

MINUTES OF THE JOINT CAPITAL OUTLAY SUBCOMMITTEE (JCOS)

Meeting No. 9, Thursday January 21, 2010, 9:00 a.m.

Senate Hearing Room, Ground Floor, Boji , 124 W. Allegan, Lansing, Michigan 48933

The Joint Capital Outlay Subcommittee was called to order by the Chair at 9:00 a.m.

Members present: Senators McManus, Jelinek, Brown, Cropsey, Hardiman, Pappageorge, Switalski, Clark-Coleman and Scott.
Representatives Lahti, Bennett, Switalski, Durhal, Bauer, Caul, Proos, Booher, and Haines.

Members excused: Senator Cherry and Representative Dean.

Chair McManus placed agenda Item Number 2 before the Subcommittee.

CONSTRUCTION AUTHORIZATION

DMB Letter Date: 12/02/09

The Department of Management and Budget has approved program and schematic planning documents for the Skilled Trades Training Program Renovations project at Washtenaw Community College, and is requesting subcommittee approval of these planning documents. The project received planning authorization in PA 278 of 2008. The proposal originally included the construction of a new complex with a total cost of \$16,000,000. The project was revised to instead provide for renovations and building system upgrades to two existing instructional buildings at a total cost of \$14,800,000 (PA 64 of 2009).

Occupational Education Building

Renovations will include updates for mechanical/HVAC, electrical, lighting and ceiling systems, interior finishes, and a new roofing system. Space will be reconfigured to provide new classroom space for the radiography program as well as providing four additional general purpose classrooms. Two dedicated labs will be provided for newly developed curricula in environmental studies and sustainability.

Skilled Trades Annex

The building will be renovated to provide new classroom and lab instructional space including hydraulics, pneumatics, advanced manufacturing, and tensile strength labs, classroom spaces, and faculty offices.

The Management and Budget Act requires the Department of Management and Budget to review planning documents and then submit them to the JCOS for consideration. These planning documents have yielded a construction cost estimate of \$14.8 million, which is consistent with the amounts listed in the revised planning authorization. This cost will be financed \$7.4 million (50.0%) from the State and \$7.4 million (50.0%) from college resources. The Department of Management and Budget requests a cost authorization be established in the next available appropriations bill so that final design and construction may commence.

An overview of the project was provided by the Senate Fiscal Agency. Dr. Larry Whitworth, President of Washtenaw Community College provided information to the Subcommittee and answered questions regarding the project.

Representative Booher moved approval, supported by Senator Switalski.

The motion prevailed by a vote of 17-0-3.

Yeas: Senators McManus, Jelinek, Brown, Cropsey, Hardiman, Pappageorge, Switalski, Clark-Coleman and Scott.
Representatives Lahti, Bennett, Switalski, Bauer, Caul, Proos, Booher, and Haines.

Nays: 0

NV/Excused: Senator Cherry.
Representatives Dean and Durhal.

Chair McManus placed agenda Item Number 3 before the Subcommittee.
FY 2009-10 SUPPLEMENTAL APPROPRIATION BILL (SB 251 (S-3, Draft B))

DMB Letter Date: 1/6/10

Senate Bill 251 (S-3, Draft B) includes the Michigan Natural Resources Trust Fund Board of Trustees FY 2009-10 recommendation. The appropriation includes 25 acquisition projects and 42 development projects totaling \$35.7 million. The supplemental also includes construction authorizations for three projects authorized in Public Act 278 of 2008 (Oakland University, Michigan Technological University, and Washtenaw Community College), and a cost increase for the Bay City State Police Post. The Bay City State Police Post cost increase was recommended by DMB on 6/10/09 and approved by JCOS on 9/22/09.

The Senate Fiscal Agency provided an overview of the Substitute for SB 251.

Senator Switalski moved approval, supported by Representative Lahti.

The motion prevailed by a vote of 18-0-2.

Yeas: Senators McManus, Jelinek, Brown, Cropsey, Hardiman, Pappageorge, Switalski, Clark-Coleman and Scott.
 Representatives Lahti, Bennett, Switalski, Durhal, Bauer, Caul, Proos, Booher, and Haines.

Nays: 0

NV/Excused: Senator Cherry.
 Representative Dean.

Chair McManus placed agenda Item Number 4 before the Subcommittee.

USE AND FINANCE STATEMENTS

The Department of Management and Budget is requesting approval of Use and Finance Statements for projects at various institutions. The projects are funded entirely from institution revenues. Subcommittee approval would allow the self-funded projects to commence, but does not commit State funds for construction, maintenance, or operation of the facilities.

	DMB Letter	Project	Cost	Financing	Annual Operating
A	1/12/10	University of Michigan – Ann Arbor, Varsity Drive Building & Ruthven Museums Building/Zoology Collection Relocation & Renovations. Includes renovation of 46,000 gross sq. ft. in the Varsity Drive Building and renovation of 6,800 gross sq. ft. in the Ruthven Building. Estimated completion date: September 2011.	\$20,000,000	Investment Proceeds	\$124,854
B	1/12/10	U of M – Ann Arbor, Wolverine Tower Renovations for Business and Finance. Includes the renovation of 61,000 gross sq. ft. of a 225,000 gross sq. ft. building. The building was constructed in 1973 and purchased by the University in 1992. The renovation will provide for more efficient use of office space. Estimated completion date: December 2011.	\$6,300,000	Business and Finance Resources	No change

Representative Bauer moved approval, supported by Senator Jelinek.

The motion prevailed by a vote of 18-0-2.

Yeas: Senators McManus, Jelinek, Brown, Cropsey, Hardiman, Pappageorge, Switalski, Clark-Coleman and Scott.

Representatives Lahti, Bennett, Switalski, Durhal, Bauer, Caul, Proos, Booher, and Haines.

Nays: 0

NV/Excused: Senator Cherry.

Representative Dean.

Chair McManus placed agenda Item Number 1 before the Subcommittee.

MINUTES OF JOINT CAPITAL OUTLAY SUBCOMMITTEE MEETING NO. 8

With no objection, the minutes of the December 3, 2009 JCOS meeting were approved by a voice vote.

There being no further business before the JCOS, Chair McManus adjourned the meeting, the time being 9:10 a.m.

Senator Michelle A. McManus, Chair

Pam Yeomans, Committee Clerk, (517) 373-2768