

ALPENA COMMUNITY COLLEGE
BOARD OF TRUSTEES
SPECIAL MEETING

NOTICE DATE: July 11, 2007

The Alpena Community College Board of Trustees will conduct a special meeting on Monday, July 16, 2007, at 6:00 p.m., in the Roger C. Bauer Board Room, 400 Charles R. Donnelly Natural Resources Center, on the College campus.

Elizabeth L. Spragg
Secretary of the Board of Trustees

REGULAR MEETING
ALPENA COMMUNITY COLLEGE BOARD OF TRUSTEES
July 16, 2007
6:00 p.m., Special Meeting
Roger C. Bauer Board Room
400 Charles R. Donnelly Natural Resources Center
665 Johnson Street, Alpena, Michigan 49707-1495

Volume XXVI

AGENDA

- 1) Call to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda
- 4) Approval of June 27, 2007, Special Meeting Proceedings
- 5) Introduction of Guests and Public Comment
- 6) Action Items
 - 2.376 Contract Considerations: Alpena Community College Faculty Council MEA-NEA.
 - 2.377 Bids: Equipment for Community Based Job Training Grant
 - 2.378 Approval of Construction and Completion Property Agreement, Conveyance of Property, Lease, and Easement
- 7) New Business
- 8) Next Regular Meeting: August 16, 2007
- 9) Adjournment

**2.376 Contract Considerations: Alpena Community College Faculty Council
MEA/NEA.**

The current Agreement between ACC and the ACC Faculty Council MEA-NEA expires on August 19, 2007, and after consultation with the ACC Board of Trustees by the president and College bargaining team members, negotiation with the faculty for a new contract commenced in February of this year. Tentative agreement on all articles was reached by the bargaining teams on June 21, 2007, and on that evening the ACC Trustees received a report on highlights of the proposed contract.

On July 2, 2007, Faculty Council President Douglas Huizenga conveyed written notice to the College of the faculty's ratification of the proposed contract.

The proposed contract does indeed allow for the College to pursue its mission of meeting lifelong learning needs by providing educational opportunities through effective stewardship of resources. The financials are consistent with the College budget for FY08 and with financial projections for the following fiscal year.

Highlights of the proposed contract are as follows:

1. Duration of two years (rather than traditional three).
2. Recognition of legal, academic freedom, intellectual property, and due process rights of faculty members.
3. Retention of six departments with reorganization of disciplines representing closer affinities of subject matter.
4. Retention of the department chair system with redefined roles for chairpersons and authority for chief academic officer to appoint chairpersons.
5. Provision for ad hoc committee of three chief administrators and three faculty members to recommend whether, how, and when to fill vacancies.
6. Modification of layoff/recall procedure to account for continued service of highly qualified faculty.
7. Revision of standard workload definition to 30 credit hour minimum and elimination of most fractional equated hour computations.
8. Increase of overload pay to encourage more service by full-time faculty and elimination of extra preparation pay.
9. Improved procedures of performance evaluation of faculty by self, peers, chairperson, and chief academic officer.
10. Continuation of MESSA health insurance with 10/20 drug card with assurance of rates comparable to Blue Cross during first year of contract.

11. Salary increase of 2% for first year of contract and percentage increase equal to that of state aid base appropriation during the second year. Step increases both years.
12. Letter of agreement directing action on three current vacancies to process defined in Item 5 above.

Therefore,

The following resolution is proposed:

That the Board of Trustees of Alpena Community College ratifies the Alpena Community College Faculty Council MEA-NEA tentative agreement dated June 21, 2007.

2.377 Bids: Equipment for Community Based Job Training Grant

Media production equipment will be a key piece of the distance learning component of the Community Based Job Training grant. The equipment will allow the College to video capture, record, edit, insert sound and graphics, and burn to a DVD instructional and training content filmed either on site at WCCT or in remote locations. The purchase of the equipment will be funded 100% by the CBJT grant. The equipment will be used primarily by CBJT grant. In addition to three bidders referenced, a fourth, AVI Systems, Inc, of Grand Rapids, MI, submitted a bid which was not cost competitive and did not include all the bid items. After a comprehensive RFP process, College staff received the following bids:

Apple Incorporated	\$24,489.75	Chicago, Illinois
B & H Video Equipment	\$56,548.00 (Other Equipment)	420 Ninth Avenue, NY, NY
Thalner Electronics	\$39,141.60 (Apple Equipment) \$63,477.14 (Other Equipment)	7235 Jackson Road, Ann Arbor, MI

Appropriate College staff have determined that Apple Incorporated and B & H Video Equipment meet the specifications and are the lowest bidders. Therefore,

The following resolution is proposed:

The Board of Trustees authorizes appropriate College personnel to contract with Apple Incorporated to purchase equipment for an amount not to exceed \$24,489.75 and B & H Video Equipment to purchase equipment not to exceed \$56,548.00.

2.378 Approval of Construction and Completion Property Agreement, Conveyance of Property, and Lease and Easement Agreement

Over five years ago, the College embarked on a building program that addressed several laboratories throughout campus. These included science labs in the Natural Resources Center for \$398,938, computer labs in the Besser Technology Center for \$1,562,636, and art labs in the new Fine Arts Building for \$2,143,926. The total cost of the project is \$4,105,500. The ACC Foundation raised \$1,400,000; the College contributed \$1,038,000, and the State of Michigan appropriated \$1,667,500 through the issuance of bonds.

The mechanism by which the State provides its share of the funding is specifically provided by Public Act 183. Under this law, the State Building Authority can acquire property and pay for the construction of improvements on the land, through the issuance of bonds, as part of its governmental function of providing services to Michigan citizens. The College is required to deed the improved property to the State Building Authority during the period of the bonds and the College receives a re-conveyance of the property when the bonds have been paid. To satisfy the requirements of the State Building Authority, title to the premises must be clear, unencumbered by liens or encumbrances. During the bond period, the College retains a leasehold interest in the improved property. The annual rental payments are made by the State of Michigan and are a mandatory contractual obligation of the State.

The above arrangement is functionally similar to a mortgage, in that the lender acquires an interest in the land as security and requires clear title to the premises on which the financed improvements are being constructed. The primary differences in the structure of this transaction are that (1) the College does not repay the financing; rather the State of Michigan does and (2) instead of a mortgage, there is a deed given by the College after the improvements are constructed, with a lease to the College during the bond period and subsequent re-conveyance to the College when the bonds are paid. The College pays neither the rent nor the bond obligations. These are paid by the State. When the bonds are retired, the College receives title from the State upon payment of \$1.00. This recently occurred when the bonds issued to finance the Newport Center Building were retired.

The same funding mechanism has been utilized by the College in prior building projects, including the Newport Center Building and the World Center for Concrete Technology. Therefore,

The following resolution is proposed:

That the Board of Trustees approves the construction and completion, Assurance Agreement, Conveyance of Property, and Lease and Easement, if necessary, for the Alpena Community College instructional addition/renovation project as presented in the Board packet.