

MINUTES OF THE JOINT CAPITAL OUTLAY SUBCOMMITTEE

Thursday, February 24, 2011

9:00 a.m.

Room 352, State Capitol

The Joint Capital Outlay Subcommittee was called to order by the Chair, Representative Eileen Kowall

Members present: Representatives Kowall, Goike, Genetski, Potvin, Pscholka, Jackson, McCann, Senators Booher, Schuitmaker, Jansen, Moolenaar and Hood.

Members absent: Senators Green and Anderson.

Senator Hood moved to excuse absent members. There being no objection, absent members were excused.

The Chair laid before the committee the Joint Capital Outlay Subcommittee Rules for 2011-2012.

Robin Risko from the House Fiscal Agency provided written testimony to the committee regarding the rules. Questions and discussion followed.

Senator Booher moved that the Subcommittee Rules for 2011-2012 be adopted.

Senator Schuitmaker supported the motion.

The motion prevailed by a vote of 10-1-1.

FAVORABLE ROLL CALL:

Yeas: Representatives Kowall, Goike, Potvin, Pscholka, Jackson, McCann, Senators Booher, Schuitmaker, Jansen and Moolenaar

Nays: Representative Genetski

Pass: Senator Hood

The Chair laid before the committee the following Use and Finance Statements:

The Department of Technology, Management, and Budget has requested approval of Use and Finance Statements for projects at the University of Michigan, Ann Arbor and Central Michigan University. The projects will be funded entirely from institution revenues. Both universities have indicated there will be no direct impact on student tuition as a result of the projects. Joint Capital Outlay Subcommittee approval will authorize the self-funded projects to commence, but does not commit state funding for construction, maintenance, or operation of the facilities.

A-1

DMB Letter: 1/25/11

Project: University of Michigan, Ann Arbor- Alice Crocker Lloyd Hall Renovation. The Alice Crocker Lloyd Hall is a 176,000 sq. ft. residence hall which houses approximately 560 students. The renovation will update infrastructure, including new plumbing, heating, cooling, ventilation, fire detection, and suppression systems, wired and wireless high-speed network access, renovated bath facilities, and accessibility improvements. New space will be created and existing space will be reorganized to accommodate living-learning and academic-related activities, dance practice and multipurpose space, art studio, music practice rooms, and spaces for student interaction and community development. The estimated completion date is September 2012.

Cost: \$56,000,000

Financing: Housing Resources

Annual Operating Increase: \$528,000 year 1 and annually thereafter

A-2

DMB Letter: 1/25/11

Project: University of Michigan, Ann Arbor- Crisler Arena, Michigan Stadium, and Yost Ice Arena Scoreboard Replacement. Replacement of the scoreboards in Crisler Arena, Michigan Stadium, and Yost Ice Arena has been proposed because the technology of the current scoreboards has become obsolete. The scoreboards will be replaced with new, state-of-the-art, light-emitting diode (LED) units, which will provide much sharper resolution, extensive flexibility and opportunities for display programming. The estimated completion date is September 2011.

Cost: \$20,000,000

Financing: Athletic Department Resources

Annual Operating Increase: None

B

DMB Letter: 1/27/11

Project: Central Michigan University- Anspach Hall Heating, Ventilation, and Air Conditioning (HVAC) Replacement. The project will replace original 1966 HVAC systems. The equipment and controls are obsolete and subject to frequent breakdowns. The ventilation systems in some of the classrooms are noisy and intrusive. Indoor air quality and comfort improvement for students and faculty is required. The estimated completion date is August 2012.

Cost: \$6,905,000

Financing: University Capital/Deferred Maintenance and Capital Construction Reserve Funds

Annual Operating Increase: \$107,000 year 1 (includes 30% energy savings); \$107,000 plus annual energy inflation annually thereafter.

Cynthia Wilbanks Vice President of Government Relations for the University of Michigan answered committee member's questions.

Kathy Wilbur Vice President of External Relations for Central Michigan University answered committee member's questions.

Senator Moolenaar moved that all three of the use and Finance Statements be approved.

Representative Pscholka supported the motion.

The motion prevailed by a vote of 11-0-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Kowall, Goike, Genetski, Potvin, Pscholka, Jackson, McCann,
Senators Schuitmaker, Jansen, Moolenaar and Hood

Nays: None

Pass: None

There being no further business before the committee and seeing no objection, the Chair adjourned the meeting, the time being 9:35 a.m.

Representative Eileen Kowall, Chairperson _____
Ben Williams Jr., Committee Clerk, (517) 373-1988
35 Minutes