



Fiscal Year 2025 – 2029
Five-Year Capital Outlay Plan
October 31, 2023

Department of
Technology, Management & Budget

State Facilities Administration,
Building Operations Division

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Mission

The Department of Technology, Management & Budget's (DTMB) mission is to "provide vital administrative and technology services, and information to enable Michigan's reinvention." State Facilities Administration (SFA), Building Operations Division (BOD) supports this mission through its program statement: "to provide safe, comfortable and cost-effective facilities to allow our customers to provide their designated services to the people of the State of Michigan, and to provide maintenance and construction services on buildings to preserve the investment of the State of Michigan, DTMB." SFA works to ensure that the buildings it is responsible for, are in a condition that allows occupants to focus on their core mission in a comfortable, efficient environment.

Programming Changes

BOD is responsible for operating, managing, and maintaining 12 million gross square feet of space in 44 DTMB-managed buildings, 933 acres of land, and nearly 14,000 parking spaces in 7 parking ramps and 42 parking lots. DTMB-owned buildings provide space for more than 50% of state employees and many are open to service the public. BOD's program consists of many service areas including building maintenance, supply chain, building automation, energy management, parking, groundskeeping, sustainability, asset management, and directory assistance.

BOD started managing the newly constructed Caro Psychiatric Hospital beginning October 1, 2023. This 125,000 square foot facility has a 100-bed capacity and provides psychiatric services to Michigan residents 24/7. Rooms are mainly single-bed suites with private bathrooms, with some double rooms and others set up to care for geriatric patients. This facility also offers patients a hair care salon, exercise room, greenhouse recreation room, a gymnasium with audiovisual system for events and outside courtyards for recreational space.

Project Ranking

BOD has developed a ranking system to score each project using a standard weighted criteria. Once a project is identified, a team evaluates and scores the project based on:

- Danger to life or property
- Environmental or health concern
- Mandate or initiatives
- Rate of deterioration causing rapidly escalating project cost

- Remaining service life
- Ability to generate revenue or savings
- Code or ADA requirements
- Extenuating circumstances

Each project receives a score between 5 (lower priority) and 100 (higher priority).

Projects are also classified into two categories: Discretionary and non-discretionary. Discretionary projects are not required to maintain the asset or are new initiatives, while non-discretionary projects are needed to maintain existing assets and keep the building operating. Examples of discretionary vs non-discretionary projects include:

- Discretionary
 - Install electric vehicle charging stations
 - Snow melt projects
 - Lobby security projects
 - LED lighting upgrades
- Non-Discretionary:
 - Upgrade fire suppression system
 - HVAC system replacement
 - Replace windows
 - Refurbish switchgears

Funding vs Backlog

Well maintained, efficient buildings cost 20 – 50% less in energy and avoid costly emergency repairs. BOD has a proven track record of excellent facility maintenance and works hard to contain operating costs while still keeping buildings in good condition.

DTMB-BOD is appropriated \$3.8 million annually to fund capital projects across 44 buildings. One project can easily use the entire \$3.8 million, and many projects require more than that. Therefore, BOD relies on supplemental funding to do any other projects beyond this. Not having a strong, steady funding source causes inconsistent investment into the building and makes it challenging to coordinate maintenance projects.

DTMB-BOD has a backlog of 186 projects totaling more than \$246 million. DTMB has proposed that the lump sum special maintenance program be set at 2% of the Current Replacement Value (CRV) for the portfolio of buildings. DTMB estimates the CRV today is \$2.3 billion which would equate to an annual funding allocation of \$46 million. The State of Utah currently uses a similar 2% CRV model and other states are considering it as

well. Providing funding at this level is necessary to enable DTMB to properly address maintenance and renovation needs before they become emergency situations that are costlier to handle and pose health and safety risks. The most effective method of facilities maintenance is a balance between a solid proactive maintenance program and capital renewal funding. As a testament to this, DTMB received \$42.4 million dollars (1.8% of their CRV) in FY 2023 which has allowed their backlog to remain steady rather than increase as seen in previous years. This improved funding mechanism has allowed DTMB to provide a greater level of maintenance service to their tenants and buildings.

The \$42.4 million was received from the following funding sources:

- \$3.8 million in State Facility Building Occupancy Allocation
- \$4 million in Miscellaneous Operating Projects (MOP)
- \$34.6 million in Enterprisewide Special Maintenance projects

Summary

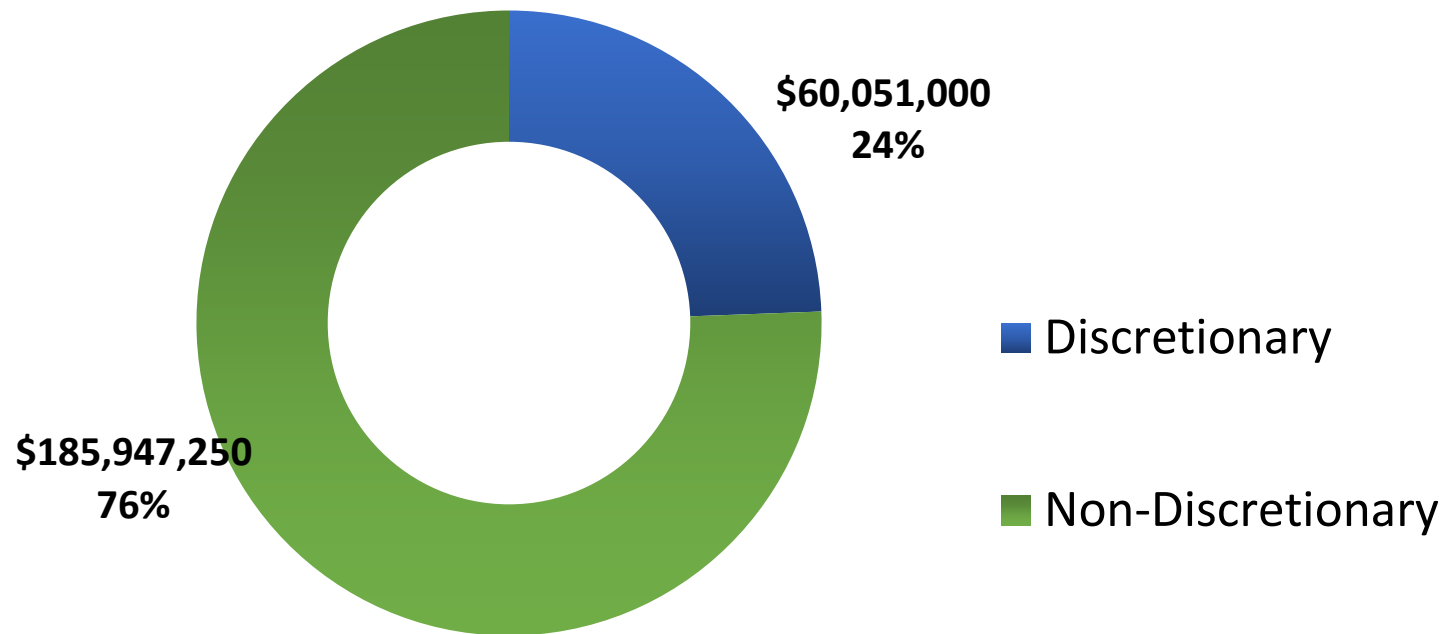
The highest ranked projects in DTMB's portfolio are:

- Secretary of State Building Occupant Relocation at \$5 million
- Phase II of the Fire Alarm Replacement at \$5.3 million
- Hannah & Ottawa VAV Renovations at \$20 million

DTMB does not have the ability to independently fund these projects other than through Capital Outlay appropriation. If these are not funded, DTMB-BOD will continue maintaining the buildings to the highest level possible considering the limitations of the structures.

DTMB is seeking approval for all the projects listed in this plan and is asking for consideration to revise the Capital Outlay allocation to adequately meet the FY 2025 maintenance needs of the aging DTMB building portfolio.

Total Project Backlog - \$246 Million



*Non-discretionary are projects required to maintain existing assets, while discretionary projects are not required or are new initiatives.

Current Replacement Value (CRV)

Building Name	Capacity	Occupancy	Year Built	City	Useable sq. ft	Replacement Value
Cadillac Place	2,992	2,037	1920	Detroit	874,484	342,711,314
Caro Psychiatric Hospital	-	-	2023	Caro	125,000	85,000,000
Constitution Hall	1,705	1,668	2001	Lansing	331,513	122,254,505
Elliott-Larsen Building	792	385	1922	Lansing	148,710	50,613,161
Energy Center	28	28	1973	Dimondale	60,828	30,708,212
Escanaba State Office Building	70	73	1955	Escanaba	13,628	6,204,098
Flint State Office Building	428	427	1982	Flint	76,116	28,232,868
G. Mennen Williams Building	420	378	1969	Lansing	110,399	33,513,387
General Services Building	108	107	1975	Dimondale	117,066	19,749,995
George W. Romney Building	588	681	1926	Lansing	170,255	59,142,837
Grand Rapids State Office Building	242	258	1976	Grand Rapids	65,480	22,455,254
Grand Tower	1,160	1,189	1990	Lansing	213,759	70,308,422
Hall of Justice	275	246	2002	Lansing	215,497	147,912,295
Hazardous Materials Training Building	10	7	1991	Dimondale	3,968	958,161
Jackson State Office Building	330	258	1982	Jackson	56,745	18,845,620
Jerome T. Hart Building	460	250	1982	Saginaw	86,259	29,074,067
John A. Hannah Building	1,011	864	1982	Lansing	161,026	46,049,759
Joint Operations Center	35	27	1982	Lansing	18,911	4,961,488
Lottery / Ellis Building	149	126	1989	Lansing	69,750	22,500,537
MDOT Construction & Technology	123	88	1977	Dimondale	87,616	33,678,938
MDOT Warehouse	59	53	1975	Dimondale	86,908	13,956,663
Michigan Library & Historical Center	225	191	1989	Lansing	243,603	76,699,283
Murray D. VanWagoner Building	1,269	921	1968	Lansing	203,937	59,408,397
One Division	235	235	2002	Grand Rapids	105,428	37,405,232
Operations Center	1,723	1,610	1974	Dimondale	276,174	90,104,996

Building Name	Capacity	Occupancy	Year Built	City	Useable sq. ft	Replacement Value
Ottawa Building	676	595	1982	Lansing	143,576	44,856,781
Records Building	33	22	1959	Lansing	188,756	51,723,247
Richard H. Austin Building	700	597	1968	Lansing	154,591	55,051,458
Secretary of State Building	388	225	1969	Dimondale	102,516	31,834,059
Site Maintenance Equipment Center	10	5	2002	Dimondale	8,308	1,613,162
South Grand	537	423	2009	Lansing	101,095	36,032,379
State Emergency Operations Center	12	12	2016	Dimondale	17,289	7,812,047
State Laboratory	225	217	1993	Lansing	72,636	32,190,774
State of Michigan Warehouse Complex	137	117	1950	Lansing	118,459	35,533,366
State Police 1st District Post/Headquarters	50	49	1974	Dimondale	10,826	2,616,645
State Police Annex	53	16	1976	Dimondale	19,454	6,180,304
State Police Forensics Laboratory	84	74	2000	Dimondale	61,870	30,866,745
State Police Grand Rapids Facility	350	294	2020	Walker	91,396	58,535,986
State Police Headquarters	874	705	1974	Dimondale	188,386	63,047,965
State Police Training Academy	47	42	1974	Dimondale	82,317	29,253,276
Stevens T. Mason Building	730	562	1953	Lansing	166,258	59,065,317
Traverse City Office Building	148	154	1938	Traverse City	31,194	13,301,075
Vehicle & Travel Services Building	36	32	1988	Dimondale	79,500	22,263,886
Allegan Ramp	1,934	1,992	1967	Lansing	14,573	116,544,739
Flint Ramp	549	562	1984	Flint	0	53,306,144
Grand Rapids Ramp	143	140	1982	Grand Rapids	3,068	7,410,779
Hall of Justice Ramp	297	300	2002	Lansing	0	23,316,070
Ottawa Ramp	682	695	1982	Lansing	27,239	44,991,250
Romney Ramp	14	14	1926	Lansing	0	1,261,307
Roosevelt Ramp	438	468	2003	Lansing	0	19,786,576
	19,527	16,248				\$2,300,844,822

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
STATE FACILITIES ADMINISTRATION
BUILDING OPERATIONS DIVISION
2025 - 2029 5-YEAR PLAN

Location & Project Description	2025	2026	2027	2028	2029
DTMB Owned Facilities Requests					
Allegan Plaza Replace Exhaust Fan Housings (8)			\$800,000.00		
Repair Snowmelt System and Controls				\$800,000.00	
Replace 6 Glass Houses					\$600,000.00
Allegan Ramp Replace Main Supply Lines for Fire Suppression		\$4,000,000.00			
Butler & MLCH Parking Lot Replace Parking Lot					\$2,500,000.00
Cadillac Place Upgrade and Modernize 5 Bank Elevators Including Controls and Equipment			\$2,300,000.00		
Repair Cooling Tower			\$600,000.00		
Upgrade BAS				\$500,000.00	
Inspect/Repair Façade Stone					\$1,800,000.00
Modernize Annex Freight Elevator					\$1,400,000.00
Elliott-Larson Building Replace West Storefront			\$400,000.00		
Upgrade BAS				\$1,750,000.00	
Repair U-Drive and Reconfigure Loading Dock				\$850,000.00	
Energy Center Waterproof/tuckpoint exterior			\$500,000.00		

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Location & Project Description	2025	2026	2027	2028	2029
Replace Chilled Water Condensor Piping					\$350,000.00
Escanaba State Office Building					
Replace Switchgear			\$700,000.00		
Renovate Restrooms			\$550,000.00		
Replace Parking Lot and Upgrade Lighting			\$650,000.00		
Replace RTU and Piping					\$600,000.00
General Services Building					
Repair loading dock		\$300,000			
Replace Reheat Coils in Air Handling Units 5,6,7,8				\$350,000.00	
Mill and Resurface Parking Lot and Catch Basins					\$500,000.00
Upgrade BAS					\$250,000.00
Grand Tower					
Replace Domestic Risers			\$500,000.00		
Enclose Switchgear					\$100,000.00
Grand Rapids State Office Building					
Replace/Repair Drain and Ice Melt System on the Ottawa Entrance Side		\$400,000			
Replace Generator, Fuel Source, and Add an Automatic Transfer Switch				\$550,000.00	
Upgrade Courtside HVAC/Controls				\$600,000.00	

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Hall of Justice Upgrade BAS				\$800,000.00	
Hannah Building VAV Renovations	\$10,000,000				
Jackson State Office Building Replace Switchgears Replace Roof			\$1,000,000		\$1,300,000.00
Joint Operations Center Upgrade BAS Repair Foundation Leaks Demolish Cooling Tower Silo				\$300,000.00 \$350,000.00	 \$450,000.00
Lottery Building Upgrade Restrooms and Piping		\$1,600,000			
MDOT Construction & Technology Replace Swithcgear, Transformers, and Motor Control Centers Upgrade HVAC				\$1,500,000.00	 \$16,000,000.00

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MDOT Warehouse					
Replace Roof & Waterproofing	\$3,800,000				
Replace Switchgear & Transformers			\$400,000.00		
Mill and Resurface Parking Lot					\$650,000.00
Upgrade BAS					\$500,000.00
Michigan Library & Historical Center					
Replace East and West Dock Concrete and Lifts		\$300,000			
Upgrade Restrooms			\$2,400,000.00		
Replace Roof				\$3,700,000.00	
Replace Switchgears				\$2,500,000.00	
Replace Main Drive and Cul-De-Sac Pavement					\$260,000.00
One Division					
Upgrade BAS				\$500,000.00	
Replace Windows				\$400,000.00	
Replace Air Handling Units					\$800,000.00
Operations Center					
Replace Roof		\$6,500,000.00			
Upgrade BAS				\$500,000.00	

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Ottawa Building VAV Renovations	\$10,000,000.00				
Ottawa Parking Ramp Replace Motor Circuit Control Units and Switchgear Replace Exhaust Fan Houses Update Mechanical in Upper Level Conference Rooms 1, 2, 5 & 6			\$3,800,000.00 \$800,000.00 \$900,000.00		
Records Building Redesign and Replace Parking Lot and Drainage		\$1,400,000			
Romney Building Replace Generator Upgrade BAS			\$1,500,000 \$2,600,000.00		
Saginaw State Office Building Replace Entrance Replace Boilers and Add Humidification Units Upgrade BAS Replace Parking Lots	\$1,200,000	\$1,400,000		\$500,000	\$850,000.00
Secondary Complex Repair Steam Tunnel Pipe Stanchions and Replace Piping (Ph 5)			\$350,000.00		

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Secretary of State Building Demo North & South Wings, Tower Renovations	\$29,000,000				
Occupant Relocation	\$5,000,000				
State Lab Replace Deaerating Tank	\$700,000				
Replace Air Handlung Unit #1 & Cooling Coil		\$1,000,000			
Replace Roof				\$1,200,000.00	
State Police 1st District Headquarters Replace Roof					\$500,000.00
State Police Annex Relpace Switchgear		\$850,000.00			
State Police Forensics Lab Upgrade BAS				\$500,000.00	
Repair and Replace Skylights				\$650,000.00	
State Police Hazmat Renovate Restrooms to Meet Current ADA and Tenant Requirements				\$400,000.00	
State Police Training Academy Renovate Restrooms in Dorm, Locker and 2nd Floor		\$2,800,000			
Replace Switchgear and Transformers			\$1,500,000.00		

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Location & Project Description	2025	2026	2027	2028	2029
Statewide Fire Alarm Replacement Phase II	\$5,300,000.00	\$5,300,000.00	\$5,300,000.00	\$5,300,000.00	\$5,300,000.00
Vehicle & Travel Services Overhead Door Replacement		\$325,000.00			
Replace Domestic Hot Water System			\$200,000.00		
Replace Air Handling Units				\$2,100,000.00	
Upgrade BAS					\$500,000.00
TOTAL LUMP SUM REQUEST	\$36,000,000	\$26,175,000.00	\$27,750,000.00	\$26,600,000.00	\$34,610,000.00
TOTAL LINE ITEMS	\$29,000,000	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL REQUEST	\$65,000,000	\$26,175,000.00	\$27,750,000.00	\$26,600,000.00	\$34,610,000.00