

KIRTLAND COMMUNITY COLLEGE

Board of Trustees
Special Meeting Minutes
June 19, 2025

Date: June 19, 2025

Time: 4:00 p.m.

Location: Kirtland Community College, Grayling

Type: Special Meeting

Notice Provided in Advance: Yes

Quorum: Satisfied: (min. of four)

Present:

MaryAnn Ferrigan, Chairman

Jack Kramer, Vice Chair

Ed Pearen, Secretary

Roy Spangler, Trustee

Tom Ritter, Trustee

Amy Knepp, Trustee

Alan Bruder, Trustee

Kirtland Community College Guest:

Gary Roberts, President

Chris Bowman

Michelle Vyskocil

John Thiel

Renee Artman

Sherri Wallace

Meeting was called to order at 4:00 p.m. by Chris Bowman.

Recap

The meeting focused on reviewing student housing, including financial data, occupancy trends, and future expansion plans. Discussions covered current housing revenue, application processes, and potential building additions, with consideration given to timing and financial constraints.

The conversation also included an evaluation of the campus coffee shop, Biggby's, performance and plans to transition away from the Biggby franchise to a new coffee service provider.

Student Housing Strategy Planning Meeting (Presented by Chris Bowman)

Chris Bowman led the group through a detailed review of student housing performance thus far. He began by providing an overview of the meeting materials and emphasized aligning the discussion with the college's strategic plan, focusing on diversifying revenue streams, evaluating demand to determine the need for expansion, and fostering strong fiscal stewardship.

Chris outlined the current housing financial performance, noting that some figures for the year were estimates and that expenses will be finalized at year-end, including allocated benefits. He also summarized other income sources, like repair charges and application fees, and noted typical maintenance issues.

Chris then walked the group through financial data on housing occupancy and revenue for athletes versus non-athletes, pointing out that non-athletes generate more revenue per bed due to the effects of higher scholarships given to athletes. The group discussed the impact of athletic programs on housing demand and considered limiting athlete housing if necessary.

Michelle Vyskocil explained the housing application process, emphasizing the rigorous steps and high volume of applicants. Even when at capacity, waitlisting is encouraged due to fluctuating availability. She stated that last year, she had five students on a waiting list for housing.

The discussion turned to future plans for expanding housing. Chris shared cost estimates for two new buildings in 2025–2026 at \$3.5–\$3.7 million and outlined shortcomings of current units, including limited storage and amenities. The group agreed that expansion was eventually needed, but had concerns about timing, capacity, debt service, and other financial obligations.

Chris suggested waiting until June 2026 for clearer data before making a final decision and noted demographic trends and specialized programs, like CJ, that may impact future demand. Rising construction costs and strategic goals were also noted as key factors.

Biggby Performance (Presented by Chris Bowman)

Chris Bowman reviewed the financial performance of the Biggby coffee shop, noting that sales are far below initial projections. Only about 14,000 cups were sold annually, compared to the 40,000 initially projected. Although the average price per cup is slightly higher than anticipated, the customer base is much smaller, with only 22% of the projected customer traffic making purchases. Labor and discount costs have also exceeded projections, leading to an annual loss instead of the projected profit, not including management salaries.

Chris explained the franchise constraints that restrict flexibility, including limited control over hours and staffing. Despite some adjustments, such as closing at 2:30 PM, the coffee shop would need to quadruple its sales volume just to break even, which is unlikely. Competition from energy drinks at the Grill was mentioned.

Chris discussed options for moving forward. Traffic data shows substantial nearly 26,000 vehicles pass Four Mile Road on I-75 each day on average, and marketing has increased. However, franchise rules and limited hours continue to impact profitability. Chris noted that a drive-through unit is an option, but would require significant sales to be viable, as well as more labor. Another possibility is relocating the coffee shop to the existing dining area, which could address space and staffing concerns while potentially improving efficiency. However, he mentions that Biggby corporate has been resistant to accommodations for our unique campus setup due to the legal limitations from franchise law that they must adhere to.

The group discussed ending the agreement with Biggby Coffee and exploring alternatives for the campus coffee shop. Chris proposed transitioning to a "proudly serving" model with Caribou Coffee as an option, which would offer more flexibility and lower costs. They agree to keep Biggby through the current academic year and aim to implement changes next summer, as long as terminating the Biggby agreement does not have fees associated with it. Chris will also look into bringing in an architect to redesign the student services area, along with the coffee shop changes.

Meeting adjourned at 5:50 p.m.

Minutes submitted by:

Sherri Wallace, Executive Assistant to the President and Board of Trustees

Adopted by the board on July 17, 2025