

VII. Attachment B

FISCAL YEAR 2027 PRIORITY CAPITAL OUTLAY PROJECT REQUEST

Institution Name: Alpena Community College

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

Project Focus: ☒ Academic ☐ Research ☐ Administrative/Support

Type of Project: ☒ Renovation ☐ Addition ☐ New Construction

Program Focus of Occupants: Science classrooms, Student Collaboration space, AI innovation hub

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

Total Estimated Cost: \$9.5 million

Mechanical/Heating system replacement	\$2,080,000
Roof	\$290,000
Elevator	\$200,000
Classroom/Lab technology	\$2,000,000
Exterior improvements	\$2,760,000
Interior renovations	\$1,360,000
Professional fees/contingencies	<u>\$810,000</u>
Total	\$9,500,000

Estimated Start/Completion Dates: October 2026/August 2028

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 more than 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The Charles R. Donnelly Life Sciences and STEM Innovation Center proposes to repurpose NRC to: (1) upgrade outdated first floor lecture hall into a Center for Student Collaboration and Success equipped with Classroom of Tomorrow videoconferencing technology to enhance student collaboration, distance and remote instruction, and create the region's only center for AI (Artificial Intelligence) innovation accessible to students, staff, and the community; (2) develop a Life Sciences Technology Innovation Center on the second floor supported by technology-assisted Anatomy and Physiology instruction, including an Anatomage Table virtual cadaver; (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; (6) install sprinkler fire suppression throughout the building; and (7) 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 Lower Michigan for decades to come. Based solely upon the number of nursing graduates produced by ACC annually, an estimated 75 jobs per year 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 \$9.5 million:

- Replace existing heating system with high-efficiency HVAC system (geo-thermal, forced air, or hot water).
- Create a cutting-edge Center for Student Collaboration and Success featuring student collaboration and AI innovation space in first floor lecture hall equipped with classroom of tomorrow technology.
- Renovate second floor classrooms to create a Life Sciences Technology Innovation Center featuring technology-assisted instruction in allied health and robotics.
- 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 sprinkler fire suppression system throughout the building.
- Install a new roof over the entire building.

Describe the Program Focus of Occupants

Fall 2025 headcount at Alpena Community College increased 2.1 percent over fall 2024 while contact hours rose 3.3 percent. Fall 2025 headcount is 1608, highest since Fall 2017. Enrollment continues to be a significant challenge, due primarily to an ongoing regional demographic of fewer high school graduates per year in every K-12 in NE Michigan coupled with uncertainties associated with the COVID-19 pandemic. Alpena Early College in collaboration with Alpena Public Schools is now in its 13th year. The most recent class of 53 graduated in May 2025 having attained an average of 54.5 college credits per student. Average Grade Point Average of these graduates was 3.031. Total early college enrollment for all 29 participating school districts for Fall Semester 2025 is 289 students. Dual enrollment and Early Middle College combined represent 50.1 percent of Fall 2025 headcount.

ACC has boosted enrollment in dual enrollment and Early College programs by offering discounted in-district tuition to all K-12 districts enrolling students in our classes. As a result, ACC now offers dual enrollment postsecondary transfer courses to 29 K-12s across NE Lower Michigan and has established approved Early College partnerships with seven K-12s in the service district. ACC also offers direct credit to approximately 1,150 Career and Technical Education (CTE) students annually.

ACC's occupational programs continue to sustain robust enrollment. Unique occupational programs in Utility Technology (lineworkers), Concrete Technology, Nursing, Utility Arborist (tree service), Autoservice, Manufacturing, and Commercial Driver's License (CDL) prepare graduates for employment upon graduation. State-supported initiatives such as Futures for Frontliners and Reconnect have helped enrollment. ACC's migration to remote videoconferencing instruction, piloted to good success prior to the COVID pandemic, continues to extend the footprint of the College beyond its traditional boundaries. College officials continue to see evolution of remote learning modalities such as videoconferencing as critical to sustaining enrollment in the years ahead.

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

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

The Charles R. Donnelly Life Sciences and STEM Innovation Center will enhance Michigan's job creation, talent enhancement, and economic growth initiatives on a local, regional, and statewide basis through two primary components.

Center for Student Collaboration and Success

Capital Outlay funding will be used to support the cost to repurpose an outdated lecture hall constructed in 1972 into a modern, inviting ADA accessible collaborative learning space for ACC students that will aggregate the latest Classroom of Tomorrow technology supporting distance learning, content production, AI best practices, and STEM applications. For current and future generations of Alpena Community College Lumberjacks, the Center for Student Collaboration and Success will provide cutting edge innovation across occupational and transfer

disciplines further supporting ACC's status as #1 among 28 Michigan's community colleges in graduation rate for the past four years.

The Center for Student Collaboration and Success will benefit students and the community in three ways:

- 1) The Center for Student Collaboration and Success will provide an accessible, inviting, center for innovation and instructional technology open and available to students and the community.
- 2) As a dedicated hub for instructional innovation and technology, the Center for Student Collaboration and Success will focus institutional capacity on issues of challenge and opportunity facing higher education today, such as best practices for integrating AI into classroom instruction and career readiness applications going forward.
- 3) As the recent catastrophic ice storm across Northern Michigan demonstrates, Alpena Community College, the only institution of post-secondary education serving the 11 counties of NE Michigan, must continue to provide innovation, opportunities, and workforce training leadership to the citizens of this region. It must build on its unique and strong occupational programs — lineworkers and associated electrical programs, concrete technology, Nursing through the BSN, and welding and manufacturing — that provide great careers for graduates and a solid economic development foundation for the region. The Center for Student Collaboration and Success will provide the technology and collaborative hub to drive innovation and student success across all disciplines, benefitting students and the community both regionally and statewide.

Life Sciences Technology Innovation Center

For current and future generations of Alpena Community College health sciences students, the Life Sciences Technology Innovation Center will provide dedicated instructional space for cutting edge applied STEM learning including:

- 1) An Anatomage virtual cadaver table to elevate anatomy and physiology instruction.
- 2) Virtual reality (VR) goggles to simulate active health care setting scenarios.
- 3) Distance Learning units to extend science and health sciences instruction into 29 regional K-12 partners extending from the Eastern Upper Peninsula to the Thumb and across to west of I-75.

In Michigan's Roadmap to Rural Prosperity (September 2023), the authors note that the highest paying occupations in Region 3, Northeast Lower Michigan, are also the ones that require the most education and training. The highest paying job titles are concentrated in the healthcare practitioner, technical occupations and in management occupations. The Charles R. Donnelly Life Sciences and STEM Innovation Center directly targets job creation and talent enhancement in these critical regional economic development growth areas.

How does the project enhance the core academic, development of critical skill degrees, and/or research mission of the institution?

Three FY25 benchmark metrics of institutional data document ACC's commitment to core academics, development of critical skill degrees, and student success.

First, according to the most recent federal IPEDS (Integrated Post-Secondary Education Data System) report, ACC ranked first in graduation rate among Michigan’s 28 community colleges with a rate of 50 percent. This is the 4th consecutive year ACC finished first in this important student success metric. As graduation and retention are correlated factors, ACC’s retention rate is also among the highest.

Second, since 2017-18 ACC has annually ranked in the top five Michigan community colleges in Student Success Rates, according to 6-year longitudinal data aggregated by CEPI (Center for Educational Performance and Information), Michigan’s repository of post-secondary educational data. The CEPI database captures transfer success, a key performance indicator for a significant student demographic at ACC.

Average student success rate all colleges	<u>2 years</u> 26.1%	<u>3 years</u> 36.6%	<u>4 years</u> 45.5%	<u>5 years</u> 44.3%	<u>6 years</u> 47.9%
Student success rate ACC	2 years 47.1%	3 years 47.5%	4 years 53.4%	5 years 53.7%	6 years 62.4%
ACC rank	1st	2nd	4th	4th	1st

Third, in June 2025 the Carnegie Institute named ACC an Opportunity College for its high marks in 1) Accessibility and 2) Earnings of Graduates post-completion. Only 9.5 percent of all universities, private colleges, and community colleges nationally attained the Opportunity College status and ACC was the only community college in Michigan so honored. All three data sets confirm that ACC’s institutional commitment to student success and core academic achievement is properly placed and sufficiently supported.

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

- Support student success in transfer, occupational, dual enrollment, and Early Middle College pathways.
- Improve health care employment opportunities aligned with regional economic development.
- Sustain and improve graduation and retention rates.
- Enhance opportunities for Reconnect students.
- Connect STEM programs and AI innovation to local employment and economic development opportunities.

Describe how the project will address, incorporate, or enhance the efforts, policies, or goals to grow and expand opportunities for enrollment programs within the scope of the project or as a component of your institution and campus at large?

The three student success examples referenced below illustrate how the project will enhance and expand opportunities for enrollment both within the scope of the project and the campus learning community at large.

Advanced ROV Competition

On June 19-21, 2025, the Marine Advanced Technical Education (MATE) worldwide Remote-Operated Vehicle (ROV) robotics competition came to Alpena, hosted by Thunder Bay National Marine Sanctuary with events at ACC. Teams from 22 countries and 18 states came to town to compete with underwater robots they designed and built themselves. ACC fielded a team as well—the Aquajacks—who with the guidance of ACC CAD instructor David Cummins built a functioning underwater robot in a short period of time that allowed them to finish third in the world in their category. The applied robotics and engineering and design collaboration required to succeed in future competitions will be enhanced by the Center for Student Collaboration and Success component of the project.

National College Lineman's Rodeo

The 2025 National College Lineman's Rodeo was held at ACC on Friday, April 25. Twelve teams from three states came to campus to compete in a variety of lineman skills challenges, including cross arm change outs, obstacle climbs, framing a C-1 structure, and a lineman knowledge exam. ACC fielded three teams with an ACC Utility Tech student winning the best overall lineman award. Beyond highlighting their lineman skills, the competition brought pride and healing to a community that needed a shot of inspiration after nearly a month dealing with the aftermath of the historically destructive icestorm that hit Northern Lower Michigan in mid-April. The collaboration required to succeed in future lineman's rodeo will be enhanced by Center for Student Collaboration and Success component of the project.

ADN to BSN

In May, Nursing student Carmen Dellar from Alcona County became the first ACC student to earn her Bachelor of Science in Nursing (BSN) degree through ACC's partnership with Saginaw Valley State University. An award-winning athlete during her freshman year at ACC, Carmen decided to forego sports to focus on maximizing the opportunity the BSN partnership provides. Working hard, Carmen completed her BSN as she was completing her RN program, earning both credentials simultaneously, and was hired by MyMichigan Alpena to begin work in the Intensive Care unit. For future health sciences students like Carmen seeking industry-validated credentials at an accelerated pace, both programmatic enhancements funded by the project—the Life Sciences Technology Innovation Center and the Center for Student Collaboration and Success—will expand opportunities for students to positively affect local, regional, and statewide economic development imperatives.

College Mission and Goals

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 and will enhance the core teaching and learning mission of Alpena Community College.

Is the project focused on a single, stand-alone facility?

Yes.

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

Yes, 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 Classroom of Tomorrow AI Innovation and STEM technology. 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.

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

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

- 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.
- Sprinkling the building for fire suppression will address a current safety deficiency.
- Replacing the windows will enhance building efficiency thereby reducing energy costs substantially and contribute to ACC's institutional COVID-19 safety response.
- Replacing the original elevator will support safety among all students, staff, and community stakeholders.

- Remodeling bathrooms to provide modern ADA specifications will support easier access to students with disabilities.
- Upgrading exterior entrances and balcony facades will enhance the visual appeal of the building and its functional safety.

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?

ACC benchmarks utilization of its existing facilities based on Michigan Community College Activities Classification data submitted by all 28 community colleges to CEPI. According to the most recent 2023-24 data (Tables 36 and 37), ACC is the second most efficient community college in the state in terms of Physical Plant Non-Energy cost per square foot (Table 36). At \$3.58 per square foot, ACC is 57 percent of the community college state average cost of \$6.24 cost per square foot. With an Energy Cost per Cubic Foot (Table 37) of .0739, ACC is 3rd among Michigan Community Colleges and is 66 percent of the state average of .1115.

The Charles R. Donnelly Life Sciences and STEM Innovation Center will improve utilization of existing space through accomplishment of two important priorities: 1) create a Center for Student Collaboration and Success by upgrading and repurposing an obsolete and underutilized 130-seat lecture hall; and 2) create a Life Sciences Technology and Innovation Center to enhance distance learning life sciences technology in order to serve both on-campus and dual enrollment and Early Middle College students, a capacity that currently doesn't exist in these instructional spaces. Regarding priority 1, repurposing the outdated NRC Lecture Hall into a Center for Student Collaboration and Success will centralize student success, technology, innovation, and AI generative functions into an exciting new student collaboration and gathering space—truly a Classroom of the Future model. Regarding priority 2, in Fall semester 2025, Dual Enrollment and Early Middle College accounted for nearly 51 percent of total headcount enrollment, or more than 800 students from 29 K-12s across Northern Michigan ranging from the Eastern Upper Peninsula down to the Thumb and across to west of I-75. More than 80 percent of these K-12 students do not attend classes on main campus in Alpena. Instead, ACC reaches them at their K-12 site through a Webex distance learning platform originating from classrooms on main campus. Dedicating an NRC life sciences instructional space with this distance learning technology will support remote student access to hybrid/remote instruction, a demographic that increased 39 percent over fall 2024. Both priorities will enhance utilization of outdated existing space to accommodate student success leading to high-wage, high-demand jobs.

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 five ways:

- 1) Replace an aging and inefficient boiler system with a modern energy efficient heating and climate control HVAC system.
- 2) Install energy efficient windows throughout the building.

- 3) Update lights, water, plumbing, bathroom fixtures, drinking fountains, and electrical switches.
- 4) Install a fire suppression sprinkler system throughout the building.
- 5) Reduce carbon footprint through more efficient insulation and groundwater management around the building structure and nearby parking lots.

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:	\$500,000
Federal Support:	\$3,500,000
ACC Foundation support:	<u>\$750,000</u>
Total:	\$4,750,000

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.

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 contribute to enrollment growth and enhanced tuition revenue with minimal or no additional cost.

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.

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 severely compromised.

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

A 2024 Facilities assessment conducted by IDI Architecture, Engineering and Consulting Group calculated deferred maintenance on the Charles R. Donnelly Natural Resources Center building at \$6,878,490 with the wide majority of costs falling into Priority 1 (critical or immediate), Priority 2 (potentially critical) or Priority 3 (necessary). 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 IDI facilities assessment report, 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 tends 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 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 Life Sciences Technology Innovation Center.
- 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. Fulltime enrollment in the Nursing program has increased from 54 to 107 in the four years since the project was completed.