

SUBSTITUTE FOR
HOUSE BILL NO. 5858

A bill to provide for a capital outlay program; to set forth the provisions for its implementation within the budgetary process; to make appropriations for planning and construction at state institutions and the acquisition of land; to provide for the elimination of fire hazards at the institutions; to provide for certain special maintenance, remodeling, alteration, renovation, or demolition of and additions to projects at state institutions; to provide for elimination of occupational safety and health hazards at state agencies and institutions; to provide for the award of contracts; and to provide for the expenditure thereof under the supervision of the director of the department of management and budget and the state administrative board.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for certain capital outlay projects at the various state agencies and institutions for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

CAPITAL OUTLAY

GROSS APPROPRIATION.....	\$	9,003,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	9,003,600
Federal revenues:		
Total federal revenues.....		0
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose.....	\$	9,003,600

**Sec. 102. STATE AGENCY, COMMUNITY COLLEGE, AND
UNIVERSITY PLANNING AUTHORIZATIONS**

Central Michigan University - bio-sciences building -
for program and planning to be paid for from
university resources (estimated total authorized

1	cost \$75,000,000; state share \$38,000,000;	
2	university share \$37,000,000).....	\$ 100
3	Eastern Michigan University - Strong hall renovation -	
4	for program and planning to be paid for from	
5	university resources (estimated total authorized	
6	cost \$38,000,000; state share \$28,500,000;	
7	university share \$9,500,000)	100
8	Ferris State University - college of pharmacy - Grand	
9	Rapids - for program and planning to be paid for	
10	from university resources (estimated total	
11	authorized cost \$8,800,000; state share \$6,600,000;	
12	university share \$2,200,000)	100
13	Grand Valley State University - classroom/office	
14	additions - for program and planning to be paid for	
15	from university resources (estimated total	
16	authorized cost \$55,000,000; state share	
17	\$38,000,000; university share \$17,000,000).....	100
18	Lake Superior State University - school of business	
19	building - for program and planning to be paid for	
20	from university resources (estimated total	
21	authorized cost \$20,000,000; state share	
22	\$15,000,000; university share \$5,000,000).....	100
23	Michigan State University - plant science facilities -	
24	bioeconomy additions and renovations - for program	
25	and planning to be paid for from university	
26	resources (estimated total authorized cost	
27	\$193,600,000; state share \$38,000,000; university	

1	share \$155,600,000)	100
2	Michigan Technological University - next generation	
3	energy complex - for program and planning to be paid	
4	for from university resources (estimated total	
5	authorized cost \$29,500,000; state share	
6	\$22,125,000; university share \$7,375,000)	100
7	Northern Michigan University - Jamrich hall	
8	modernization - for program and planning to be paid	
9	for from university resources (estimated total	
10	authorized cost \$33,900,000; state share	
11	\$25,425,000; university share \$8,475,000)	100
12	Saginaw Valley State University - Wickes hall	
13	renovations - for program and planning to be paid	
14	for from university resources (estimated total	
15	authorized cost \$8,000,000; state share \$6,000,000;	
16	university share \$2,000,000)	100
17	University of Michigan - Ann Arbor - G.G. Brown	
18	memorial laboratories renovation - for program and	
19	planning to be paid for from university resources	
20	(estimated total authorized cost \$64,000,000; state	
21	share \$38,000,000; university share \$26,000,000)	100
22	University of Michigan - Dearborn - science and	
23	computer information science building renovations -	
24	for program and planning to be paid for from	
25	university resources (estimated total authorized	
26	cost \$51,000,000; state share \$38,000,000;	
27	university share \$13,000,000)	100

1	University of Michigan - Flint - Murchie science	
2	laboratory building renovations - for program and	
3	planning to be paid for from university resources	
4	(estimated total authorized cost \$22,170,000; state	
5	share \$16,627,500; university share \$5,542,500)	100
6	Wayne State University - multi-disciplinary biomedical	
7	research building - for program and planning to be	
8	paid for from university resources (estimated total	
9	authorized cost \$200,000,000; state share	
10	\$38,000,000; university share \$162,000,000)	100
11	Alpena Community College - electrical power technology	
12	education and training center addition - for program	
13	and planning to be paid for from community college	
14	resources (estimated total authorized cost	
15	\$4,997,500; state share \$2,498,750; community	
16	college share \$2,498,750)	100
17	Bay de Noc Community College - nursing lab/lecture	
18	hall remodeling - for program and planning to be	
19	paid for from community college resources (estimated	
20	total authorized cost \$1,500,000; state share	
21	\$750,000; community college share \$750,000)	100
22	Delta College - health and wellness - F wing	
23	renovations - for program and planning to be paid	
24	for from community college resources (estimated	
25	total authorized cost \$19,984,000; state share	
26	\$9,992,000; community college share \$9,992,000)	100
27	Gogebic Community College - building renovation - for	

1	program and planning to be paid for from community	
2	college resources (estimated total authorized cost	
3	\$1,500,000; state share \$750,000; community college	
4	share \$750,000)	100
5	Grand Rapids Community College - Cook academic hall	
6	renovation - for program and planning to be paid for	
7	from community college resources (estimated total	
8	authorized cost \$10,000,000; state share \$5,000,000;	
9	community college share \$5,000,000)	100
10	Jackson Community College - student services and	
11	instructional classrooms - for program and planning	
12	to be paid for from community college resources	
13	(estimated total authorized cost \$19,500,000; state	
14	share \$9,750,000; community college share	
15	\$9,750,000)	100
16	Kellogg Community College - student center - for	
17	program and planning to be paid for from community	
18	college resources (estimated total authorized cost	
19	\$4,500,000; state share \$2,250,000; community	
20	college share \$2,250,000)	100
21	Kirtland Community College - student center renovation	
22	and addition - for program and planning to be paid	
23	for from community college resources (estimated	
24	total authorized cost \$8,000,000; state share	
25	\$4,000,000; community college share \$4,000,000)	100
26	Lake Michigan College - energy-saving renovation of	
27	the Napier avenue academic building - for program	

1	and planning to be paid for from community college	
2	resources (estimated total authorized cost	
3	\$15,019,000; state share \$7,509,500; community	
4	college share \$7,509,500)	100
5	Lansing Community College - arts and sciences building	
6	renovation - for program and planning to be paid for	
7	from community college resources (estimated total	
8	authorized cost \$19,950,000; state share \$9,975,000;	
9	community college share \$9,975,000)	100
10	Macomb Community College - health science and	
11	technology building, phase II - for program and	
12	planning to be paid for from community college	
13	resources (estimated total authorized cost	
14	\$14,500,000; state share \$7,250,000; community	
15	college share \$7,250,000)	100
16	Mid Michigan Community College - Mt. Pleasant campus	
17	unification - for program and planning to be paid	
18	for from community college resources (estimated	
19	total authorized cost \$17,704,500; state share	
20	\$8,852,250; community college share \$8,852,250)	100
21	Mott Community College - southern lakes branch center:	
22	rehabilitation - for program and planning to be paid	
23	for from college revenues (estimated total	
24	authorized cost \$6,545,950; state share \$3,272,975;	
25	community college share \$3,272,975)	100
26	Muskegon Community College - art/media education	
27	center - for program and planning to be paid for	

1	from community college resources (estimated total	
2	authorized cost \$7,500,000; state share \$3,750,000;	
3	community college share \$3,750,000).....	100
4	North Central Michigan College - health education and	
5	science center project - for program and planning to	
6	be paid for from community college resources	
7	(estimated total authorized cost \$10,428,400; state	
8	share \$5,214,200; community college share	
9	\$5,214,200)	100
10	Oakland Community College - interior	
11	renovation/building addition - building A - Auburn	
12	Hills campus - for program and planning to be paid	
13	for from community college resources (estimated	
14	total authorized cost \$32,065,000; state share	
15	\$16,032,500; community college share \$16,032,500)...	100
16	St. Clair County Community College - center for health	
17	and human services - for program and planning to be	
18	paid for from community college resources (estimated	
19	total authorized cost \$7,000,000; state share	
20	\$3,500,000; community college share \$3,500,000).....	100
21	Southwestern Michigan College - science and allied	
22	health labs, classrooms, and related renovations -	
23	for program and planning to be paid for from	
24	community college resources (estimated total	
25	authorized cost \$7,000,000; state share \$3,500,000;	
26	community college share \$3,500,000).....	100
27	Washtenaw Community College - campus renovation	

1	projects - for program and planning to be paid for		
2	from community college resources (estimated total		
3	authorized cost \$6,000,000; state share \$3,000,000;		
4	community college share \$3,000,000).....		100
5	Wayne County Community College - eastern campus		
6	facility upgrade and site redevelopment project -		
7	for program and planning to be paid for from		
8	community college resources (estimated total		
9	authorized cost \$16,000,000; state share \$8,000,000;		
10	community college share \$8,000,000).....		100
11	GROSS APPROPRIATION.....	\$	3,300
12	Appropriated from:		
13	State general fund/general purpose.....	\$	3,300
14	Sec. 103. STATE BUILDING AUTHORITY FINANCED		
15	CONSTRUCTION AUTHORIZATIONS		
16	Henry Ford Community College - science building		
17	improvements project - (total authorized cost		
18	\$15,000,000; state building authority share		
19	\$7,499,800; Henry Ford community college share		
20	\$7,500,000; state general fund share \$200).....	\$	100
21	Department of technology, management, and budget -		
22	state facility preservation projects - phase IV		
23	(total authorized costs \$100,410,000; state building		
24	authority share \$100,409,900; state general fund		
25	share \$100)		100
26	Department of state police - Detroit crime lab (total		

1	authorized cost \$20,000,000; state building		
2	authority share \$19,999,900; state general fund		
3	share \$100)		100
4	GROSS APPROPRIATION.....	\$	300
5	Appropriated from:		
6	State general fund/general purpose	\$	300
7	Sec. 104. GRANTS		
8	Oscoda-Wurtsmith airport authority	\$	9,000,000
9	GROSS APPROPRIATION.....	\$	9,000,000
10	Appropriated from:		
11	State general fund/general purpose	\$	9,000,000

12 PART 2

13 PROVISIONS CONCERNING APPROPRIATIONS

14 **GENERAL SECTIONS**

15 Sec. 201. Pursuant to section 30 of article IX of the state

16 constitution of 1963, total state spending from state resources

17 under part 1 for fiscal year 2010-2011 is \$9,003,600.00 and state

18 spending from state resources to be paid to local units of

19 government for fiscal year 2010-2011 is \$9,002,400.00.

20 Sec. 202. The appropriations authorized under this act are

21 subject to the management and budget act, 1984 PA 431, MCL 18.1101

22 to 18.1594.

23 Sec. 203. As used in this act:

24 (a) "Board" means the state administrative board.

1 (b) "Community college" does not include a state agency or
2 university.

3 (c) "Department" means the department of technology,
4 management, and budget.

5 (d) "Director" means the director of the department of
6 technology, management, and budget.

7 (e) "Fiscal agencies" means the senate fiscal agency and the
8 house fiscal agency.

9 (f) "IDG" means interdepartmental grant.

10 (g) "JCOS" means the joint capital outlay subcommittee of the
11 appropriations committees.

12 (h) "LEED" means the United States green building council's
13 leadership in energy and environmental design green building rating
14 system.

15 (i) "State agency" means an agency of state government. State
16 agency does not include a community college or university.

17 (j) "State building authority" means the authority created
18 under 1964 PA 183, MCL 830.411 to 830.425.

19 (k) "University" means a 4-year university supported by the
20 state. University does not include a community college or a state
21 agency.

22 Sec. 204. Funds appropriated in part 1 shall not be used for
23 the purchase of foreign goods or services, or both, if
24 competitively priced and of comparable quality American goods or
25 services, or both, are available. Preference should be given to
26 goods or services, or both, manufactured or provided by Michigan
27 businesses, if they are competitively priced and of comparable

1 quality. In addition, preference should be given to goods or
2 services, or both, that are manufactured or provided by Michigan
3 businesses owned and operated by veterans, if they are
4 competitively priced and of comparable quality.

5 Sec. 205. Unless otherwise specified, departments and agencies
6 receiving appropriations in part 1 shall use the Internet to
7 fulfill the reporting requirements of this act. This requirement
8 may include transmission of reports via electronic mail to the
9 recipients identified for each reporting requirement, or it may
10 include placement of reports on an Internet or Intranet site.

11 **CAPITAL OUTLAY PROCESSES, PROCEDURES AND REPORTS**

12 Sec. 401. Each capital outlay project authorized in this act
13 or any previous capital outlay act shall comply with the procedures
14 required by the management and budget act, 1984 PA 431, MCL 18.1101
15 to 18.1594.

16 Sec. 402. A statement of a proposed facility's operating cost
17 shall be included with the facility's program statement and
18 planning documents when the plans are presented to JCOS for
19 approval.

20 Sec. 403. (1) Before proceeding with final planning and
21 construction for projects at community colleges and universities
22 included in an appropriations act, the community college or
23 university shall sign an agreement with the department that
24 includes the following provisions:

25 (a) The university or community college agrees to construct
26 the project within the total authorized cost established by the

1 legislature pursuant to the management and budget act, 1984 PA 431,
2 MCL 18.1101 to 18.1594, and an appropriations act.

3 (b) The design and program scope of the project shall not
4 deviate from the design and program scope represented in the
5 program statement and preliminary planning documents approved by
6 the department.

7 (c) Any other items as identified by the department that are
8 necessary to complete the project.

9 (2) The department retains the authority and responsibility
10 normally associated with the prudent maintenance of the public's
11 financial and policy interests relative to the state-financed
12 construction projects managed by a community college or university.

13 Sec. 404. (1) The department shall provide the JCOS, the state
14 budget director, and the fiscal agencies with reports as considered
15 necessary relative to the status of each planning or construction
16 project financed by the state building authority, by this act, or
17 by previous acts.

18 (2) Before the end of each fiscal year, the department shall
19 report to the JCOS, the state budget director, and the fiscal
20 agencies for each capital outlay project other than lump sums all
21 of the following:

22 (a) The account number and name of each construction project.

23 (b) The balance remaining in each account.

24 (c) The date of the last expenditure from the account.

25 (d) The anticipated date of occupancy if the project is under
26 construction.

27 (e) The appropriations history for the project.

1 (f) The professional service contractor.

2 (g) The amount of a project financed with federal funds.

3 (h) The amount of a project financed through the state
4 building authority.

5 (i) The total authorized cost for the project and the state
6 authorized share if different than the total.

7 (3) Before the end of each fiscal year, the department shall
8 report the following for each project by a state agency,
9 university, or community college that is authorized for planning
10 but is not yet authorized for construction:

11 (a) The name of the project and account number.

12 (b) Whether a program statement is approved.

13 (c) Whether schematics are approved by the department.

14 (d) Whether preliminary plans are approved by the department.

15 (e) The name of the professional service contractor.

16 (4) As used in this section, "project" includes appropriation
17 line items made for purchase of real estate.

18 Sec. 405. A state agency, college, or university shall take
19 steps necessary to make available federal and other money indicated
20 in this act, to make available federal or other money that may
21 become available for the purposes for which appropriations are made
22 in this act, and to use any part or all of the appropriations to
23 meet matching requirements that are considered to be in the best
24 interest of this state. However, the purpose, scope, and total
25 estimated cost of a project shall not be altered to meet the
26 matching requirements.

27 Sec. 410. Pursuant to section 242(2) of the management and

1 budget act, 1984 PA 431, MCL 18.1242, the department shall submit
2 5-year capital outlay plans and capital outlay priority requests
3 developed by state agencies (and as approved by the department of
4 technology, management, and budget), universities, and community
5 colleges to the chairperson and ranking vice-chairperson of JCOS
6 and the fiscal agencies upon the release of the executive budget
7 recommendation.

8 **COLLEGES AND UNIVERSITIES**

9 Sec. 601. (1) This section applies only to projects for
10 community colleges.

11 (2) State support is directed towards the remodeling and
12 additions, special maintenance, or construction of certain
13 community college buildings. The community college shall obtain or
14 provide for site acquisition and initial main utility installation
15 to operate the facility. Funding shall be comprised of local and
16 state shares, and the state share shall include 50% of any federal
17 money awarded for projects appropriated in this act. Not more than
18 50% of a capital outlay project, not including a lump-sum special
19 maintenance project or remodeling and addition project, for a
20 community college shall be appropriated from state and federal
21 funds, unless otherwise appropriated by the legislature.

22 (3) An expenditure under this act is authorized when the
23 release of the appropriation is approved by the board upon the
24 recommendation of the director. The director may recommend to the
25 board the release of any appropriation in part 1 only after the
26 director is assured that the legal entity operating the community

1 college to which the appropriation is made has complied with this
2 act and has matched the amounts appropriated as required by this
3 act. A release of funds in part 1 shall not exceed 50% of the total
4 cost of planning and construction of any project, not including
5 lump-sum remodeling and additions and special maintenance, unless
6 otherwise appropriated by the legislature. Further planning and
7 construction of a project authorized by this act or applicable
8 sections of the management and budget act, 1984 PA 431, MCL 18.1101
9 to 18.1594, shall be in accordance with the purpose and scope as
10 defined and delineated in the approved program statements and
11 planning documents. This act is applicable to all projects for
12 which planning appropriations were made in previous acts.

13 (4) The community college shall take the steps necessary to
14 secure available federal construction and equipment money for
15 projects funded for construction in this act if an application was
16 not previously made. If there is a reasonable expectation that a
17 prior year unfunded application may receive federal money in a
18 subsequent year, the college shall take whatever action necessary
19 to keep the application active. If federal money is received, the
20 state share shall be adjusted accordingly as provided by this act.

21 Sec. 602. If matching revenues are received in an amount less
22 than the appropriations contained in this act, the state funds of
23 the appropriation shall be reduced in proportion to the amount of
24 matching revenue received.

25 Sec. 603. (1) The director may require that community colleges
26 and universities that have an authorized project listed in part 1
27 submit documentation regarding the project match and governing

1 board approval of the authorized project not more than 60 days
2 after the beginning of the fiscal year.

3 (2) If the documentation required by the director under
4 subsection (1) is not submitted, or does not adequately
5 authenticate the availability of the project match or board
6 approval of the authorized project, the authorization may
7 terminate. The authorization terminates 30 days after the director
8 notifies the JCOS of the intent to terminate the project unless the
9 JCOS convenes to extend the authorization.

10 Sec. 604. The appropriation included in section 102 for
11 university and community college planning project authorizations
12 allow for the completion of program statements and schematic
13 planning documents. These projects will not receive cost and
14 construction authorizations in subsequent budget acts unless there
15 is sufficient bonding capacity available under the state building
16 authority's statutory bond capacity limit.

17 Sec. 605. The Oakland University human health building project
18 was authorized in 2010 PA 27 with a total project cost of
19 \$61,748,100.00. Oakland University has been awarded grants for the
20 specific purpose of implementing enhanced geothermal technologies
21 and other sustainable design features in the human health building
22 project. Oakland University has estimated that the total cost to
23 construct the human health building project with the enhanced
24 geothermal technologies and other sustainable design features for
25 which grant funds were awarded has increased to \$64,561,200.00.
26 Oakland University will fund the increase in the project cost of
27 \$2,813,100.00 with federal and private foundation grant resources

1 awarded to Oakland University, with the total state commitment
2 remaining at \$40,000,000.00. Therefore, pursuant to section 246 of
3 the management and budget act, 1984 PA 431, MCL 18.1246, the total
4 authorized cost for the Oakland University human health building
5 project is increased from \$61,748,100.00 to an amount not to exceed
6 \$64,561,200.00, with the Oakland University share being
7 \$24,561,200.00, the state building authority share being
8 \$39,999,800.00, and the state general fund/general purpose share
9 being \$200.00.

10 Sec. 606. The Western Michigan University Sangren hall
11 replacement project was authorized in 2008 PA 278 and 2010 PA 111
12 with a total project cost of \$60,000,000.00; state building
13 authority share \$11,699,800.00; Western Michigan University share
14 \$48,300,000.00; and state general fund share \$200.00. Pursuant to
15 section 246 of the management and budget act, 1984 PA 431, MCL
16 18.1246, the total authorized cost for the Western Michigan
17 University Sangren hall replacement project is adjusted as follows:
18 total authorized cost is unchanged at an amount not to exceed
19 \$60,000,000.00, with the Western Michigan University share being
20 decreased to \$22,000,000.00, the state building authority share
21 being increased to \$37,999,800.00, and the state general
22 fund/general purpose share being maintained at \$200.00.