

**HENRY FORD COLLEGE
BOARD OF TRUSTEES
STUDY SESSION
August 27, 2025**

I. CALL TO ORDER

A Study Session of the Henry Ford College Board of Trustees was called to order on Wednesday, August 27, 2025, at 6:05 p.m. at the Henry Ford College Administrative Services and Conference Center in the Rosenau Board Room. The following Board of Trustees were present: Trustees Jamal Aljahmi, Patrick D'Ambrosio, Mary Petlichkoff, Amer Zahr and Chair Adel Mozip. Also in attendance was Holly Diamond, Vice President of Student Affairs; Brad Romans, Dean of the School of Liberal Arts; Reuben Brukley, Facilities Director; Kevin Howley, Vice President and CFO; Grace Warmbir, Project Director, Granger Construction; Patrick Calhoun, Principal Architect, Stantec.

II. CITIZEN PARTICIPATION

Eric Rader, Local 1650 President, spoke about the SEMSSC building.

III. DISCUSSION

A. Southeast Michigan Student Success Center (SEMSSC)

Chair Mozip stated this meeting is to discuss the future of this building and the cost increase of this project.

President Gonko provided some background on this project. In Fall 2023, a study was conducted to determine what this project would look like. At that time, the initial vision for this project was to be able to replace the K building, move our student serving departments from the Welcome Center back to the main area of Campus, renovate buildings A & B, and create a green space in the middle of Campus. This was driven by the need to bring all the various aspects of student success closer to where our students spend the bulk of their time on Campus. We also wanted to formulate an entryway to Campus. Currently, we don't have a grand building that is the focal point of the entry to Campus. This new building is anticipated to look like a multipurpose space for the community and a place for events. It creates a single point of welcome for all our different constituencies. Additionally, we also wanted to bring together the Welcome Center operations along with Academic support, Counseling and Advising. In the Academic space, we wanted to be able to provide more modern and flexible learning environments. The K building, while still serviceable, is antiquated and not state of the art. President Gonko stated we wanted to modernize the work environments for our faculty and staff who are operating in these spaces. We also wanted to create an

outdoor environment as, in the original plan, the K building would be demolished and allow for this as a gathering space for students as well as an event space. President Gonko stated that lastly, we had a goal of updating and showcasing the chilled water plant. This was to be a part of the Integrated Energy Management Plan (IEMP) which has served several purposes on Campus. Not only did the IEMP program create efficiencies in the way we are using energy on Campus, there was also an educational component with this project where we would be able to use our Campus infrastructure as a learning environment as well.

President Gonko stated that President Rader mentioned the commitment we made to the community and to donors surrounding this project. These were talking points we discussed during our millage campaign a few years ago. Commitment to our community and donors to create the premier Student Success Center in Southeastern Michigan, and potentially the State, delivering on our promise to the Dearborn community, the State of Michigan and Wayne County. President Gonko stated we began discussions on campus with what we call Project Success Factors. This begins with putting students first. We were focused on the student success journey, we wanted to be the welcoming door to the community, provide a collaborative learning and working space, be a place of belonging, be able to be adaptable to fluctuations in enrollment in the future and radically transform student success. President Gonko asked the Steering Committee to weigh in on the rest of the presentation.

Vice President Howley stated that in the original feasibility study, the project would cost \$90M. The plan was to take \$40M out of the General Fund, \$40M from the Bond Issuance and \$10M from the State of Michigan. This was the range originally discussed. After starting at the College in May, Vice President Howley decided to take a new look at where our fund statuses were and what might be available through lending. This was an independent and reasonable look and not necessarily trying to get to a number from something we were given as a potential cost. Vice President Howley feels that HFC is in a position where we could take \$50M from the Plant Fund, the Board has approved we can do a Bond Issuance up to \$45M, so we would take out the max on the approved amount. Also, we do have \$10M coming to us from the State of Michigan. This will give us \$105M. We feel that these are solid sources of funds. Also, we started to discuss potential sources of funds. We are in discussions with Wayne County for a possible \$6M. We also have opportunities to fund raise within our community. We could also take a little more out of the Plant Fund. However, at the end of the day, if we target a project for \$115M, and given our current financial situation, Vice President Howley stated he feels comfortable that this amount would not put us at risk.

Trustee Petlichkoff stated that it has been about a year since we passed the bond and again started the process of envisioning this project. The costs have gone up and now we are at a standstill again to reassess the project. We have a little bit more money that we are assured of. Trustee Petlichkoff recalled a time when she was on the Board during a time where we played a lot with money we did not have in the bank and she never wants to go back to that situation. It was not in the best interest of the community or the College. Trustee Petlichkoff does not want to play with any "maybes" when it comes to the planning. She is concerned that the longer this project is stretched out, the higher the dollar figure goes up with construction.

This puts us back in the same boat again of having to reverse our decisions and we have to downscale what we really want. We must be very realistic about what we can afford to do and we have to be ready to go. Trustee Petlichkoff stated that she does not see this project getting better for us financially. Vice President Howley, on behalf of the Steering Committee, agreed with Trustee Petlichkoff. Trustee Aljahmi agreed with Trustee Petlichkoff. When we look at the original amount, \$90M, the comparable cost is \$139M. Trustee Aljahmi's biggest concern is whether we are going to get what we need. Trustee Aljahmi stated that in previous conversations with Russ, renovating the K building was not an option because the building was so bad and it was not up to a renovation. Also, the new building has gone from 4 floors to one floor. The look and feel will be different. We want the building to represent the College and be attractive. There is also some cutting back in the student area. Trustee Aljahmi asked with some of the things we are cutting, is this something that we are not going to come back in five years and say we really needed those things. Vice President Howley stated that Trustee Aljahmi's questions will be addressed in the Presentation.

Vice President Howley stated that for the next part of the presentation, Patrick Calhoun and Grace Warmbir would work through the reasons for the increase in cost of the project. The feasibility study was done in 2023, and the project was estimated at \$86.3M. In October 2024, the budget was updated to \$90M. Patrick discussed the items that added an additional \$32.1M to the original \$90M project. Reasons for the increased costs include program changes/relocation, chiller plant/site utilities, sitework, soft costs and escalation. Then in April 2025, Granger prepared a conceptual estimate. In July 2025 Granger prepared a Schematic Design estimate which showed costs at \$140M. In August 2025 Granger prepared an alternate, Concept 2, estimate which came in at \$110M.

Chair Mozip asked if the demolition of building K was in the original estimate. Patrick Calhoun stated yes, it was originally a single effort to knock the building down. However, when the decision was made to keep the Chiller Plant where it is rather than move it, that complicated demolishing building K because it is physically connected right next to it. The K building cannot be demolished, now we have to take it apart. Grace stated the chiller plant must still run while building K is being taken down. Taking down the K building is now a more costly project.

Patrick further discussed the addition of square footage as Campus Safety was not part of the original budget. Trustee Petlichkoff stated that, it was known that in the feasibility estimate, there would be some challenges when estimates were created at that time. Patrick stated that it is the reality of the infrastructure that pushed the cost up. Grace clarified that the estimate done in 2023 was done by Stantec. This was done before any construction manager was able to view it. Typically, the estimate is high level so it doesn't go into detail of peeling back all the layers of the tunnels. Trustee Petlichkoff stated this is why she is trying to figure out why the estimate is so much different when Stantec/Granger was here on campus and reviewed everything at the time. She understands some of the variables. Patrick further explained the issue with the tunnels originally being moved from building K to building B and when that proved unfeasible. Grace stated that when Granger was onboarded, they knew they had to get into the tunnels knowing that it is an area of major cost. Granger went down in the tunnels with Stantec, and started

walking the tunnels as well as walking building D. Stantec became uncomfortable with the feasibility of moving the tunnels. They looked at moving the tunnels vs. keeping them intact. Moving the chiller plant to building D would have been a \$6M – \$10M premium. When they considered keeping the chiller plant where it is, protecting it and putting the extra money into demolition, it was about a \$700K - \$2M premium. It was clear that keeping the chiller plant where it is would be more cost effective.

Trustee Aljahmi asked for clarification about the tunnels as he was not part of the project. Patrick explained that the tunnels extend to all the older buildings on campus. The old original boilers that are located under building D are the hub of the heat side of the tunnels. That spans out to buildings E, F, J (not including the new wing), and the gym. The tunnels are used for mechanical equipment, heat, etc. Grace stated that with building K being so central, it is the campus heart of the utilities that no one ever sees. The chiller plant is currently located in building K. The original plan was to move it to building D. Patrick stated keeping it in building K is now the best approach. If building K were to be taken down, the bypass tunnels that are under building K would have to be rerouted. This also adds cost. Trustee Aljahmi stated, based on the new proposal, it is a renovation of building K. Patrick confirmed that with the new approach the tunnels stay in place.

Reuben Brukley discussed the differentiating elements between the initial proposed plan that shows building K demolished and the new SEMSSC building with four floors vs. the new proposal. We are going to incorporate a far greater amount of renovation as opposed to new construction. The key difference is that with the new proposal, building K will remain but would undergo a substantial amount of renovation inside and out. Building C is no longer in the plan. This allows us to place costs in other areas. The Steering Committee believes the integrity of this plan is solid and comparable to the plan that was originally proposed. They also believe that all the commitment goals will be met as well as the program needs of the campus community. Reuben further discussed the benefits of the proposed concept including a substantial increase in classroom space and good stewardship of recent capital investments. The College has already invested approximately \$7.7M into building K since 2016. About \$6.5M of that has been invested since 2021-2022. We have made investments in the chiller plant, transfer stations, air handlers, furniture, new roof with a 30-year warranty, and more. Additionally, new construction would cost about \$650 per square foot vs. renovation costs that would be about \$400 per square foot. Also, we have studied building K and we know where a lot of the problems are. Our five-year outlook on that building is not favorable. In an assessment of building K in October 2023, we identified all our known projects and they totaled about \$7M that it would take just to correct the issues. This would not correct the outdated exterior nor the outdated mechanical systems etc. The new proposal would give us roughly a \$30M reduction in total project cost all while adhering to the commitments we made to community stakeholders. In reviewing the 1964 floor plans, the building has good bones and everything is solid concrete.

Trustee Petlichkoff stated that over the years the various presidents had visionary wishes and dreams. Some more realistic than others. A lot of these visions were based on a want not a need. Every president has wanted to make changes on

campus and to the K building. However, we knew we had no way of financing changes to the building until John Satkowski came up with a plan that seemed reasonable and allowed us to move forward. Trustee Petlichkoff stated that we already had proposals done at the P-12 for our infrastructure needs there and we have had the same conversation about the value of renovation vs. new construction. The people who did the study just completed the train station in Detroit and have done many other projects. Trustee Petlichkoff stated she hopes we can get something fresh, innovative and forward thinking, without financially burdening the College.

Chair Mozip stated we will end up with a one story SEMSSC building and still have three floors of classroom space with building K. He asked how far we will go with renovating building K. Reuben stated the renovation will be substantial. A complete retro fit. Reuben stated that the elevators in building K were just modernized in 2016 or 2017 so he doesn't believe it will need a new shaft or elevators. We can keep the bones of the building. We will reskin the building, put in new mechanical systems, open up some of the classrooms that are on the smaller side, floor layouts, new finishes, complete ADA of the building, and more. Reuben feels confident it will look and feel like a new building.

Trustee Aljahmi asked, if the structure is going to be the same, how functional will the K building be? Reuben replied that, for example, the HVAC system is an antiquated dual duct system in the building and materials are no longer available to purchase so we must fabricate them. It is costly, laborious and takes up a lot of Facilities' resources that could be spent otherwise and we still don't have great results. We still have classrooms with issues. With the retrofit it won't be just aesthetic but mechanical as well. We can update the HVAC and get better efficiency and functionality, and it opens up more resources for Facilities. Reuben believes that the renovation will bring a lot more value than just aesthetics. Also, the renovation will still provide all of what we need without loss of scope. The underground connection between buildings K and J will remain in place. Reuben feels there is a lot more value in this proposal without loss of scope.

Trustee Petlichkoff asked where the students and faculty will go while building K is being renovated. Reuben stated there will be factors to consider and decisions need to be made. Reuben discussed the renderings in the PowerPoint presentation to give everyone an idea as to how the project will look when complete. Trustee Aljahmi asked about the location of the quad area. Reuben stated it would be on the west side of the K building. Patrick stated there would be a modernized courtyard as well.

Trustee Petlichkoff asked about cohesiveness in the look of the renovation to other buildings on campus. It is very clear that the buildings on campus were built at different times by different companies. Trustee Petlichkoff asked if there is any way to do something that would give the K building a little more pop or excitement. None of our buildings have this and it would be a nice visual that would pique the interest of students. Grace stated this can be addressed at the next phase of design. Stantec is happy to cost out any number of designs/looks for consideration.

Reuben discussed the timeline for this project. Preconstruction is anticipated from 8/12/24 – 6/9/26. This will include the SD/CD/DD, bid process, permitting and procurement. Then construction would take place 3/30/26 – 12/29/28. Reuben further discussed the phases of the project. Also, there is an assumption that we would have an unoccupied renovation. Building A gives us some wiggle room. Building K, however, in order to get everything done and keep within our budget, it would be tremendously difficult and costly to keep parts of it open for classes while the renovation is taking place. We can do the renovation with partial occupation; however this will add time and costs. The Committee has discussed this stage and agreed it was important to bring this up. Trustee Zahr asked how much more time it would add to the project. Grace estimated it could add one to two years onto the project. Brad Romans stated that the College is currently implementing Coursedog which is scheduling software that will help optimize the way we schedule classrooms. Our current system of scheduling classrooms is not effective at optimizing room scheduling. However, once we implement this part of Coursedog, which is imminent, the process becomes clearer and more manageable. We will have a way to look realistically at room availability. Brad stated that he is not in favor of moving our on-campus classes back to online modalities. We did that during the pandemic out of necessity. However, we have gained so much ground in getting everyone back on campus, he doesn't want to see this happen. Also, some courses are better suited for online instruction than others if we need to push a select few. Trustee Zahr expressed concern that a student starting their academic journey at the beginning of construction could end up deciding they don't want to attend HFC due to the construction. He stated we have to find a way to make students' experience as positive as possible even with the construction. He doesn't want to give any prospective students a reason to not come to HFC. He would like to find a way to make sure that all the on campus classes we offer remain on campus and aggressively advertise this. Trustee Petlichkoff noted that there is the possibility of using space at the Welcome Center as the renovation evolves. Chair Mozip added that there is available space at the East Campus as well. Brad Romans discussed how the project can still be value engineered with the goal to optimize space utilization to avoid structural changes where possible. Brad also spoke to wants vs. needs. This is something the Committee has talked about a lot. They have held townhalls and talked with large groups from across campus many times. Every area/department across campus to determine what are actual needs and what are wants and to plan accordingly with a focus always on students. We are really focused on what will work best for students.

Vice President Diamond spoke to the student experience and how the Committee works to keep that at the forefront of their minds. Henry Ford College exists because of students and for students. That is why we are here. We have been bringing student serving areas together to imagine what is the ideal student experience. We want to be project ready. This involves consolidating our student services and having support services all in the same area. Currently, our student services are in the Welcome Center. We want to bring the student services back together. Having all the student services and student supports in one area on campus will allow our students to take care of everything in one location. The time through construction is our time to start piloting new procedures, new processes, and find out what works best for our students. We are getting feedback from the campus community. Vice President Diamond also addressed the need for an updated testing center. We engaged with our faculty and students as well others in

the community and throughout the State. We would like our Testing Center to be a destination where we would have GED prep, GED test site, AP Clep testing, as well as students being able to make up missed exams. We want to be the Testing Center that has the success factor for students right from the beginning. Vice President Diamond also discussed the economic impact we can have and strengthen Dearborn as an educational hub. We would like HFC to become the model for community college student success facilities in Michigan.

Trustee Petlichkoff asked Vice President Howley if the \$10M given to us by the State required us to have a testing center. Vice President Howley stated that what we committed to is still intact.

Vice President Diamond stated that during the fall semester, Dr. Casandra Fluker and Vice President Diamond plan to bring students together and get their feedback regarding this project. This also means asking about location of classes during the renovation/construction. Overall, our vision really is student success.

Trustee Aljahmi asked who the donors are to whom we have been referring. President Gonko stated that so far, we have solidified the \$10M from the State of Michigan. The other components come from the Bond and from the Plant Fund. We are continuing discussions with Wayne County that began under President Kavalhuna. We are also exploring other options as a cushion or way to offset the costs so we wouldn't have to take as much money out of the Plant Fund. However, we are comfortable as far as the amounts we presented to take from the Fund that would not leave us in a detrimental state. Trustee Aljahmi stated he assumed we are still seeking other entities for donors. Chair Mozip stated that we would welcome that. We can even explore naming rights to the building if we receive a substantial donation.

Trustee Aljahmi asked for clarification when we speak about "owner costs" in the estimates. Grace stated every project has this and is typically 20%-25% of the total project cost. This is to cover costs associated with surveys, permits, furniture, sometimes abatement, AV equipment, moving costs, keys and cores, and contingency, which we recommend you hold for unexpected things that come up, which is at least 7% for a project like this.

Chair Mozip stated that the Board is satisfied at this point with the direction and thanked everyone for providing a clearer picture than they would have gotten by just reading the information. Chair Mozip stated that the questions were very good, and we can definitely move forward with this project.

IV. ADJOURNMENT

Motion offered by Chair Mozip and adopted unanimously by those members present that the meeting be adjourned at 7:43 p.m.



Amer Zahr, Secretary