

VII. Attachment B

FISCAL YEAR 2024
PRIORITY CAPITAL OUTLAY PROJECT REQUEST

Institution Name: Alpena Community College

Project Title: Charles R. Donnelly Life Sciences and STEM Innovation Project

Project Focus: Academic Research Administrative/Support

Type of Project: Renovation Addition New Construction

Program Focus of Occupants: Science classrooms,

Approximate Square Footage: 39,520 square feet repurposing existing space

Total Estimated Cost: \$8.5 million

Mechanical/Heating system replacement	\$2,080,000
Roof	\$290,000
Elevator	\$200,000
Classroom/Lab technology	\$1,000,000
Exterior improvements	\$2,760,000
Interior renovations	\$1,360,000
Professional fees/contingencies	<u>\$810,000</u>
Total	\$8,500,000

Estimated Start/Completion Dates: October of 2023/August of 2025

Is the Five-Year Plan posted on the institution's public internet site? Yes No

Is the requested project the top priority in the Five-Year Capital Outlay Plan? Yes
 No

Is the requested project focused on a single, stand-alone facility? Yes No (part of an existing building)

Describe the project purpose.

Occupying 39,520 square feet, the Charles Donnelly Natural Resources Center (NRC) is a four-story contemporary block building that has served as the focal point for science education in Northeast Michigan for nearly 50 years. Built in 1972, it is the third oldest building on the main campus of Alpena Community College and maintains a central piece of ACC's legacy, providing six natural science classrooms and laboratories on the first floor used for chemistry, biology, microbiology, and botany. Also on the first floor are a vending area, 130-seat lecture hall, and faculty offices. The second floor has general purpose classrooms, a conference room, and faculty offices. The third floor contains faculty offices and the fourth floor is the College Board room.

The Charles R. Donnelly Life Sciences and STEM Innovation Project proposes to repurpose NRC to: (1) upgrade outdated first floor Lecture Hall with modern videoconferencing technology to enhance distance and remote instruction; (2) develop a Life Sciences and Information Technology Innovation Center on the second floor, including technology to bring in external lecturers and create a student collaboration center; (3) update interior and exterior renovations, particularly at building entrances and 4th floor concrete facades; (4) replace HVAC and windows throughout the building to mitigate COVID hazard to students, staff, and the community; (5) replace roof over the entire building; and (6) develop and/or modify Life Sciences and related STEM certificate and associate degree programs to allow NRC to continue to be a hub for science education, STEM talent development, and regional prosperity in NE Michigan for decades to come. An estimated 30 jobs will be created or retained by the project.

Describe the scope of the project.

The following general infrastructure upgrades will be required at an estimated cost of \$8.5 million:

- Replace existing steam boiler system with high-efficiency HVAC system (geo-thermal, forced air, or hot water)
- Upgrade first floor lecture hall with videoconferencing technology, new seats with charging stations, and ADA-compliant support services.
- Renovate second floor classrooms to create a Life Sciences and STEM Innovation Center.
- Replace original elevator serving all four floors.
- Redesign main entrance and outdoor courtyard to support student collaboration spaces.
- Renovate restrooms throughout the building.
- Install smart rooms and enhanced videoconferencing technology throughout the building.
- Upgrade first floor lecture hall, fourth floor Board room, and second story classrooms with interior and exterior enhancements.
- Replace windows with high efficiency upgrades.
- Update furniture, fixtures, flooring, and signage.
- Install a new roof over the entire building.

Please provide detailed, yet appropriately concise responses to the following questions that will enhance our understanding of the requested project:

1. How does the project enhance Michigan’s job creation, talent enhancement and economic growth initiatives on a local, regional and/or statewide basis?

Prosperity Region 3 real-time labor demand from September 2020 notes that the highest paying occupations in Region 3 are also the ones that require the most education and training. The highest paying job titles are concentrated in the Healthcare practitioner and technical occupations and in Management occupations. The Charles R. Donnelly Life

Sciences and STEM Innovation Center directly targets job creation and talent enhancement in this growth area.

2. How does the project enhance the core academic and/or research mission of the institution?

The project enhances the core academic mission of the institution in the following ways:

- Supports student success in transfer, occupational, dual enrollment, and Early Middle College pathways.
- Enhances opportunities for Reconnect students.
- Promotes retention and institutional DEIB initiatives.
- Connects STEM programs and innovation to local employment and economic development.
- Improves employment opportunities for organized labor.

The mission of Alpena Community College is to create a culture of educational excellence and service to the community.

The College goals are:

1. Campus/Culture: Offer a welcoming, safe, and adaptable culture that inspires diversity.
2. Learning/Education: Motivate continuous exploration of diverse opportunities and knowledge acquisition through a flexible learning environment.
3. Community: Stimulate community collaboration, which fosters comprehensive economic, cultural, and community development.
4. Value: Exercise sustainable value that supports career pathways and fiscal responsibility.

The Charles R. Donnelly Life Sciences and STEM Innovation Center aligns with the College mission and goals. The project enhances the core teaching and learning mission of Alpena Community College.

3. How does the project support investment in or adaptive re-purposing of existing facilities and infrastructure?

The project supports adaptive re-purposing of existing facilities and infrastructure by investing in a legacy building on the campus of ACC launching it into the 21st century as a regional leader in Life Sciences and STEM Innovation. Enhancing technology while preserving a historic building without adding new infrastructure on campus in a climate of demographic and enrollment challenges makes sense for ACC and the communities it serves. The potential rewards — higher return on investment, sustainable building, saving historic resources — make adaptive reuse a sensible development opportunity.

4. Does the project address or mitigate any current health/safety deficiencies relative to existing facilities? If yes, please explain.

The project mitigates five current health and safety deficiencies in the Charles R. Donnelly Natural Resources Center:

- 1) Total replacement of the HVAC system will provide years of additional life to the building and safety to students and staff who work in the facility, plus contribute to COVID-19 mitigation strategies by improving air circulation and overall building ventilation.
- 2) Replacing the windows will enhance building efficiency thereby reducing energy costs substantially and contribute to ACC's institutional COVID-19 safety response.
- 3) Replacing the original elevator will support safety among all students, staff, and community stakeholders.
- 4) Remodeling bathrooms to provide modern ADA specifications will support easier access to students with disabilities.
- 5) Upgrading exterior entrances and balcony facades will enhance the visual appeal of the building and its functional safety.

5. How does the institution measure utilization of its existing facilities, and how does it compare relative to established benchmarks for educational facilities? How does the project help to improve the utilization of existing space and infrastructure, or conversely how does current utilization support the need for additional space and infrastructure?

According to 2014 Michigan Community Colleges Activities Classification Structure data (Table 37), ACC is the second most efficient community college in the state in terms of cost per square foot. At \$3.10 per square foot, ACC is 48 percent below the community college state aggregate of \$5.97 cost per square foot.

The Charles R. Donnelly Life Sciences and STEM Innovation Center will improve utilization of existing space by focusing resources on repurposing existing infrastructure to accommodate programs producing high-wage, high-demand jobs in which there are current and future projected labor market shortages.

6. How does the institution intend to integrate sustainable design principles to enhance the efficiency and operations of the facility?

The institution intends to integrate sustainable design principles in the following three ways:

- 1) Replacing an aging and inefficient boiler system with a modern energy efficient heating and climate control HVAC system.

- 2) Installing energy efficient windows throughout the building.
- 3) Updating lights, water, plumbing, bathroom fixtures, drinking fountains, and electrical switches.

7. Are match resources currently available for the project? If yes, what is the source of the match resources? If no, identify the intended source and the estimated timeline for securing said resources?

The following match resources are currently in place or may be accessed with reasonable certainty:

College support:	\$1,500,000
Local Foundation support:	\$2,000,000
Alumni (local and beyond Alpena):	<u>\$750,000</u>
Total:	\$4,250,000

8. If authorized for construction, the state typically provides a maximum of 75% of the total cost for university projects and 50% of the total cost for community college projects. Does the institution intend to commit additional resources that would reduce the state share from the amounts indicated? If so, by what amount?

The College does not anticipate contributing additional resources that reduce the state share from the amounts referenced above.

9. Will the completed project increase operating costs to the institution? If yes, please provide an estimated cost (annually, and over a five-year period) and indicate whether the institution has identified available funds to support the additional cost.

It is not anticipated that the project will increase operating costs to the institution. On the contrary, a decrease in operating costs to the College is anticipated based on three main factors: (1) increased energy efficiency will lower operating costs; (2) reconfiguring existing classroom and laboratory space should allow for an expanded programming with no additional instructional costs; and (3) enhanced opportunities to provide distance learning or remote STEM instruction across NE Michigan should enhance revenue with no additional cost.

10. What impact, if any, will the project have on tuition costs?

No increase of tuition or fees is anticipated at this time based upon this project. Repurposing the Natural Resources Center should contribute to the College’s persistent efforts to restrain costs and thereby minimize passing along tuition increases to students.

11. If this project is not authorized, what are the impacts to the institution and its students?

If the project is not authorized, the following impacts to the institution and its students are projected: (1) Life Sciences and STEM programs essential to the prosperity of NE

Michigan will fall further behind the technology innovation curve; (2) local students attending ACC for these occupations will become increasingly underprepared compared to peer graduates from more technologically-enhanced regions; (3) students will be incentivized to leave the region to pursue higher educational institutions where opportunity is more abundant, significantly challenging the regional goal of locally-driven prosperity; and (4) ACC's role as the premier provider of post-secondary education in its NE Michigan service district will be compromised.

12. What alternatives to this project were considered? Why is the requested project preferable to those alternatives?

A 2014 Facilities assessment conducted by SHW Group estimated Current Replacement Value of the Charles R. Donnelly Natural Resources Center building at \$9,642,880. This does not include the cost of demolishing the building, removing it, and repairing the site, estimated to cost an additional \$1 million. Based on this assessment, three alternatives were considered. One, tear down the building and build a brand new structure. Two, tear down the Natural Resources Center and attempt to squeeze classroom and laboratory space into existing buildings on campus. Three, seek Capital Outlay funding to repurpose the building and upgrade it to current and future educational and training needs.

Based on the SHW assessment, repurposing the Charles R. Donnelly Natural Resources Center is considered preferable to these alternatives based on the following factors:

- 1) Currently there is not existing space suitable for these functions elsewhere on campus.
- 2) While the cost of repurposing existing buildings tend to be at a premium compared to new construction, replacing nearly 40,000 square feet of classroom and laboratory space with an equivalent amount of new construction was deemed to be cost-prohibitive.
- 3) The 2nd floor classroom and laboratory space vacated by the move of ACC's nursing programs across campus, a key piece of ACC's successful FY18 \$8.7 million Capital Outlay plan, offers prime instructional space for the College's expanding Life Sciences and STEM programming.
- 4) ACC's most recent FY18 \$8.7 million Capital Outlay project renovating Van Lare Hall to house ACC's nursing programs proved the concept that repurposing legacy buildings works and offers the best solutions in regions where enrollment demographics remain challenging.