

**STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION**  
**April 12, 2023**

**TOPIC:** Northeastern Junior College (NJC) Spending Authority for Phase 1 of the Applied Technology Campus and Spending Authority Related to H.B. 12-1264

**PRESENTED BY:** Dr. Mike White, President of Northeastern Junior College

**RELATIONSHIP TO THE STRATEGIC PLAN:**

**Transform the Student Experience**

This campus expansion will transform our applied technology programs to prioritize an engaging student experience and modern lab equipment.

**EXPLANATION:**

Northeastern Junior College (NJC) intends to build a 37,030 sq. ft. addition to the Lebsack Schmidt building to provide state of the art classroom and labs to the Applied Technology programs including agriculture, automotive, diesel, wind and industrial technology, and welding with a second phase remodeling the Lebsack Schmidt and Area Vocational buildings to provide space for the development of skilled trades programs. The welding program has been reorganized to allow for new students to enter the program at six different points during the year and obtain stackable short-term certificates culminating in an associate degree. This reorganization has increased demand for the program that is now limited by the existing space.

Northeastern Junior College received preliminary approval from the Board on November 13, 2019, to initiate a major gifts campaign for the construction of Phase 1 of the Applied Technology Campus (ATC) expansion. The gift campaign stalled during the pandemic so NJC pursued state funding. In the FY 2022-23 Long Bill, NJC received state funding for Phase 1 of the expansion, with Phase 2 currently being considered for funding starting in FY 2023-24. The Board approved phase 1 funding related to construction design of the ATC expansion in February 2022, which included the design associated with the installation of a transformer that was funded through HB 12-1264, in the total amount of \$578,479.

In December of 2021, Northeastern received an award notice through the CTE Instruction Capacity funding in HB 21-1264 in the amount of \$655,000 that would fund the relocation of the welding program. This project was planned in Phase 2 of the Applied Technology Project but does require the infrastructure upgrades included in Phase 1.

Funding for the ATC was awarded in the FY 2022-23 Long Bill in the amount of \$11,500,000 from the Capital Construction Fund (CCF) and \$1,075,000 in Cash Funds (CF) through the NJC Foundation. A completed Request for Proposal (RFP) identified a qualified contractor to perform services that accomplish the completion of the existing building renovation to relocate the welding program as well as complete infrastructure work that will service the larger ATC project. As a result, NJC is requesting the Board approve the remainder of the spending authority to complete Phase 1 of the ATC project, including the HB 12-1264 funding.

Phase 2 funding to complete the project has been requested from the Capital Development Committee in the amounts of \$5,725,500 CCF and 500,000 CF. This spending authority will be requested separately, if approved by the General Assembly and Governor.

**Total Spending Authority Requested for ATC Phase 1 and HB 12-1264 (inclusive of the previously approved \$578,479 for construction design):**

HB 21-1264	\$655,000
Phase 1 ATC CCF	\$11,500,000
Phase 1 ATC CF	\$1,075,000
Total	\$13,230,000

**RECOMMENDATION:**

Staff recommends that the Board approve the total spending authority of \$13,230,000 as outlined to fund requests to proceed with this project. This is inclusive of the spending authority previously approved by the Board for phase 1 construction design services. Staff also recommends that the Board delegate contract signature authority to the System Vice Chancellor for Finance and Administration, provided all State and Board processes are followed.