

## REPORT OF MINUTES

### BAY de NOC COMMUNITY COLLEGE BOARD OF TRUSTEES SPECIAL BOARD (RETREAT) MEETING

HUB Building, Room 874  
Escanaba, MI 49829

October 21, 2024

- I. **Call to Order:** The meeting was called to order at 4:05 p.m. ET by Chair Eric Lundin.
  
- II. **Attendance:**  
Members present: Nick Chenier, Wendy Middaugh, Terri Mileski, Joy Hopkins, Eric Lundin  
  
Tom Butch attended by phone as a reasonable accommodation for a disability until 5:20 p.m.  
  
Member absent: Steve Davis  
  
Administration: President Nerita Hughes, VP of Finance & Operations and Assistant Board Treasurer Lynn Martinson  
  
Recorder: Laura Johnson, Assistant Board Secretary
  
- III. **Agenda:** The agenda was approved by unanimous consent.
  
- IV. **Citizen Introductions & Comments:** None
  
- V. **Declaration of Interest:** None
  
- VI. **DEIB Grounding:** Dr. Hughes opened the meeting with a grounding exercise around DEIB reflections.
  
- VII. **Financial Update:**  
A. ERP  
Dr. Hughes and Lynn Martinson reported that a Request for Proposal for a new ERP (enterprise resource plan) system was issued on September 24. Vendors submitted questions through October 8, and those questions are being reviewed. A new ERP system should be in place for FY26 with the transition to

work off the current system and onto a new system taking 18-24 months. Discussion was held.

**B. Budget**

Lynn also provided an update on the current budget, including an increase in medical plan expenses for the College and employees. Employee bonuses and compensation were discussed as anticipated in the FY25 budget and with the state appropriations and fall enrollment increase finalized. The final enrollment report was shared. An amended budget will be presented to the Board for approval at the Regular meeting on November 13, 2024.

**C. Student Housing**

Conversations with multiple entities are being held about opportunities to bring additional student housing to campus and ways to fund it, including the continued pursuit of the USDA loan of \$6.7 million. The College's debt capacity is \$9.9 million.

**VIII. Positions Discussion:**

Dr. Hughes updated trustees about positions that were recently filled and the plans for the VP of College Advancement and the Dean of Allied Health positions that will become vacant due to retirements.

Dr. Hughes shared recommendations for new positions in upcoming fiscal years to position the College for growth.

**IX. Approval of Capital Outlay:**

A list of capital projects must be submitted to the State as part of the annual Capital Outlay report due October 31. Dr. Hughes and Lynn Martinson shared the project description for a Manufacturing Innovation Center as the capital project for consideration in the FY26 capital outlay cycle. The report is attached.

It was moved by Joy Hopkins and seconded by Terri Mileski to:

**“Approve the Five-Year Capital Outlay Plan FY26 Capital Projects as presented.”** No further discussion. Motion carried unanimously.

Lynn Martinson left the meeting.

X. **Upcoming Board Trainings:**

Dr. Hughes encouraged trustees to attend the Trustee Governance Leadership Institute with ACCT hosted by MCCA in Lansing on December 5 & 6.

XI. **BOT Scholarship Policy Revision:**

Dr. Hughes asked trustees to consider the procedure revisions recommended to the Board Scholarship policy to accommodate the award structure of the new Michigan Community College Guarantee Program and share their feedback. The revisions do not require board approval.

XII. **2025 Meeting Schedule:**

After reviewing the proposed 2025 regular meeting schedule, holding fewer but longer meetings will be considered after the board bylaws and Community College Act are reviewed to confirm there is no requirement for the number of meetings. Laura Johnson was assigned to follow-up with a proposal and communication with legal counsel.

XIII. **Board Governance:**

Three candidates are running for two seats on the Board of Trustees in the November 5 election. Joy Hopkins identified a conflict of interest with this agenda item due to her spouse running as a candidate. She left the meeting at 6:43 p.m. to allow the Board to discuss the candidates. Discussion was held about the potential outcomes of the board election.

XIV. **Adjournment:**

Joy was invited into the meeting, and it was moved by Wendy Middaugh and seconded by Nick Chenier to:

**“Adjourn the meeting.”** No discussion. Motion carried unanimously. The meeting adjourned at 6:48 p.m. ET.

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Laura L. Johnson  
Assistant Board Secretary

Completion  
Date

Approval Date

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Eric L. Lundin  
Chair

Approval Date

## **Section V. Implementation Plan**

### **A. Prioritize Major Capital Projects Requested from the State**

#### **1. Manufacturing Innovation Center**

This project includes the renovation of Bay College's existing Shipping and Receiving Building and Welding building into a Manufacturing Innovation Center for the Central Upper Peninsula. Originally used as a diesel shop, the Shipping and Receiving building was constructed in 1974. A welding laboratory was added in 1989 with the original addition renovated in 2015 doubling the size of the welding lab. With the recent relocation of the machine tool equipment into the lab, as well as a growing demand from local manufacturers for customized manufacturing courses, the need for a Manufacturing Innovation Center is significant to our region. The renovation will allow for welding instruction to remain as it currently exists, with modification of the existing Shipping and Receiving area to a reduced footprint, and the space gained to be utilized as modular industrial space for collaboration and innovation. This modular space would allow for the space to change as needed for the requested application. The Manufacturing Innovation Center will fill a regional need to support the manufacturing sector by producing a highly skilled, trained and educated workforce critical to existing and future operations. The Manufacturing Hub will also serve as a Safety Training Center to support OSHA and MIOSHA trainings for construction and general industry, boot camp style trainings around safety to include but not limited to credential forklift operators, confined space training and industrial rigging.

The scope of the project will include new electrical and mechanical installs to support equipment, ventilation upgrades, lighting upgrades, mobile partitions for flexible space utilization, demolition of the existing office space, one new shipping office, interior finishes, industrial coating floor epoxy in new innovation center, an automated sprinkler system for fire suppression, an opening added between the existing welding area and the Manufacturing Innovation Center, and planning for covered storage over the existing stock storage yard, with an access door on this exterior wall, and also for building graphics.

**Total Estimated Cost for Manufacturing Innovation Center: \$1,875,000.00 (7,500 SF x \$250)**

### **B. Status of Ongoing Projects Financed with State Building Authority Resources**

N/A

### **C. Identify a Rate of Return on Planned Expenditures**

#### *Manufacturing Innovation Center*

The Manufacturing Innovation Center will serve college students and local business partners and their employees in a multitude of areas. Welding skills and engineering focus to facilitate an Associate of Applied Science degree built for articulation to building a 2+2 program with higher education partners in welding including ABET standards. Machining expansion to include robotic interface and loading of CNC,

Computer Aided Design development to include innovation with 3D Printers, and Computer Numerical Control. The Manufacturing Innovation Center will provide development to include industry recognized certifications, Occupational Safe and Health Administration, Michigan Occupational Safety and Health Administration, Safety Rigging, and Mind Safety Training programs and trainings will be the focus. The trades will be a primary focus of the Manufacturing Innovation Center that may include HVAC, electrical, plumbing, construction and related skilled trades areas. The college will partner with local unions to become a resource for skilled employees and help foster a consistent work force.

The Manufacturing Innovation Center will be designed with flexibility to adapt to dynamic changes in technologies that is consistent with occupational training and industry. Partnerships with local business and industry will be collaborative in technology and funding to support the evolving needs of industry. This will be facilitated through active advisory panels within the credit and workforce development areas of college. The facility will be designed with flexibility to adapt to dynamic changes in technologies that is consistent with occupational training and industry needs. Partnerships with local business and industry will be collaborative in technology and funding to support the evolving needs of industry. This will be facilitated through active advisory panels within the credit and workforce development areas of the college.

#### **D. Considered Alternatives to New Infrastructure**

N/A

#### **E. Identify a Maintenance Schedule for Major Maintenance Items in Excess of \$1,000,000**

Bay College has identified no major maintenance items in excess of \$1,000,000 for fiscal years 2026 through 2030.

#### **F. Amount of Non-Routine Maintenance and Sources of Financing**

Bay College has budgeted approximately \$1,766,124 for non-routine maintenance on the Escanaba and Iron Mountain campuses for fiscal year 24-25. These capital items are funded through annual property tax millage, bond proceeds and Perkins grant funds.