

**FISCAL YEAR 2025
CAPITAL OUTLAY PROJECT REQUEST**

Institution Name: **Mid Michigan College (Mid)**

Capital Outlay Code:

Request Code:

Project Title: **Automotive and Diesel Training Center: Mid Michigan College in Harrison**

Project Focus: Academic Research Administrative/Support

Type of Project: Renovation Addition New Construction

Approximate Square Footage: **24,000 sq. ft.**

Total Estimated Cost: **\$18,300,000**

Estimated Duration of Project:

Planning and design would start immediately after notification of planning authorization. Construction would begin within 3 months of construction authorization and likely take 18 months. Assuming a standard project authorization and construction schedule, the Center could be completed by summer 2027.

Is the Five-Year Plan posted on the institution's public internet site? **Yes**

Is the requested project the top priority in the Five-Year Capital Outlay Plan? **Yes**

Project Purpose

Mid Michigan College (Mid) seeks state funding through the capital outlay process to expand its automotive and diesel technician training program on the Harrison Campus.

The College has no facility of its own and currently rents about 6,500 square feet of space from the Clare/Gladwin RESD (CGRESD) at its Magnus Center. This space is only available to the College in the afternoons and evenings for automotive and light diesel training and the size limits the number of students who can be trained as well as the programs that can be offered.

The proposed project takes advantage of the College's significant success providing skilled trades training and follows its Five-Year Capital Outlay Plan. The College is prepared to undertake the matching financial obligations.

Scope of Project

The proposed project would support construction of a 24,000 sq ft facility on Mid's Harrison Campus. The building would allow for growth in the number of automotive technicians trained each year as well as additional training in light diesel, heavy diesel, electric vehicles, and small engine repair. While the facility would consist primarily of lab and simulation space, with updated equipment and training vehicles, there would also be space for instruction, storage, and technology demonstrations.

If the College builds its own facility, it can move out of the CGRESD space, which will free up the room for their program to expand. Together, the CGRESD and Mid provide a pipeline of technicians to help fill local workforce demand. Unfortunately, with shared space and limited programming, the College cannot meet the demand for automotive technicians or heavy diesel specialists.

The training provided in the space will be industry-driven and allow students to earn training credentials and associate degrees. Along the way, students can also earn valuable industry certifications through the National Coalition of Certification Centers (NC3) - primarily focused on Snap-on, a leading automotive partner.

Mid's vision for the new automotive and diesel training center is to create a space in which:

- Students can get general exposure to automotive, diesel, EV, and small engine repair in a safe, hands-on environment.
- Partnerships with local industry and service centers provide students with hands-on training that prepares them for a career, thus filling local workforce needs.
- There are multiple training options available which allow students to ladder their training. Based on their needs, students can get multiple NC3 certifications, earn a one-year training credential, or continue for an associate's degree which leads to a great career or transfer to a university.
 - Students can start at their local high school tech center to get basic training and then attend Mid to get a degree.
 - New students can be career-ready in as little as eight months.
 - Laddered skills and certifications build on one another throughout the program, allowing students to work at their own pace and earn proof-of-skills on the way to an associate's degree.
- Workforce development training would be available for industry partners who need to up-skill their employees.
- Mid's Career Center would serve as a connection between students and employers as we work to fill the talent pipeline for Michigan. The program already has a 100% internship placement rate and prides itself on career preparation.

Program Focus of Occupants

Students will learn the skills needed to be an automotive and light diesel technician. Training for heavy diesel repair, electric vehicle service, and small engine repair will also be available.

Additional Information:

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

Over 3,200 automotive service technicians and mechanics are employed in Michigan's Prosperity Regions 5 and 6. That number is expected to grow 5% over the next few years and there are projected to be over 350 annual job openings due to growth and turnover. Industry partners tell us that they struggle to find qualified, trained employees and we are ready to help.

Mid's automotive program has been working to meet these workforce needs for years. The program holds Master Accreditation, the highest level of achievement, through the National Automotive Technician Education Foundation (NATEF). Students complete the program ready to contribute to their local community and start a great career.

Unfortunately, without an automotive and diesel training center on campus, the College struggles to meet demand for trained students and to provide new training opportunities that will move the economy forward. This project proposal will solve those problems.

Talent Enhancement

- **Local Level:** At the local level, the training center can provide specialized training and education for residents, including high school graduates and adults looking to develop new skills, including company apprenticeship programs. This prepares local talent for jobs in the automotive and heavy diesel/transportation sectors, which are significant industries in Michigan. As a result, the local workforce becomes more competitive and attractive to local employers.
- **Regional and Statewide Level:** The availability of specialized training in mid-Michigan can draw students and job seekers from surrounding regions and even other parts of the state. This can help bridge skill gaps in the automotive and heavy transportation industries statewide, leading to a more skilled workforce across Michigan.

Job Creation

- Local Level: The construction phase of the training center itself creates jobs in the local community, including construction workers, contractors, and suppliers. Once the center is operational, it requires staff for administration, instruction, maintenance, and support services, leading to additional local job opportunities.
- Regional and Statewide Level: As the workforce becomes more skilled and adaptable to the needs of the automotive and heavy transportation industries, businesses in these sectors are more likely to expand or set up operations in Michigan. This leads to the creation of jobs at a broader regional and statewide level.

Economic Growth

- Local Level: The training center can stimulate economic growth in mid-Michigan by attracting students from outside the area. These students will spend money on housing, food, and other goods and services, boosting local businesses and generating tax revenue for the local government.
- Regional and Statewide Level: A well-trained workforce is an attractive asset for businesses. Michigan can position itself as a hub for automotive and heavy transportation industries, which can lead to increased investment and economic growth across the state. It can also contribute to research and innovation in these sectors, further driving economic development.

Industry Competitiveness

- Statewide Level: Having a specialized training center can enhance the competitiveness of the Michigan automotive and heavy transportation industries on a global scale. A well-trained workforce can lead to improved product quality and innovation, which, in turn, can boost exports and industry reputation.

Educational Partnerships

- Local Level: The training facility will provide an opportunity to collaborate with the two local RESD's - Clare/Gladwin RESD and Gratiot/Issabella RESD - by giving their students a local destination for a post-secondary experience.

Furthermore, a new dual enrollment program could be created within the proposed Diesel program in conjunction with the Clare/Gladwin RESD, which will create a clear path to completion for students coming into the program as dual-enrolled juniors in high school. Educational pathways will also be created and shared with schools, colleges, and universities to create a seamless educational pathway for prospective students, all of which could encourage students to pursue careers within this industry, supporting a skilled workforce at all education levels.

The project also seeks to address issues of persistent poverty in the central Michigan region. Median household income and economic prosperity in our region has not kept pace with that of the nation or the state as a whole. Students at Mid are typically from rural areas where educational attainment is low, poverty rates are high, and the barriers to success are many. According to Data USA (datausa.io), Clare County has a poverty rate of 24% - compared to 13% statewide. In Clare County, 70% of the working population in 2020 had not earned an Associates degree or higher.

For these reasons, creating a path to jobs as an automotive or diesel technician, where annual wages average about \$47,000, is also a path to a better life and a more secure future.

How does the project enhance the core academic, development of critical skill degrees, and/or research mission of the institution?

Mid seeks to empower learners and transform our communities. A large and growing number of Mid students are seeking applied associates degrees so that they can be job-ready. Teaching our students skills that will lead to rewarding careers in a growing sector of the economy will empower them. Students who are trained at the new automotive and diesel facility will be able to use their skills locally and throughout the state. High-skill, high-wage employment will enable these students to break from generational poverty. The College seeks to transform its communities by empowering a spirit of lifelong productive learning.

The proposed training center can facilitate the development of specialized degree programs in automotive technology, heavy diesel mechanics, and related fields, such as EV, small engine and power sports. These programs can be tailored to meet the specific needs of the automotive and transportation industry. Students will receive a focused education that prepares them for careers in these industries.

This facility will be developed to provide state-of-the-art facilities and equipment for hands-on training for students. This practical experience is crucial for students pursuing careers in automotive and diesel technology, as it enhances their ability to apply theoretical knowledge to real-world situations. Mid currently partners with the National Coalition of Certification Centers (NC3), which allows the college to award third-party issued, industry recognized certifications (ex. Snap-on) that are embedded within programs. The NC3 certification program validates specific skills and competencies that derive straight from industry, and are recognized by industry employers, which in turn makes graduates more competitive within the job market.

With input from industry experts and stakeholders, the College can design curricula that align with current industry standards and practices. This ensures that graduates are job-ready and possess the critical skills needed in the workforce. Company specific training,

and apprenticeship programs could also be developed to support the regional employers as they look for the next generation of the workforce to sustain their business.

Collaboration with industry will also be key, as the proposed facility can foster partnerships with local automotive and transportation businesses. These partnerships can lead to internships, co-op programs, and job placement opportunities for students, further enriching their academic experience.

In addition to degree programs, the training center can provide continuing education and professional development opportunities for individuals already working in the automotive and diesel industries. This supports lifelong learning and skills enhancement for our local communities. Mid can engage with the local community by offering workshops, seminars, and outreach programs related to automotive and diesel technology. This outreach can raise awareness about the institution and promote critical skill development in the community.

Is the requested project focused on a single, stand-alone facility? If no, please explain.

Yes. The project is focused on one building – the new automotive and diesel training facility – on the College’s Harrison Campus.

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

The location of the new building on the Harrison Campus may result in a new traffic flow and create a tech-corridor on campus. This facility is the first priority of the College’s new Campus Master Plan and is an initial step toward bringing the College’s technical programs into one area on campus.

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

Yes. The current automotive training facility that the College rents is too small for our needs. The small size creates a potential for students to be injured as they move equipment from one area to another. Also, the existing auto lab only has one overhead door for the six cars that can be pulled into the area. Ideally, the lab would have more doors, and a different set-up, so cars did not have to drive through the lab to reach a station. Mid’s new lab would have multiple overhead doors and more square footage to avoid these potential safety deficiencies.

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?

The College performs an annual review of classroom utilization to ensure that it is scheduling classrooms appropriately and has adequate space to meet its needs. However, the College's total classroom utilization is not relevant for this project.

Mid does not currently have a facility to house its automotive/diesel program. It is currently renting a space from the CGRESD that is too small and has limited availability for classes. This proposal supports the construction of a facility that would house a full automotive and light diesel program with additional space for training in heavy diesel, electric vehicle, and small engine repair, maintenance, and diagnostics.

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

Mid's operating philosophy encourages engineering all new construction projects to the highest appropriate level of energy efficiency with emphasis placed on LEED requirements. Examples specific to this proposed project include high-efficiency window glazing, high-efficiency HVAC systems, and building envelope design. As shown in the Campus Master Plan, the College has already committed itself to maintaining facilities at high standards for energy efficiency.

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. College match resources exist within its Building & Site fund balance. Such funds are designated and allocated for future College needs by the Board of Trustees on an annual basis. If needed, the College is adequately positioned to match capital outlay funds through a self-funded bond.

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?

No. The College has made significant investments in its campuses and has ambitious, but achievable, goals for the future of each of its campuses. It believes that a 50% match is appropriate for this project.

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 recognize that a new facility will have energy expenses along with certain custodial and maintenance expenses. Because this is a new structure, built with energy efficiency in mind, the additional expenses will be reasonable and manageable. Accurate estimates will not be available until we move into the planning phase, but we expect energy expenses to be around \$50,000 per year. A new structure will not require significant maintenance. We anticipate custodial and maintenance expenses to be around \$50,000 per year for the first five years. In total, increased operating costs could be around \$100,000 per year - \$500,000 over five years.

Some of this cost will be recouped because we will no longer need to rent the CGRESD facility. We also anticipate that enrollment growth and additional workforce development training revenues will offset any additional costs.

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

The project will not have any impact on tuition costs. In fact, we hope that additional revenue through new enrollment and workforce development training may help keep tuition costs down.

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

If the project is not authorized, Mid will continue to run an automotive program in a rented space that is too small, has limited availability for classes, and does not allow us to provide training to meet the needs of local employers. At some point, it is also possible that the CGRESD may want to use the space fully for their own purposes and it may not be available to the College. If this occurs, Mid would have to close its automotive/diesel program.

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

The College currently leases from the CGRESD because adequate space does not exist on either campus. We began leasing space from the CGRESD in 2019 because the former auto lab on campus was deemed unfit and too expensive to remodel and was torn down. At that time, we hoped that the CGRESD's space might be a long term solution. Unfortunately, the space is inadequate and, since the CGRESD recently received funding from the State for infrastructure improvements, it may have different plans for that space in the near future.

There are only three alternatives to the CGRESD rented space.

(1) Rent space from another entity. Finding space from a private landlord would be prohibitively expensive and would only be a short term solution.

(2) Close the automotive/diesel program. This alternative would have dire consequences for students and the local and regional employers who count on Mid's graduates.

(3) Build a new training facility on the Harrison Campus. The long term viability of the

program rests on having an adequate facility that will allow for expansion into other program areas, like heavy diesel, electric vehicles, and small engines.

Building a new facility is in the best interest of College, the CGRESD, and the State. A new facility will enhance overall student training and allow us to meet local and regional employment needs for a growing workforce.