

FISCAL YEAR 2021
CAPITAL OUTLAY PROJECT REQUEST

Institution Name: Northwestern Michigan College
Project Title: Student Learning Support Services Renovation Project

Project Focus: Academic Research Administrative/Support

Type of Project: Renovation Addition New Construction

Program Focus of Occupants: Student Support Services/Administrative

Approximate Square Footage: 26,000 square feet

Total Estimated Cost: \$5,000,000

Estimated Start/Completion Dates: Project is ready for construction contingent upon authorization approval Total build time would be one-year.

Is the Five-Year Plan posted on the institution’s public internet site? Yes No

Is the requested project the top priority of the Five-Year Capital Outlay Plan? Yes No

Is the requested project focused on a single, stand-alone facility? Yes No

Executive Summary
Student Learning Support Services Renovation Project

Describe the project purpose.

The Student Learning Support Services project focuses on the adaptive re-purposing of the Osterlin building, which would extend the building life and transform the entire building space into a student services hub. As a result, the project will consolidate all of our student support services into one area, enhancing student ability to access resources in one location. **The project goals for the facility include:**

- Updated information technology infrastructure
- Replace existing windows and exterior doors to increase efficiency
- Replace deteriorating stucco with new insulated metal panels to increase efficiency and sustainable design
- Updated facility to address ADA accessibility
- Upgrade/replace lighting with LED lights

- Upgrade existing HVAC system
- Elevator upgrades
- Electrical upgrades
- New Interior finish
- Create learning spaces that have the flexibility and adaptability for group and individual learning and for learning partnerships with institutions outside the region
- Create breakout spaces to support services to students
- Improved operating efficiencies
- Consolidation of student support offices

The project outcomes for our learners include:

- Integrated student support services
- Holistic advising experience to help them with their student success
- Improved customer service to students
- Increased use of student support services
- Improved retention rates

Describe the scope of the project.

The scope of the project is to make needed improvements, identified in the facility assessment report (attachment A) to the 57 year old Osterlin Building through the renovation and adaptive re-purposing of the building into a state-of-the-art Learning Support Services center. Current conditions of the building necessitating renovation include outdated and unsafe electrical and HVAC systems, deteriorating stucco outer shell and ADA accessibility issues. The project will address these deficiencies through a replacement of windows, doors and outer walls with more energy efficient materials. The project will also include major mechanical work including the replacement of the HVAC system and upgrading the buildings information technology and electrical infrastructure.

Through this project, Northwestern Michigan College also has an opportunity to fully transform the first level of the building, which includes 26,000 square feet of space, into a fully integrated student support services center, re-purposing space previously used as the College's library. The library will now be located in space that was purpose built and self-funded by the College.

In 2017, financial aid was offered to 62% of our student population. We know that student success and completion is closely tied to the ease of navigating the complexities of financial aid and learning support services. A 2016 RAND study¹ and a

¹ <https://www.rand.org/news/press/2016/11/30/index2.html>

2019 University of Chicago study² found that providing community college students with comprehensive wraparound services increases full time enrollment and completion rates.

In addition, the Higher Learning Commission Accreditation requires us to “meet student and other key stakeholder needs.” Therefore, to support success and completion for our approximately 4,000 students, this project will allow NMC to provide a singular location to help students navigate enrollment, financial aid and advising. Delivering more consistent and timely answers will provide a better customer service experience, helping to attract and retain students. The project outcome is to create a more uniform holistic experience for students.

Career counseling for students in both our academic and occupational students has seen an increase in demand. This service would be enhanced by the improvement in this building given a greater presence for students to access this service.

The student support services that would be included in this renovated space include:

- Admissions
- Financial Aid
- Registrar
- Advising
- Counseling
- Health Services
- Veterans lounge
- Advising/Tutoring
- Learning Services and testing
- International outreach and service learning
- Student testing center

Please provide detailed, yet appropriately concise responses to the following questions that will enhance our understanding of the requested project:

1. How does the project enhance Michigan's job creation, talent enhancement and economic growth initiatives on a local, regional and/or statewide basis?

Northwestern Michigan College plays a pivotal role in talent enhancement and economic growth initiatives at the local, regional, state and national basis. A 2017 study conducted by Emsi, a leading provider of economic impact studies and labor market data to educational institutions, concluded that NMC “benefits local businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers into the workers.” The study further found that

² <https://news.uchicago.edu/story/study-evaluates-model-helping-students-complete-community-college>

NMC “benefits the state and local taxpayers through increased tax receipts” and “benefits society as a whole in Michigan by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.”

The Student Learning and Support Services project is vital to NMC continuing to serve in this capacity. A 2019 University of Chicago Poverty Lab study found that a community college offering support services to students resulted in increased full-time enrollment by 13% and increased retention to the next term by 11 to 16%. In addition, the study found that students are 35% more likely to enroll full-time and 47% more likely to persist to the next term in their first year of a program providing these types of services.

Therefore, the proposed Student Learning and Support Services project is critically important to ensure NMC is able to continue meeting its purpose of providing our communities and learners with the skills, experiences and values that help them create social and economic wealth during their lifetime. The Student Learning Support Services project will do just that by providing the space and resources necessary to support comprehensive services for our learners in addition to engagement with our internal and external partners to ensure regional talent enhancement and economic growth.

The regional economic impact of NMC was also quantified in the 2017 Emsi study, which found that 1 out of every 22 jobs in the region is supported by the activities of NMC and its students, an estimated 5,766 jobs in all. The study also reported that NMC added \$42.3 million in income to the region during the analysis year as a result of its day-to-day operations. Further, The 2017 economic impact study conducted by Emsi found that for every \$1.00 of public monies invested in NMC, taxpayers receive a cumulative value of \$2.90 over the course of the student’s working lives. This means that if \$1.5 million of Capitol Outlay funding is invested in NMC, taxpayers will receive a cumulative value of \$4.35 million dollars.

2. How does the project enhance the core academic and/or research mission of the institution?

The project strongly enhances NMC’s core mission of providing lifelong learning opportunities to our communities and is tied to the required Higher Learning Commission Accreditation Criterion category 2 “Meeting Student and other Key Stakeholder Needs”.

Our enrollment is approximately 4,000 students. The Admissions, Financial Aid and Student Advising departments play a key role in student success and completion. In 2017, financial aid was offered to 67% of our student population. A 2019 study by the University of Chicago Poverty Lab found that providing wraparound supports for community college students can improve their chances of persisting, resulting in nearly doubling their retention to the next term and leading to a 35% increase in full-time enrollment.

Providing a location, such as the Student Learning and Support Services building that helps students navigate through the complexity of enrollment, financial aid and advising in one stop will give us the ability to deliver more consistent and timely answers. Community college students have a variety of responsibilities including work, family and school. Time can be a barrier for students. Allowing them to gain access to all support needs in one location will provide better customer service. We believe this will translate to higher completion rates for our students. We see this as an essential service that helps attract and retain students.

3. How does the project support investment in or adaptive re-purposing of existing facilities and infrastructure?

The project re-purposes an existing 57 year old building through important structural, mechanical, ADA and efficiency improvements. The building is located in the center of our Central Campus and has large spaces that can be easily reconfigured. The project will allow the college to consolidate admissions, financial aid, records and registration, advising, counseling, tutoring, student health services and testing. This will allow for some cost savings in staff positions. The project maximizes the use of an existing building to accommodate the majority of our student support services in one location. In addition, the project leverages space that is being vacated by the College's library, which is moving to a new space being constructed and funded by NMC. Without completing the Learning Support Services project, 26,000 square feet of centrally located space would not be repurposed in such a way as to benefit all students.

4. Does the project address or mitigate any current health/safety deficiencies relative to existing facilities? If yes, please explain.

The building was built in 1961 and expanded in 1984. A renovation and re-purposing of the building through the Student Learning and Support Services Project would allow us to update the building based on current emergency management protocol and today's ADA requirements. In summary, some of the deficiencies addressed with a project would include:

- Additional barrier free restrooms
- Remodel of interior of buildings to eliminate ramps that are not ADA compliant
 - Currently the building utilizes a series of ramps to access portions of the building that are not compliant with the current ADA standards
- HVAC heating and cooling upgrades
 - Dated equipment will be replaced with a higher efficiency and environmentally compliant system
- Window and exterior door replacement
 - Replace dated windows with energy efficient windows

5. How does the institution measure utilization of its existing facilities, and how does it compare relative to established benchmarks for educational facilities? How does the project help to improve the utilization of existing space and infrastructure, or conversely how does current utilization support the need for additional space and infrastructure?

NMC utilizes a robust analytic process for determining efficient use and utilization of our classrooms and spaces. We were one of the first colleges to use classroom efficiency rather than “go numbers” to determine enrollment decisions. Starting in 2000, NMC adopted an efficiency model whereby the college set an ambitious target to achieve an average of 90% fill rate for our classes. While not reaching that goal in every area due to the need to support smaller efficiency in some key specialty areas, the college average has reached between 82% and 85% in the last five academic years. Our classes are entirely full in a number of areas. To further our efforts in the last two years, we have over enrolled some of our classes so that after some attrition in the first week, the remaining class remains at 100%.

The college also analyzes the utilization of our current buildings using our scheduling software. Our current utilization reports show that our adaptive learning spaces are at maximum use. These spaces are scheduled for large and small student study groups. Additionally, our reports show that simulation space is at capacity. These adaptive rooms are used by both credit and certificate programs. NMC was at capacity for our residential students and added an additional 150 new beds in 2017. Our residential halls are currently at 90% occupancy.

This project would greatly assist in improving the utilization of existing space on campus. Specifically, with the movement of the library to a new building on campus, a large portion of the Osterlin building will be vacant. Further, as the building is currently configured, space is non-congruent and prevents students from seamlessly utilizing space and service. Once completed, the Student Learning and Support Services project would make needed improvements to an over 50 year old building, providing a more holistic space for student support service activity. With more students living on campus, we believe areas such as counseling and health services will see more activity. Both of these departments are strained for space in their current location. Offices that are currently being used by these departments will be able to be repurposed as additional classrooms or needed office space.

6. How does the institution intend to integrate sustainable design principles to enhance the efficiency and operations of the facility?

Over the years, NMC has shown a commitment to sustainable design principles in construction of both new buildings and renovation projects. Although this is a small renovation project we will once again incorporate facility efficiencies wherever appropriate. This project will see the same level of commitment to integrate

sustainable design principles to enhance operating efficiency as all of our building and renovation projects have seen.

An example of how NMC's projects have adhered to sustainable design principals can be found in NMC's self-funded purchase and renovation of a former manufacturing facility in 2010 that has led to LEED certification. The new facility is used to teach our sustainable energy programs, construction trade and other technical programs that relate to the sustainable design fields. In 2009, NMC conducted an energy audit to identify areas of improvement in current building. Each year the College commits to projects that will result in energy efficiencies. We have converted exterior and interior lighting to LED efficient lighting, installed occupancy sensors in classrooms, hallways and restrooms.

Specific to the Student Learning Support Services project, NMC will include sustainability features including:

- Upgraded lighting
- Occupancy sensors
- Energy efficient HVAC upgrades
- Improved building envelope design around exterior doors

7. Are match resources currently available for the project? If yes, what is the source of the match resources? If no, identify the intended source and the estimated timeline for securing said resources?

Yes. The college has the resources to fund the match for this project. The college has set aside reserves for capital projects such as this. The college also has a current debt capacity of \$44 million dollars. NMC's credit rating by Standard & Poor's is AA and Moody's rating is AA2. The college refinanced a bond in January, 2015 receiving an interest rate of 1.38% and saving \$1.2 million dollars for the taxpayers over a five-year period. If this project were funded, we would provide the college's match with:

- The college's current plant fund reserves
- Private contributions from NMC Foundation

The NMC Foundation is one of Michigan's most successful community college foundations. Since its creation in 1981, NMC Foundation, has raised over \$55 million to support the college in the area of scholarships, programs and new construction. Either one or a combination of the sources listed above would provide the College's match.

8. If authorized for construction, the state typically provides a maximum of 75% of the total cost for university projects and 50% of the total cost for community college projects. Does the institution intend to commit additional resources that would reduce the state share from the amounts indicated? If so, by what amount?

NMC is committed to the 50% match that is required for the project. We would be able to exceed the 50% match requirement by delaying other capital projects. This may effect timing of other deferred maintenance projects but, if the committee feels this would be advantageous and allow for funding by the State, we would work to arrange above the 50% match requirement.

9. Will the completed project increase operating costs to the institution? If yes, please provide an estimated cost (annually, and over a five-year period) and indicate whether the institution has identified available funds to support the additional cost.

We do not estimate a significant increase in operating costs if this project was funded. Improvements to the building should yield operating efficiencies in electrical and heating costs. With the combining of multiple departments, the college will be able to reduce some personnel costs.

10. What impact, if any, will the project have on tuition costs?

The project should not have any impact on tuition costs. We expect to fund our match from a combination of current reserves and/or private donations as stated in question number 7. The college historically includes in its operating budget over \$1 million dollars annually toward plant fund projects and increased an additional \$200,000 for capital improvement for fiscal year 2018. These transfers can be used to offset college capital projects. These are already built into our budget model for the next 4 years so we do not expect any additional increase to tuition due to this project being funded.

11. If this project is not authorized, what are the impacts to the institution and its students?

If this project is not authorized it will be a deterrent to our current and future students. We would also be left with space that will be vacant- following the move of our library to a new location. Further, if not authorized, the space would not be able to provide a more robust student support services area that will give students the ability to access a multitude of student support services in one location. Once completed, the Student Learning Support Services Building will be a more efficient way for student to access these services which translates to more use and less time constraints for the student.

12. What alternatives to this project were considered? Why is the requested project preferable to those alternatives?

There is no viable alternative to this project. The project allows for us to consolidate student support service in one area. This will result in a more holistic approach for

our students and a more efficient delivery system for staff. We expect this to result in time savings for students with greater results.

Any alternative would only allow for us to make limited changes based on space capacity. This does not allow for the unified holistic experience for our students. Additionally, the alternative would not address many of the ADA compliance concerns we have with this dated facility.

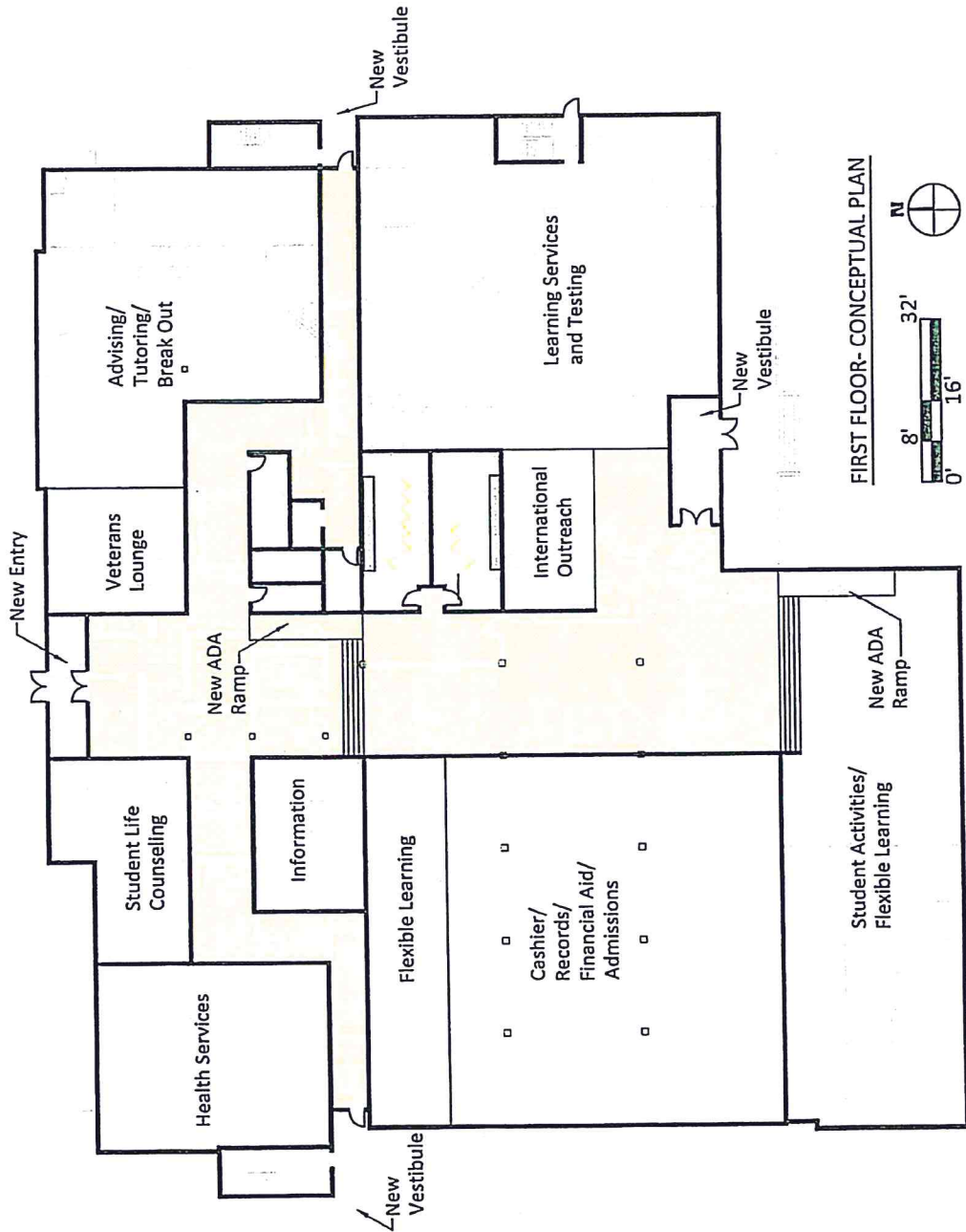
Based on the age of the facility and the need for a unified student support service center we believe that this project will best meet all of the objectives for the Student Learning Support Services Renovation Project.

13. History of prior appropriations received by the institution through the capital outlay process.

Project	Year
Integrated Science & Tech Learning Center	2002
West Bay Great Lakes Campus	2004
Oleson Center Renovation Project	2006
Student Services Learning Center Renovation Project	2018

Supplemental Information

- a) Facility assessment report
- b) Current floor configuration
- c) Conceptual design for renovation
- d) Draft Project budget



FIRST FLOOR- CONCEPTUAL PLAN

Building Upgrades:

- Replace existing windows with new energy efficient windows
- Replace deteriorating stucco exterior with new insulated metal panels
- Upgrade existing toilet rooms/ADA compliance
- Upgrade existing HVAC system
- Upgrade/replace lighting with LED lights
- Upgrade IT infrastructure
- New interior finishes
- ADA accessibility upgrades
- Elevator Upgrades
- Electrical Upgrades

Northwestern Michigan College
 Traverse City, Michigan
 Osterlin Library Renovation- Preliminary Design
 4.23.2018

Cornerstone Architects
 Traverse City • Grand Rapids

Building Detail Report By Building Name

Client: Northwestern Michigan College Building: Osterlin Library
Campus: Main Campus Building Number: BUILDING_ID_02311

Buildings are ordered by Building Name Currency: USD

Statistics

FCI Cost:	1,006,758	FCI:	0.09
RI Cost:	1,038,474	RI:	0.09
Total Requirements Cost:	1,038,475		
Current Replacement Value:	11,684,400	Date of most Recent Assessment:	-

Type	Building		
Area	46,734 SF		
Use	STUDY-LIBRARY FACILITIES	Construction Type	
Floors	2	Historical Category	
Address 1	1701 East Front Street	City	Traverse City
Address 2	-	State/Province/Region	-
Year Constructed	1961	Zip/Postal Code	49686
Year Renovated	2002	Architect	-
Ownership	-	Commission Date	-
		Decommission Date	-

Photo



Building Description

Requirements

Building Detail Report

By Building Name

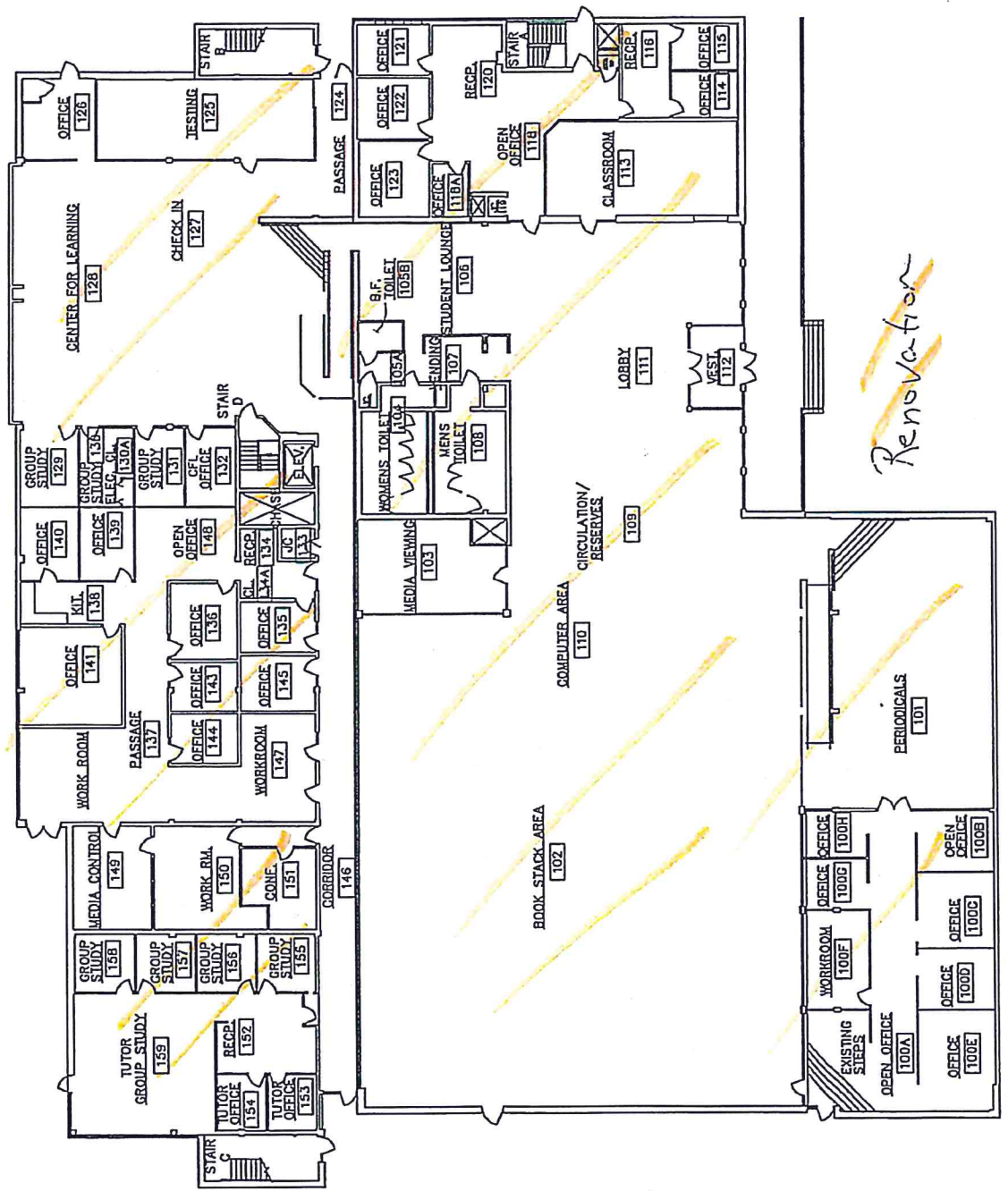
Requirement Name	Renewal	Prime System	Category	Priority	Action Date	Estimated Cost
AHU1/Central Station, constant volume, 15,000 CFM Renewal	Yes	D3041 - Air Distribution Systems	Lifecycle	4- Due within 4 Years of Inspection	Nov 8, 2021	89,608
AHU2/Central Station, constant volume, 12,500 CFM Renewal	Yes	D3041 - Air Distribution Systems	Lifecycle	4- Due within 4 Years of Inspection	Nov 8, 2021	89,608
AHU3/Central Station, constant volume, 8,000 CFM Renewal	Yes	D3041 - Air Distribution Systems	Lifecycle	4- Due within 4 Years of Inspection	Nov 8, 2021	51,828
BUR (Built-Up Roofing) Renewal	Yes	B30 - Roofing	Lifecycle	2- Due within 2 Years of Inspection	Dec 29, 2019	27,378
Carpeting - Tile Renewal	Yes	C3020 - Floor Finishes	Appearance	1- Due within 1 Year of Inspection	Nov 8, 2018	248,513
Chiller, 100 ton, air cooled Renewal	Yes	D3031 - Chilled Water Systems	Lifecycle	5- Due within 5 Years of Inspection	Dec 29, 2022	81,852
Circulating Pump, 5 HP Renewal	Yes	D3090 - Other HVAC Systems and Equipment	Lifecycle	5- Due within 5 Years of Inspection	Nov 8, 2022	9,047
Circulating pump 2 HP Renewal	Yes	D3090 - Other HVAC Systems and Equipment	Lifecycle	5- Due within 5 Years of Inspection	Nov 8, 2022	6,780
Condensate Return System Renewal	Yes	D3022 - Boiler Room Piping and Specialties	Lifecycle	4- Due within 4 Years of Inspection	Nov 8, 2021	36,531
DDC System - Average Renewal	Yes	D3060 - Controls and Instrumentation	Functionality	4- Due within 4 Years of Inspection	Dec 29, 2021	135,471
Demo/Remove/Dispose of Abandoned Satellite Dishes on	Yes	G2048 - Flagpoles	Appearance	2- Due within 2	Nov 8, 2019	8,831

Building Detail Report *By Building Name*

Requirement Name	Renewal	Prime System	Category	Priority	Action Date	Estimated Cost
Roof Renewal				Years of Inspection		
Door Assembly - 3 x 7 HM Renewal	Yes	B2030 - Exterior Doors	Lifecycle	5- Due within 5 Years of Inspection	Nov 8, 2022	5,061
Door Assembly - 3 x 7 Storefront Renewal	Yes	B2030 - Exterior Doors	Lifecycle	4- Due within 4 Years of Inspection	Nov 8, 2021	9,594
Door Assembly - 6 x 7 HM Renewal	Yes	B2030 - Exterior Doors	Lifecycle	5- Due within 5 Years of Inspection	Nov 8, 2022	4,761
Heat Exchanger, 120 GPM, Shell & Tube Type, HW or Steam Renewal	Yes	D3044 - Hot Water Distribution	Energy	4- Due within 4 Years of Inspection	Nov 8, 2021	31,716
Site Electrical Distribution - Underground Power Distribution - 750kVA Pad Mounted Transformer Renewal	Yes	G4013 - Underground Power Distribution	Lifecycle	5- Due within 5 Years of Inspection	Nov 8, 2022	43,711
Skylights - Monumental Renewal	Yes	B3021 - Glazed Roof Openings	Lifecycle	1- Due within 1 Year of Inspection	Nov 8, 2017	146,295
Variable Frequency Drive (VFD) 10 HP Renewal	Yes	D5090 - Other Electrical Systems	Lifecycle	2- Due within 2 Years of Inspection	Nov 8, 2019	6,113
Water Heater - Elec - Residential - 80 Gal Renewal	Yes	D2020 - Domestic Water Distribution	Lifecycle	1- Due within 1 Year of Inspection	Nov 8, 2018	5,777
Total						1,038,475

03-OSTERLIN BUILDING (0)

FIRST LEVEL



Northwestern Michigan College

Student Learning Center - Osterlin Renovation

Preliminary Cost Estimate

September 2019

Draft

Construction Estimate		\$/SF	Gross Area (SF)	Cost Sub-Totals
New Vestibules & Entry		\$200 /s.f.	2,000	\$400,000
Renovation		\$110	26,500	\$2,915,000
	Sub-totals		28,500	\$3,315,000
Site Improvements	5%			\$165,750
General Requirements (Permits, Insurances Fees, Etc.)	10%			\$331,500
Design Contingency	10%			\$331,500
Contruccion Contingency	10%			\$331,500
Construction Cost		\$157 /s.f.		\$4,475,250
Associated Project Costs				
Architectural/Engineering Fees	7%			\$313,268
Furniture, Fixtures and Equipment				\$300,000
Furniture				\$20,000
Commissioning				\$20,000
Security				\$20,000
Associated Project Costs		\$23 /s.f.		\$653,268
Total Estimated Project Cost		\$180 /s.f.		\$5,128,518