

**Official Proceedings of the
Alpena Community College Board of Trustees Regular Meeting**

March 15, 2017

Roger C. Bauer Board Room, Charles R. Donnelly Natural Resources Center
665 Johnson Street, Alpena, MI 49707

On Wednesday, March 15, 2017, the Alpena Community College Board of Trustees gathered for a workshop session and their regular monthly meeting.

The workshop session began at 6:01 p.m. Chairman Briggs recognized Wendy Brooks, Dean of the Learning Resources Center/Media. Brooks presented information on ACC's upcoming Higher Learning Commission accreditation visit and the role the trustees will play in that activity.

Brooks' presentation ended at approximately 6:48 p.m.

Chairman Briggs called the regular meeting to order at 7:01 p.m. Present: John Briggs, Teresa Duncan, Joseph Gentry II, Lisa Hilberg, Susan Stender, Florence Stibitz, and Tom Townsend. Absent: None.

Seated at the Board Table: President Don MacMaster and Board Secretary Jay Walterreit.

Chairman Briggs led the Pledge of Allegiance.

Approval of Agenda

Moved by Trustee Townsend that the agenda be approved with the addition of New Business Item 2.677, Acceptance of Offer to Purchase College Park Apartments; seconded by Trustee Stender. Ayes: 7. Nays: 0. Motion carried.

Approval of Minutes from the February 15, 2017, Regular Board Meeting and Closed Session

Trustee Townsend moved to accept the draft minutes from the February 15, 2017, regular board meeting and closed session. Trustee Stender seconded the motion. Ayes: 7. Nays: 0. Motion carried.

Introduction of Guests and Public Comment

Guests attending the regular meeting included: Jordan Spence, The Alpena News; Ben Stevens, WATZ; Kathy Marsh, ACC administration; Richard Sutherland, ACC administration; Nancy Seguin, ACC administration; Deb Hautau, ACC faculty; Kim Montague, ACC staff; Maritza Lightfoot, ACC student; Alexandriah Nelson, ACC student; Mike Hansen, Michigan Community College President; and Karen Bennett, ACC legal counsel.

Communication(s)

None.

Board Member and Subcommittee Reports

Trustee Hilberg noted that she will begin the process for President MacMaster's 2017 evaluation. She expects the process to happen in May and June.

Student Report

Huron Shores students Maritza Lightfoot and Alexandriah Nelson detailed some of the student activities going on at the Huron Shores Campus. They noted dissatisfaction with the building's wifi service and asked the trustees and President MacMaster to investigate the situation.

Faculty Report

ACC Instructor Deb Hautau and Testing Center Coordinator Kim Montague briefed the trustees on the Science Olympiad, held March 11 on the ACC Campus, and a scouting science event also held on campus.

President's Report

Following is the President's Report as it was distributed.

President's Report to the Board of Trustees
March 15, 2017

Integrated Post-Secondary Education Data System (IPEDS)

IPEDS is a system of survey components that collects data from approximately 7500 postsecondary educational institutions across the United States. Primarily focused on first time, fulltime students, IPEDS data looks at student enrollment, graduation rates, affordability, faculty, staff, and finances. The custom comparison group chosen by Alpena Community College includes the following nine Michigan community colleges: Bay College, Glen Oaks, Gogebic, Kirtland, Mid Michigan, Montcalm, North Central, Southwestern, and West Shore, also known as the Group 1 community colleges. Highlights for ACC compared to the aggregate data of its Group 1 peers were graduation rate, net price, tuition and fees, grant aid, and core expenses per FTE.

Lake Superior State University Transfer Data

Lake Superior State University annually provides an analysis of transfer students to each community college. LSSU Provost and Vice-President for Academic Affairs, Dr. David Finley, recently forwarded to ACC the 2015-2016 Transfer Student Report outlined in the graph below:

Lake Superior State University
Transfer Student Report 2015-16
Enrollment, Retention, GPA, and Degrees Sought

Alpena Community College

| | Enrolled | | % Retained | Average GPA |
|------------------------------|-----------|-----------|------------|-------------|
| | Fall 2015 | Fall 2016 | | |
| Alpena Community College | 7 | 7 | 100 | 3.29 |
| All MI Community Colleges | 131 | 98 | 75 | 3.02 |
| LSSU Students (non-transfer) | 1636 | | | 2.87 |

| Program | Enrolled |
|------------------------------|----------|
| Chemistry | 1 |
| Criminal Justice Law Enforce | 1 |
| Electrical Engineering | 1 |
| Fire Science | 1 |
| Forensic Chemistry | 1 |
| Manufacturing Eng Technology | 1 |
| Pre-Nursing | 1 |
| Total | 7 |

Michigan Community College Association President Mike Hansen

The MCCA is a network-centric organization with entrepreneurial centers of excellence (Center for Student Success, Michigan Community College Virtual Learning Collaborative, Michigan New Jobs Training Program, and a new Center for Global Initiatives) that are bee-hived around the 'hub', the core of the MCCA, that is focused on legislative and public advocacy. Mike Hansen is the President of the Michigan Community College Association (MCCA) where he works with the State's 28 community colleges to advance MCCA's public policy agenda. Prior to coming to the MCCA, Mike worked for the Michigan Senate Fiscal Agency where he was a chief analyst for Capital Outlay and Community Colleges. His professional background also includes teaching in the public schools. Mike has a B.A. from the University of Michigan and an M.A. from Michigan State University in Labor Relations. Mr. Hansen is here tonight to present on MCCA initiatives and current legislative priorities brewing in the State Capitol.

Action Items

~~None.~~ See New Business section for information on Item 2.677, Acceptance of Offer to Purchase College Park Apartments.

Information Items

In the financial report, President MacMaster noted an issue with the amount of property taxes received from the Township county. Vice President for Administration and Finance Richard Sutherland pointed out that there were some timing issues with the payments.

New hires, terminations, and status changes between February 8 and March 8, 2017.

New Hires:

None.

Resignations:

None.

Status Changes:

None.

The Gifts and Grants Report showed 25 donors gave \$10,532 in pledges and gifts between February 8 and March 7, 2017.

Board Discussion

Chairman Briggs suggested the topic for an April workshop should be the FY18 budget preparations.

New Business

New Business Item 2.677, Acceptance of Offer to Purchase College Park Apartments, was considered by the trustees.

College Park Apartments consists of sixteen 4-bedroom apartments located on the Alpena campus of ACC. The apartment complex is owned and operated by Werth Development, LLC, which leased the land on a Ground Lease from ACC in 1996 and constructed the apartment complex in accordance with plans and specifications which were approved by the College. Werth Development has owned, operated and managed the apartments continuously since 1996, providing close, convenient and affordable housing for students of ACC.

Werth Development, LLC seeks to sell the apartments and has made an offer to Alpena Community College to purchase the apartments for the sum of \$680,000.00. To the extent that the market value of the property exceeds that price, Werth Development intends to claim a charitable contribution of the excess amount in accordance with the IRS rules relating to Bargain Sales.

The ACC Board of Trustees met in closed session on February 15, 2017, and received a report from Dr. Don MacMaster regarding the terms on which Werth Development proposed to sell the property. The College has now received a written offer from Werth Development, LLC to sell the property to the College. The offer by its terms is good for 10 days. If accepted by the College, there would be a binding agreement for the College to purchase and Werth Development, LLC to sell the property on the price and terms stated in the Offer. The agreement is conditioned upon the ability of the College to obtain financing and other customary contingencies.

The Trustees believe that if Werth Development, LLC desires to divest itself of its interest in College Park Apartments, it is in the best interest of the College to own, operate and manage the apartments, provided the terms of purchase are economically reasonable. The Trustees have reviewed the essential terms of the Purchase Offer and believe they are economically reasonable.

Trustee Townsend noted the ground lease and the importance of maintaining the building as they are a part of the Alpena Campus. Trustee Briggs suggested the future of the College involves drawing more students from outside the service area and housing will be an important part of that effort.

Trustees Duncan and Gentry asked about financing details. Vice President Sutherland noted ACC cannot get a mortgage for the apartments, so a bond is the best option. Interest rates are still low right now. Securing a bond will be easier since the buildings would be collateral. The bond would probably be for 20 years.

With discussion finished, the following resolution was proposed by Trustee Townsend and seconded by Trustee Gentry:

The Alpena Community College Board of Trustees approves the acceptance of the Offer to Purchase College Park Apartments made by Werth Development, LLC, dated March 15, 2017, and authorizes the President of Alpena Community College to formally sign the acceptance of the Offer, subject to the contingencies stated in the Offer. The Board of Trustees reserves the right to cancel and rescind the Agreement for a period of three (3) business days from and after the date of acceptance to allow for a full and complete review of the agreement by all Trustees and College Staff. The Board of Trustees further authorizes the President of the College to negotiate such non-material changes to the Agreement as he, in his discretion and in consultation with legal counsel, shall deem necessary. The Board further authorizes the President to do all acts and things, and deliver all documents, necessary to carry out the Agreement.

Ayes: 7. Nays: 0. Motion passed.

Suggested Future Agenda Items

None.

Next Regular Meeting

The next regularly scheduled Board of Trustees meeting is at 7:00 p.m. on Wednesday, April 19, 2017, in the Roger C. Bauer Board Room, Room 400 of the Charles R. Donnelly Natural Resources Center, 665 Johnson Street, Alpena, MI 49707. There will be a workshop session at 6 p.m. to discuss the fiscal year 2018 budget.

Adjournment

The regular meeting was adjourned at 8:10 p.m.

Jay Walterreit
Secretary of the Board of Trustees
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