



Muskegon Community College

BOARD OF TRUSTEES RETREAT MINUTES February 8, 2021 – 11:30 a.m. Zoom Meeting

Chair Osborn called the meeting to order at 11:32 a.m. Attendance was taken.

Present: Chair Osborn is participating remotely from Muskegon Township, MI
Vice Chair Mullally is participating remotely from Whitehall, MI
Trustee Cook is participating remotely from Whitehall, MI
Trustee Crandall is participating remotely from Norton Shores, MI
Trustee Frye is participating remotely from Blue Lake Twp., MI
Trustee Moore is participating remotely from the City of Muskegon, MI
Trustee Portenga is participating remotely from North Muskegon, MI

President Nesbary is participating remotely from Muskegon, MI
Cindy DeBoef is participating remotely from Holton, MI

Objectives for today's meeting: To gather input to assist in the next steps for moving forward.

I. Lakeshore Fitness Center Discussion.

President Nesbary gave a detailed history of the facility. He provided information on finance, some of the metrics used to determine whether we were successful, and then shared some observations and options to consider.

Several members of the public affiliated with Friends of the Lakeshore Fitness Center spoke and gave options and ideas on the potential uses and revenue streams.

Friends of the LFC short-term plan: Ownership must remain public to attract grants (MCC or other non-profit entities); a detailed list of revenue generating and cost saving ideas were shared that they believe would dramatically reduce or eliminate the \$500,000 operating deficit and relieve MCC or other non-profits of the burden of unanticipated repairs. A tax-sheltered rainy day fund would be created fund through the Community Foundation for tax-deductible donations that could be used for building repairs and revenue generating improvements, with an initial goal of \$500,000 for year-one.

Friends of the LFC Long-term plans – a recreational authority could be used to run and fund the LFC (the Friends have had several meetings to begin exploring this option). A countywide millage that would benefit parks in the county and offer recreational opportunities for all ages, for the fitness center and others.

The Friends asked everyone to look at it objectively and sincerely and to continue discussions with a seat at the table and citizen designed workshops. The private sector cannot access the grant sources listed in the concept document presented.

2. Board Discussion of the next phase and what path we want to go down as we move forward.

Chair Osborn stated the core mission of the college is to educate students, and this is the biggest threat we have had on that mission, maybe historically and at least in the last 50 years, making it very difficult to sustain what we need to do. Also historically, this is not the first time we have had to eliminate a program or sell something so we could continue to meet that mission.

Trustee Portenga discussed his objectives and concerns and the possibility of the Friends and/or a Recreational Authority leasing or running the building.

There was discussion about where college revenue streams come from, with the majority coming from tuition.

Trustees shared several concerns 1) MCC cannot run the facility and has to separate itself completely from the fitness center in the very near future; 2) MCC cannot continue to sustain the losses or ongoing large capital improvements; 3) This has consumed so much of everyone's time, our dollars, and we cannot put it on the backs of our students any longer;

Dr. Crandall discussed the short-term issues for the facility and went over prior history of requesting RFP's, bids and offers.

When Trustee Shon Cook used to sit on the YMCA Board, there was significant crisis then in keeping the YMCA open. Much of what was described today was tried then (extra activities, use of the waterfront, rates were increased 4-5 times while she served on the Board, membership drives, special activities and a childcare center). Trustee Cook asked about the entire cost of the facility to the college to date, which is roughly \$5.3 million.

Vice Chair Mullally discussed how MCC's General Fund needs to be used to finish the unfinished spaces/classrooms on campus, maintain buildings, and the difficult decision to raise tuition when met with shortfalls.

Trustee Nancy Frye discussed maintaining as much of the lakeshore for public access as possible

There was discussion about a possible Recreational Authority and Lake Authority by members of the Board and public that could align multiple properties on the lakeshore.

Roger Rapoport supports Trustee Portenga's recommendation for a Rec Authority, which is an excellent model that has worked for the Library for many years in Muskegon and it has been a huge success. There are business leaders who Roger has spoken with that would step up to the plate and endorse this model immediately.

3. Wrap-Up – Chair Osborn thanked everyone for their comments and all the information shared. Looking at going forward and going back to Dr. Nesbary's presentation, we talked about several options we have been considering such as decommissioning of the building, selling the building to a community group, a community authority/tax supported, sell the building to a developer,

and other options. It sounds like we may have another option if we can come together, setting a time and determining what that is.

Individual Board members who have specific ideas on how to move forward may forward those ideas on to Chair Osborn and it will be added to the agenda for the February 17, 2021 Board meeting.

With no further business, the meeting was adjourned.

Minutes submitted by Nancy Frye, Secretary.

/csd