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House Concurrent Resolution 46 (as adopted by the House 9-26-07)

Sponsor: Representative Morris Hood, III

House Committee: Appropriations Senate Committee: Appropriations

Date Completed: 9-26-07

CONTENT

The Department of Management and Budget and Jackson Community College request legislative approval of House Concurrent Resolution 46 to increase the total authorized cost of the Health Program Expansion and Information Commons project by \$800,000, from \$17,300,000 to \$18,100,000. The project was initially authorized for design and construction in Public Act 297 of 2005 with an estimated total project cost of \$16,500,000 (Jackson Community College share \$9,000,000, State Building Authority share \$7,499,800, and General Fund/General Purpose \$200). The Legislature subsequently increased the total authorized cost to \$17,300,000 (SCR 52 adopted in June 2006) because actual bids exceeded estimates due to increases in the cost of steel, copper, and petroleum-based products. The college funded the entire cost increase.

On March 15, 2007, the Joint Capital Outlay Subcommittee approved an adjustment in project scope to consolidate faculty offices for allied health and nursing programs, as well as increase instructional capacity by providing additional classrooms and laboratories for the related programs in the center portion of Whiting Hall. Originally, those changes were estimated to be cost neutral. Subsequent detailed design information, however, indicated that additional electrical, plumbing, and mechanical system expenses would result from the revised scope of the project. The \$800,000 (4.6%) cost increase would be paid entirely from college resources.

FISCAL IMPACT

The concurrent resolution would not increase the State share of funding for this project. The entire increase would be funded by Jackson Community College

| Fund Source | Current Authorization | Requested Change | Revised Authorization |
|--------------|--------------------------|---------------------|--------------------------|
| Tulla Source | Authorization | Charige | |
| State | \$7,500,000 | \$0 | \$7,500,000 |
| Institution | \$9,800,000 | \$800,000 | \$10,600,000 |
| Totals | \$17,300,000 | \$800,000 | \$18,100,000 |

Fiscal Analyst: Bill Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.