

Implementation Plan

The 5-year comprehensive master plan should identify the schedule by which the institution proposes to address major capital deficiencies, and:

- A. *Prioritize major capital projects requested from the State, including a brief project description and estimated cost, in the format provided. (Adjust previously developed or prior year's figures utilizing industry standard CPI indexes where appropriate).*

Lake Michigan College has submitted a request to **renovate and upgrade the Napier Avenue Campus Academic facility**. This project is identified as our #1 FY '16 Capital Outlay Project Request. An investment in a 45+ year existing facilities and infrastructure (scoring criteria a), the project includes a sustainable design (scoring criteria d) which will save approximately \$290,000 in energy costs annually (scoring criteria g). Project will address current safety deficiencies caused by regular HVAC system breakdowns (scoring criteria b). The Napier Avenue Campus Academic facility is operating at capacity, making temporary space rental necessary at our WMU-SW partner's facility on our campus (scoring criteria c). We are also restricted currently from adding additional programs and services, including a planned Student Success Center and a Faculty Service Center. Estimated cost for this project is \$16,954,646 (scoring criteria e), of which the College can assume 50% of the cost (scoring criteria f). Operating costs would decrease with the efficiencies achieved through this renovation, both in energy and rental expenses (scoring criteria g). We do not anticipate any increase in tuition due to this project (scoring criteria h). Besides the immediate positive job impact due to construction, we anticipate energy production and distribution program and regional job growth supported by the new HVAC system serving as a learning laboratory and employment support due to the creation of a Career and Transfer Center (scoring criteria i). Lake Michigan College has not received any State of Michigan capital funding in **11** years (scoring criteria j).

This investment will supplement the \$7.3 million investment the College made in the renovation of its Napier Avenue science labs recently to support its STEM initiative. In the past five years, the College has invested a total of \$13.1 million in general funds to renovate its Napier Avenue and Bertrand Crossing Campuses' science, dental and medical imaging labs and some classrooms, a Napier Academic student gathering space including central hall, Napier Avenue and Mendel Center roofs, re-side mechanical penthouses and refurbish most heavily used set of restrooms. In our current fiscal year we have expended approximately \$1.3 million to develop an enology and viticulture starter lab and to provide upgrades to our west campus area including site and security lighting, a small concessions facility and student recreational amenities. Additionally, the College funded a 188-bed residential hall on its Napier Avenue Campus.

Included within the FY '16 College Capital Outlay Project Request are the following:

- Renovate 50 classrooms and 3 lecture halls to improve the classroom environment and incorporate new teaching technologies into College classrooms to enhance student success and better prepare them for the use of “real-world” technologies at work or in advanced studies.
- Create a new service center to assist faculty with redesign and revitalization of curricula, expansion of on line delivery, and identification and learning new technologies and incorporating those technologies into the classroom.
- Create new student engagement spaces on the Napier Avenue Campus to provide group study and classroom project preparation areas supporting interdisciplinary collaborative learning throughout the College.
- Replace original heating and cooling plant and air handling units. This equipment is over 45 years old and well past its design lifetime. Annual energy savings is estimated at \$290,000.
- Connect the STEM initiative and the physical plant replacements by bringing the energy data into the classroom, thereby using the building itself as part of the instruction and supporting regional job growth.
- Bring building facilities to current ADA standards.
- Provide a Student Success Center to support student retention and successful transition from college into the workforce.

B. If applicable, provide an estimate relative to the institution’s current deferred maintenance backlog. Define the impact of addressing deferred maintenance and structural repairs, including programmatic impact, immediately versus over the next five years.

Lake Michigan College has identified a five-year backlog of \$65,487,000 deferred maintenance and capital projects. Of this backlog we have identified \$16,954,646 of currently critical deferred maintenance items that have safety, regulatory or collateral damage implications within one year. While our facilities are currently in good condition and have been well maintained, the mechanical and electrical infrastructure is beyond useful life and must be replaced. Not doing so will result in our facilities condition continuing to degrade to the extent that our ability to support an effective learning environment will be seriously compromised. Without funding, by 2020 the value of identified deferred maintenance items with safety, regulatory and collateral damage implications will grow to \$76,181,034. Clearly we continue to operate at a critical juncture in the life of our physical plant.

Projects that have associated annualized cost savings include the following projects:

<u>Project</u>	<u>Estimated Cost</u>	<u>Annual Savings</u>
HVAC System Upgrade at Napier Academic Building	\$4,337,402.	\$289,941.
Miscellaneous Electrical Upgrades	179,318.	10,228.
M-TEC Electrical Upgrade	12,842.	5,390.

In addition, other projects, notably brick tuck-pointing, while not resulting in an annual cost savings, do represent an eventual cost savings in reduced collateral damage to adjacent building infrastructure.

Finally, projects are in some cases designed to mitigate risk to our students and staff by providing a safe educational environment. Projects falling into this category include adding a safety railing to the plaza, providing upgraded site lighting, and providing additional emergency phones in the student/staff parking lots.

- C. *Include the status of on-going projects financed with State Building Authority resources and explain how completion coincides with the overall five-year Capital Outlay Plan.*

<u>Facility</u>	<u>Project Status</u>
South Haven Campus	Complete and operational

- D. *Identify to the extent possible, a rate of return on planned expenditures. This could be expressed as operational “savings” that a planned capital expenditure would yield in future years.*

The facility assessment includes several projects with energy savings including HVAC, electrical and boiler replacements. Preliminary estimates indicate that the College could save up to 50% of its maintenance and utility costs for the next 20 years by replacing the existing HVAC system with an energy efficient, sustainable system. In addition, the facility assessment takes advantage of renovation as opposed to more costly new construction.

See the **Facility Assessment** for further details.

- E. *Where applicable, consider alternatives to new infrastructure, such as distance learning.*

The objectives proposed through the FY '16 Capital Outlay Project Request are core infrastructure, service and program support in nature and cannot be addressed through alternatives.

F. *Identify a maintenance schedule for major maintenance items in excess of \$1,000,000 for fiscal year 2016 through fiscal year 2020.*

Project Description	Estimated Cost	Implementation Year
Renovate and Upgrade the Napier Avenue Campus Academic Facility.	\$16,954,646.	Begin FY' 16
Construct Technology Center at Napier Avenue Campus.	\$8,697,766.	FY' 16
Replace Mendel Center North Parking Lot.	\$1,189,000.	FY '17
Renovate South Haven Science Labs and Create Assessment, Tutoring and Career Center.	\$1,031,000.	FY '17
Modernize and Refurbish Mendel Center Facility.	\$1,000,000.	FY '17
Construct Enology, Viticulture and Culinary Arts Program Facility.	\$4,365,000	FY' 18

G. *Identify the amount of non-routine maintenance the institution has budgeted for in its current fiscal year and relevant sources of financing.*

For the current fiscal year, Lake Michigan College has budgeted \$807,000 for non-routine maintenance projects and renovations. The funding source is the College General Fund.

See **Facility Assessment**, for additional information on these, and other maintenance projects.