternative Energy Incentive Payments, 1%	Increase state match for school energy efficiencies	430,000	215,000	215,000	50.0%
	Subtotal Construction Authorizations	\$143,435,000	\$121,717,500	\$21,717,500	
<u>B. Planning Authorizations:</u>					
<u>Universities:</u>					
Central Michigan University	Bio-Tech Building	\$75,000,000	\$40,000,000	\$35,000,000	53.3%
Eastern Michigan University	Pray-Harold Building Expansion & Renovations	57,000,000	40,000,000	17,000,000	70.2%
Ferris State University	Center for Collaborative Health Education	26,900,000	20,175,000	6,725,000	75.0%
Grand Valley State University	Learning & Technology Center Remodeling	70,000,000	40,000,000	30,000,000	57.1%
Lake Superior State University	School of Business, Economics, & Legal Studies	14,750,000	11,062,500	3,687,500	75.0%
Michigan State University	Life Sciences Bio-Economy Expansion	146,300,000	40,000,000	106,300,000	27.3%
Michigan Technological University	Center for Integrated Learning & Information Tech.	59,000,000	40,000,000	19,000,000	67.8%
Northern Michigan University	Bio-Mass Heat & Power Cogeneration Plant	55,000,000	40,000,000	15,000,000	72.7%
Oakland University	Human Health Building	61,220,500	40,000,000	21,220,500	65.3%
Saginaw Valley State University	New Health Sciences Building	28,000,000	21,000,000	7,000,000	75.0%
University of Michigan - Ann Arbor	New Biology Building	175,000,000	40,000,000	135,000,000	22.9%
University of Michigan - Dearborn	Science & Computer Center Renovations	36,000,000	27,000,000	9,000,000	75.0%
University of Michigan - Flint	Murchie Science Lab Renovations	20,800,000	15,600,000	5,200,000	75.0%
Wayne State University	Multi-Disciplinary Biomedical Research Building	180,000,000	40,000,000	140,000,000	22.2%
Western Michigan University	Sangren Hall Renovations	56,000,000	40,000,000	16,000,000	71.4%
Alternative Energy Incentive Payments, 1%	Increase state match for school energy efficiencies	9,896,800	4,948,400	4,948,400	50.0%
	Subtotal Universities	\$1,070,867,300	\$499,785,900	\$571,081,400	
<u>Community Colleges:</u>					
Alpena Community College	Transportation Center Construction & Renovation	\$7,830,000	\$3,915,000	\$3,915,000	50.0%
Bay de Noc Community College	Nursing Laboratory & Lecture Hall Remodeling	1,000,000	500,000	500,000	50.0%
Delta College	Health & Wellness Programs - F Wing	12,800,000	6,400,000	6,400,000	50.0%
Grand Rapids Community College	Lifelong Learning Center	33,500,000	16,750,000	16,750,000	50.0%
Henry Ford Community College	Science Building Renovations	15,000,000	7,500,000	7,500,000	50.0%
Jackson Community College	Whiting Hall Renovations	21,900,000	10,950,000	10,950,000	50.0%
Kalamazoo Valley Community College	Texas Township Campus Expansion, etc.	12,000,000	6,000,000	6,000,000	50.0%

Kellogg Community College	C Classroom Building Renovations	5,000,000	2,500,000	2,500,000	50.0%
Lake Michigan College	Emerging Technologies Initiative	21,735,000	10,867,500	10,867,500	50.0%
Lansing Community College	Science Classroom & Laboratory Expansion	47,300,000	23,650,000	23,650,000	50.0%
Macomb County Community College	Health Science & Technology Building, Phase II	14,500,000	7,250,000	7,250,000	50.0%
Mid Michigan Community College	Harrison Campus Renovation & New Construction	27,121,000	13,560,500	13,560,500	50.0%
Monroe County Community College	Technology Center Construction	17,000,000	8,500,000	8,500,000	50.0%
Montcalm Community College	MTEC Expansion	6,000,000	3,000,000	3,000,000	50.0%
Mott Community College	Library Renovation	8,156,000	4,078,000	4,078,000	50.0%
Muskegon Community College	Student Services One-Stop Center	5,000,000	2,500,000	2,500,000	50.0%
North Central Michigan College	University & Science Center	16,323,800	8,161,900	8,161,900	50.0%
Northwestern Michigan College	Student Learning Center	13,500,000	6,750,000	6,750,000	50.0%
Oakland Community College	Auburn Hills Campus, Building A Addition/Renovations	32,065,000	16,032,500	16,032,500	50.0%
St. Clair County Community College	Health & Human Services Center	7,000,000	3,500,000	3,500,000	50.0%
Schoolcraft College	Public Safety/Homeland Security Classroom Bldg.	15,000,000	7,500,000	7,500,000	50.0%
Southwestern Michigan College	Technology Building Expansion & Renovation	3,200,000	1,600,000	1,600,000	50.0%
Washtenaw Community College	Skilled Trades Training Complex	16,000,000	8,000,000	8,000,000	50.0%
West Shore Community College	Arts & Sciences Bldg. Addition/Renovations	6,900,000	3,450,000	3,450,000	50.0%
Alternative Energy Incentive Payments, 1%	Increase state match for school energy efficiencies	<u>3,658,200</u>	<u>1,829,100</u>	<u>1,829,100</u>	<u>50.0%</u>
	Subtotal Community Colleges	\$369,489,100	\$184,744,500	\$184,744,500	
	Subtotal Planning Authorizations	\$1,440,356,400	\$684,530,400	\$755,825,900	
	Grand Total All Projects	\$1,583,791,400	\$806,247,900	\$777,543,500	

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Table 2 - State Building Authority State Park Project List

Park/Location	Project	Cost Estimate
Aloha State Park, Cheboygan County	Water well upgrades	\$350,000
Aloha State Park, Cheboygan County	Replace campground toilet/shower buildings	1,200,000
Bewabic State Park, Iron County	Replace campground toilet/shower buildings	1,200,000
Fayette Historic State Park, Delta County	Major renovations involving historical facilities	680,000
Ft. Wilkins State Park, Keweenaw County	Major renovations involving historical facilities	150,000
Harrisville State Park, Alcona County	Major toilet/shower building renovations & addition	600,000
Hoeft State Park, Presque Isle County	Replace campground toilet/shower building	860,000
Holland State Park, Ottawa County	Replace campground toilet/shower buildings	1,720,000
Ludington State Park, Mason County	Major renovations involving historical beach house	1,110,000
Metamora Hadley Recreation Area, Lapeer County	Replacement of restrooms and concession buildings	500,000
Orchard Beach State Park, Manistee County	Major toilet/shower building renovations & addition	600,000
Palms Brook State Park, Schoolcraft County	Replace campground restroom building	330,000
Pinckney Recreation Area, Bruin Lake, Washtenaw & Livingston counties	Replacement of toilet/shower building, upgrade chlorination system	1,250,000
Pinckney Recreation Area, Bruin Lake, Washtenaw & Livingston counties	Replacement of campground contact/registration building	280,000
Pinckney Recreation Area, Silver Lake, Washtenaw & Livingston counties	Replace campground restroom/changing building	500,000
Porcupine Mountains Wilderness State Park - Union Bay Campground, Gogebic & Ontonagon counties	Replace campground toilet/shower buildings	1,200,000
Proud Lake Recreation Area, Oakland County	Replace campground toilet/shower buildings	1,200,000
Straits State Park, Mackinac County	Replace campground toilet/shower buildings	1,200,000
Traverse City State Park, Grand Traverse County	Replace campground toilet/shower buildings	1,000,000
Warren Dunes State Park, Berrien County	Consolidation of concession, restroom, showers, and changing space	750,000
Yankee Springs Recreation Area, Barry County	Replace maintenance facility that was destroyed by a fire	350,000
Various statewide locations	Water well upgrades	870,000
Total		\$17,900,000

Table 3 - STATE FACILITY PRESERVATION PROJECTS - PHASE III

Department:	Project	Estimated Cost
COMMUNITY HEALTH	Decentralize heating system at Caro Center	\$2,300,000
	Various roof repairs - replacements	2,260,000
	WP Ruether facility glass atrium	450,000
	Kalamazoo Psychiatric Hospital electrical system upgrade	<u>540,000</u>
	Subtotal Community Health	\$5,550,000
CORRECTIONS	Huron Valley Complex upgrades and remodeling	\$8,700,000
	Oaks Correctional Facility upgrades and remodeling	4,400,000
	Newberry boiler replacement	790,000
	Michigan Reformatory traffic sally port replacement	700,000
	Sewage lift station upgrades, Huron Valley and Muskegon	2,000,000
	Kinross toilet additions	3,250,000
	Various personal protection system replacements	11,500,000
	Camp Lehman facility upgrades and remodeling	3,270,000
	Various camera system upgrades	2,647,600
	Muskegon boiler replacement	<u>4,140,000</u>
	Subtotal Corrections	\$41,397,600
EDUCATION	School for the Deaf and Blind renovations	\$2,450,000
HUMAN SERVICES	Various roof repairs - replacements	\$1,375,000
	Various camera system upgrades	<u>1,710,000</u>
	Subtotal Human Services	\$3,085,000
MANAGEMENT AND BUDGET	Secondary Complex utility tunnel repairs and upgrades	\$9,200,000
	Mason Building fire suppression system	2,920,000
	Various agencies, energy initiatives and repairs	<u>5,707,400</u>
	Subtotal DMB	\$17,827,400
	Grand Total	\$70,310,000

Note: Subject to final determination of bondability, bids received, project sequencing and project prioritization.

**Table 4 - MICHIGAN NATURAL RESOURCES TRUST FUND PROJECT RECOMMENDATIONS FY 2007-08
RECREATIONAL ACQUISITIONS (By Priority)**

<u>Owner</u>	<u>Project</u>	<u>Location</u>	<u>Total Cost</u>	<u>MNRTF Match</u>	<u>Matching Funds*</u>	<u>Acres</u>
Gerrish Township	Gerrish Township community park, phase II	Roscommon County	\$2,000,000	\$1,400,000	\$600,000	5.13
DNR	N. Maumee Bay coastal wetland acquisition	Monroe County	2,000,000	1,000,000	1,000,000	126
DNR	Chippewa landing acquisition	Wexford County	400,000	400,000	0	103
DNR	Betsie River consolidation	Betzle & Gr Traverse Co's.	1,300,000	1,300,000	0	307
Antrim County	Glacial Hills pathway & natural area	Antrim County	527,200	162,000	365,200	180
DNR	Jaxon Creek corridor acquisition	Grand Traverse County	1,050,000	1,050,000	0	376
City of Big Rapids	Mitchell Creek nature area acquisition	Mecosta County	205,400	143,700	61,700	45
DNR	SW Lower Peninsula eco-regional land consolidation	Various	900,000	900,000	0	Unk.
Long Lake Township	Cedar Run Creek natural area addition	Grand Traverse County	739,900	554,900	185,000	90
DNR	N. Lower Peninsula eco-regional land consolidation	Various	900,000	900,000	0	Unk.
Oakland County	Addison Oaks property acquisition	Oakland County	1,400,000	616,000	784,000	100
DNR	Upper Peninsula eco-regional land consolidation	Various	900,000	900,000	0	Unk.
DNR	State trailways initiative-corridor land acquisition	Statewide	1,500,000	1,500,000	0	Unk.
DNR	Wisconsin Electric Energies land acquisition	Various	1,900,000	1,900,000	0	1,500
City of Manistee	Man made lake acquisition	Manistee County	3,150,000	2,015,000	1,135,000	23
DNR	SE Lower Peninsula eco-regional land consolidation	Various	900,000	900,000	0	Unk.
Elmwood Township	DeYoung natural area acquisition	Leelanau County	1,422,200	910,200	512,000	60.5
HCMA	Indian Springs metropark land acquisition	Oakland County	3,241,000	1,426,000	1,815,000	287
Ottawa County	Olive Shores acquisition	Ottawa County	3,294,000	2,000,000	1,294,000	27.5
St. Clair County	Camp Woodsong fee simple acquisition	St. Clair County	456,000	291,800	164,200	44.5
City of Novi	Novi core habitat reserve property acquisition	Oakland County	520,500	281,300	239,200	16.2
DNR	Sterling state park acquisition	Monroe County	925,000	925,000	0	52
DNR	Au Train basin waterfowl refuge project	Alger County	1,250,000	1,250,000	0	Unk.
Grant Township	Hunter's point park acquisition	Keweenaw County	1,125,000	720,000	405,000	122
Village of Detour	Detour Village waterfront property acquisition	Chippewa County	670,200	495,000	175,200	2
City of Sault Ste. Marie	Ashmun Bay park trail parcel acquisition	Chippewa County	48,000	36,000	12,000	3,500'
Lapeer County	General Squier memorial park addition	Lapeer County	98,600	58,600	40,000	7
Allendale Township	Allendale community park addition	Ottawa County	200,500	88,200	112,300	0.82
Weesaw Township	Weesaw Township park acquisition	Berrien County	145,800	98,000	47,800	8
City of Sault Ste. Marie	Ashmun Bay park entrance parcel acquisition	Chippewa County	138,800	100,000	38,800	2.76
Casco Township	Lake Michigan nature preserve acquisition	Allegan County	1,775,000	900,000	875,000	8.6
Various	Reserve property appraisals		57,000	57,000	0	NA
Total Acquisitions			\$35,140,100	\$25,278,700	\$9,861,400	

*Local & Federal

**Table 4 - MICHIGAN NATURAL RESOURCES TRUST FUND PROJECT RECOMMENDATIONS FY 2007-08
RECREATIONAL DEVELOPMENT PROJECTS (By Priority)**

<u>Owner</u>	<u>Project</u>	<u>Location</u>	<u>Total Cost</u>	<u>MNRTF Match</u>	<u>Matching Funds*</u>	<u>Acres</u>
City of Big Rapids	Riverwalk development-river street park	Mecosta County	\$445,100	\$309,400	\$135,700	NA
Antrim County	Grass River center	Antrim County	1,200,000	400,000	800,000	NA
Lincoln Township	Shingle Lake park improvement	Clare County	124,600	43,600	81,000	NA
Oakland County	Addison Oaks trail connector	Oakland County	520,000	228,800	291,200	NA
City of Whitehall	White Lake pathway south end completion	Muskegon County	398,000	254,700	143,300	NA
Village of Clinton	Tate park pathway & fishing docks	Lenawee County	465,000	297,600	167,400	NA
Oakland Township	Marsh view park development	Oakland County	875,600	293,300	582,300	NA
Clinton County	Motz county park development	Clinton County	666,000	233,000	433,000	NA
City of Ecorse	Ecorse Creek greenway & park development	Wayne County	810,100	415,000	395,100	NA
City of Grandville	Grandville & Kent trails pathway connection	Kent County	270,000	118,800	151,200	NA
Elmwood Township	Greilickville harbor park improvements	Leelanau County	657,200	210,300	446,900	NA
City of East Lansing	White park improvements	Ingham County	300,000	225,000	75,000	NA
City of Muskegon	Smith-Ryerson park improvements	Muskegon County	591,800	433,400	158,400	NA
Roscommon Township	Lakeview park improvements	Roscommon County	271,300	189,900	81,400	NA
Charlevoix County	Whiting park universal access improvements	Charlevoix County	363,300	232,500	130,800	NA
City of Saugatuck	Mt. Baldhead park stairway renovation	Allegan County	145,000	63,800	81,200	NA
Montcalm County	Krampe park accessible fishing pier	Montcalm County	55,800	41,900	13,900	NA
DNR	RAM center improvements	Crawford County	500,000	500,000	0	NA
DNR	Lake Idlewild park development	Lake County	324,900	324,900	0	NA
City of Alpena	Starlite beach promenade facilities project	Alpena County	820,900	443,300	377,600	NA
City of Clare	Pere Marquette rail trail extension	Clare County	1,102,900	500,000	602,900	NA
Village Of Lakewood Club	Fox Lake park improvements	Muskegon County	76,700	49,100	27,600	NA
City of Albion	Rieger park swimming & beach project	Calhoun County	170,000	127,500	42,500	NA
Leslie Schools	Russell Miller 'wild 100' nature center dev.	Jackson County	605,000	400,000	205,000	NA
City of Detroit	Butzel playfield renovation	Wayne County	727,000	500,000	227,000	NA
Village of Marion	Veterans Memorial park improvements	Osceola County	150,000	105,000	45,000	NA
DNR	Proud Lake electrical system upgrades	Oakland County	500,000	500,000	0	NA
City of Saginaw	Anderson park development	Saginaw County	69,000	51,800	17,200	NA
Mills Township	Skidway Lake boardwalk development	Ogemaw County	334,000	251,000	83,000	NA
Benton Township	Robbins park improvements	Berrien County	100,200	70,000	30,200	NA
Canton Township	Lower Rouge River trail bridges	Wayne County	550,000	350,000	200,000	NA
DNR	Building demolition initiative	Various	250,000	250,000	0	NA
City of Utica	Clinton River bike trail development	Macomb County	625,700	350,000	275,700	NA
West Bloomfield Township	Marshbank park improvements	Oakland County	1,735,700	500,000	1,235,700	NA
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Total Development Projects			\$16,800,800	\$9,263,600	\$7,537,200	
Combined Totals			\$51,940,900	\$34,542,300	\$17,398,600	

*Local & Private