

UNIVERSITY OF MAINE SYSTEM
Board of Trustees
Zoom Meeting

June 26, 2024

Finance, Facilities & Technology Committee

Present: Committee Members: Roger Katz (Chair), David MacMahon, Trish Riley, Emily Cain, Mike Michaud - Other Trustees: Owen McCarthy, Barbara Alexander
Chancellor: Dannel Malloy - Presidents: Leigh Saufley, Joan Ferrini-Mundy, Ray Rice, Jennifer Cushman, Joseph McDonnell, Jacqueline Edmondson - Faculty Representatives: Clyde Mitchell, System Staff: Ryan Low, Elizabeth Stickler, Gretchen Catlin, Jeff St. John, Miriam White, Tracy Elliott, Darla Reynolds
- Other Participants: Kelly Sparks, Buster Neel, Aili Robinson, Betsy Sawhill-Espe, Megan Desjardins, Megan Desjardins, Laurie Gardner, Justin Swift, Brenda McAleer, Nate Harris, Keenan Farwell, Jake Ward

Committee Members Absent: Lisa Eames, Patrick Flood.

Chair Katz called the meeting to order and welcomed everyone. The Clerk performed a roll call of the Committee members present.

EXECUTIVE SESSION

On a motion by Trustee Cain, which was seconded by Trustee Michaud, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee went into Executive Session under the following provisions:

- 1 MRSA Section 405 6-C to discuss the condition, acquisition, or disposition of real property or economic development if premature disclosure of the information would prejudice the competitive or bargaining position of the UMS.

On a motion by Trustee Cain, which was seconded by Trustee Michaud, and approved by a roll call vote of all Trustees present, the Committee concluded the Executive Session.

PUBLIC SESSION

Chair Katz noted that Buster Neel is retiring, and thanked him.

Introduction and Comments from CIO Robert Placido

Chief Information Officer Placido provided an overview of ongoing and upcoming initiatives within the IT department, emphasizing the importance of cybersecurity, ongoing Oracle Cloud implementation, and SWAT analysis of the IT division.

FREDERICK HUTCHINSON CENTER, BELFAST, MAINE

The University of Maine (UMaine) Frederick Hutchinson Center (FHC) contributed toward a need for in-person academic programs and professional development across the midcoast region for nearly two decades. However, the expectations of Maine learners continue to evolve, as does the technology that enables our public universities to engage them wherever they are in a high-quality educational experience. With the University of Maine System's unified accreditation, learners now have improved access to in-person and online education across the state. FHC has served more than 16,000 learners annually at its height, including 1,400 enrolled in UMaine degree programs. However, by 2019, just 300 or so students were taking courses there in-person each year.

Since 2020, there have been no students served in-person as local learners opted instead for courses offered in-person elsewhere or online — the modality by which more than one-third of total University of Maine System (UMS) credit hours are now delivered. For example, in 2021 UMaine partnered with its regional campus in Machias to deliver associate degree and certificate programs at the FHC in fields relevant to the region's workforce needs. No students enrolled. In contrast, distance education programs offered through FHC were popular, and that same year, nearly 600 people participated in professional development programs offered online through FHC. Additionally, use of the Center's conference facilities did not rebound to pre-pandemic levels, despite the university's best efforts to generate bookings.

UMaine and UMS remain deeply committed to Waldo County through in-person and online teaching and learning, research, and service. The Division of Lifelong Learning (DLL) at UMaine delivers high-quality online degree and credential programs for learners in the region and beyond. Stepping away from operating a physical conference services center allows DLL leadership and UMaine to focus on innovative programs and services that can be offered online to students in Waldo County, across the state, country, and internationally. (Commitment 1, Action 3).

UMS STRATEGIC PLAN CONNECTION:

As necessitated by both the System's new strategic plan and its fiduciary responsibility as stewards of statewide public assets, UMS is looking closely at the utility and return on investment of its instructional sites and centers across Maine. At the same time and also consistent with the strategic plan, the System is more committed than ever to meeting learners where they are, including place-bound adult learners who depend upon Maine's public universities for education and opportunity.

Additionally, the expense savings from operations include efficiencies in UMaine's academic delivery, optimized infrastructure, and energy consumption in an underutilized building. (Commitment 2, Action 3). This request also meets Goal 3.3 of the UMS Strategic Plan: "[to] identify reductions in energy consumption, including strategic management of underused or unused buildings and offices during periods of peak energy consumption (winter and summer)."

BACKGROUND:

a. Summary of the request

The University of Maine System, acting through the University of Maine, requested authorization to transfer the sale of the Hutchinson Center located in Belfast, Maine.

This request is pursuant to Board Policy 802, Disposition of Real Property, that the disposal of real property shall be administered by the University of Maine System Office and presented to the Board of Trustees for approval. Real Property is defined as land and/or the buildings or other improvements located on the land. The University of Maine System may dispose of lease or license use of real property when it determines that the action is in the System's best interests.

b. Detailed explanation of rationale for project and metrics for success of the project (ROI or other)

Given this sharp decline in utilization, it became unsustainable for UMaine to maintain this 32,477-square-foot facility and related staffing and also continue making biannual payments to pay back the bond issued to finance the expansion of the building undertaken at UMaine's expense in 2007-09. After nearly two years of careful consideration and community stakeholder engagement, in June 2023, the university announced it would close the center in August of that year.

UMaine in collaboration with UMS and with input from stakeholders has reviewed and evaluated the full cost of keeping this large facility, located approximately 50 miles from the main campus in Orono. Since 2006, UMaine has invested \$8.29 million on FHC building maintenance, \$3.14 million on the 2007-09 expansion, and \$2.9 million on renovations for a total capital investment of \$14.3 million. It should be noted that fundraising by the university and stakeholders in the community generated an additional \$1.6 million toward the expansion. Over the last three fiscal years (FY21 – FY23), UMaine has expended approximately \$517,850, excluding salaries and payments towards the tax-exempt revenue bond, of which \$885,000 is currently owed in principal and \$168,969 in interest, totaling \$1,053,969.

c. Changes, if any, in net square footage or ongoing operating costs resulting from the project

The disposal of the FHC will result in the removal of approximately 30,500 square feet of the main building, plus the removal of approximately 1,960 square feet of adjacent barn located on the property. The disposal will also result in an annual operating cost reduction of \$208K compared to FY24 and \$390K compared to FY23, not including compensation of facilities and maintenance staff.

d. Alternatives that were considered to meet the need being addressed by this project

The university explored the financial viability of continued operations at the FHC, including partnerships with area organizations. From January to May 2022, the University of Maine FHC working group did stakeholder outreach to area groups for input on potential future uses, including current users of the facility, the Town of Belfast, area RSUs, the Maine Community College System, other UMaine units and area businesses. No uses or financially sustainable future operation models emerged.

Rather than listing with a commercial broker, in response to community feedback, in January 2024, UMS, on behalf of UMaine, released a formal competitive request for proposals by which all purchase, lease, or alternative creative real property offers were sought. This inclusive, public process is consistent with well-established System policy and practice and ensures we consider all good faith proposals in a fair and transparent manner. Additionally, the original RFP submission deadline remains open to allow more time for developing proposals.

e. Project Timeline for: 1. Start 2. Occupancy and 3. Completion

UMS issued the RFP in January of 2024. The university anticipates to award upon final approval of the transfer or sale of real property by the Board of Trustees and complete the transaction by fall of 2024.

f. Additional information that may be useful to consideration of the item.

The original 16,675-square-foot Center, which was constructed in 2000, was gifted to UMaine by the Bank of America, without conditions in 2007 as per the deed and transfer of property. From 2007-09, the university constructed a new wing of approximately 13,841 square feet. The university closed operations in August of 2023. An appraisal was conducted and concluded the property's value is \$2,520,000. The university currently holds a revenue bond for constructing the additional wing with a remaining balance of approximately \$885,000. Funding from the transfer or sale of the facility will be used to make the biannual payments on the bond used for the construction of the additional wing.

UMaine and UMS remain deeply committed to Waldo County through in-person and online teaching and learning, research, and service. Well beyond online education, UMS provides free early college at high schools in Belfast, Islesboro, Searsport, Thorndike and Unity; access to STEAM education and leadership development for hundreds of local youth each year through the UMaine Cooperative Extension Tanglewood 4-H Camp and Learning Center in Lincolnville; and has workforce development, research and innovation partnerships with many area employers.

The percentage of degree-seeking UMS students who are from Waldo County has been consistent over the past five years, despite the decline in enrollment at, and eventual closure of, FHC. In short, though the access point has changed, access continues and is strengthened and made more affordable and accessible.

On a motion by Trustee Riley, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting.

That the Board of Trustees accepts the recommendation of the Finance Facilities & Technology Committee and authorizes the University of Maine System acting through the University of Maine to transfer or sell the Frederick Hutchinson Center located in Belfast, Maine with a permanent carve-out for technology. All final terms and conditions of the transfer or sale agreement are subject to review and approval of the University of Maine System Treasurer and General Counsel.

SUSTAINABLE AQUACULTURE WORKFORCE AND INNOVATION CENTER (SAWIC)

The proposal for the Sustainable Aquaculture Workforce and Innovation Center (SAWIC) at the University of Maine directly aligns with several key goals outlined in UMaine's strategic plan:

Goal 1: Supporting and Growing Maine's Economy

1.1: By welcoming and supporting all learners and engaging them in experiential learning, SAWIC will provide authentic research experiences to undergraduate students, align curricula with career needs, and offer diverse educational programs to ensure access for all learners.

1.2: By creating new knowledge and applying innovative research, SAWIC aims to move products from concept to commercialization and produce graduates ready to contribute to the aquaculture sector's knowledge economy.

Goal 2: Providing Accessible and Affordable Education, Research, and Service

2.1: Growing and advancing partnerships is a core focus of SAWIC, as it collaborates with stakeholders to address needs, innovate for the future, and align resources to expand opportunities for students and communities.

2.2: Optimizing infrastructure management to support the vision aligns with SAWIC's goal to construct a facility dedicated to aquaculture research and innovation.

2.3: Communicating effectively with stakeholders coincides with SAWIC's mission to engage with industry partners, academic collaborators, and the broader community to enhance the aquaculture sector.

Goal 3: Creating a Rewarding Environment for Living, Learning, and Working

3.1: SAWIC contributes to making UMaine a great place to work in Maine by providing opportunities for professional development and fostering diversity for employees in the aquaculture industry.

3.2: SAWIC aims to create a lifelong relationship with the university for students by offering engagement opportunities outside the classroom through workshops and webinars, cultivating mentorship opportunities between faculty/staff and students, and sustaining a culture of inclusivity.

a. Summary of the request

The University of Maine System, acting through the University of Maine (UMaine), requested authorization to expend up to \$1,500,000 to continue the design process for the construction of an approximately 14,200 square foot facility to house Sustainable Aquaculture Workforce and Innovation Center (SAWIC). This request is pursuant to Board policy 701, which requires Board approval for projects with a value of \$500,000 or greater. Also, Board Policy 712 applies regarding the potential need for short-term borrowing of funds to complete the project.

b. Overall requested budget and funding source(s):

A total of \$10,335,000 has been secured for SAWIC through two funding sources. Maine Jobs & Recovery Plan (\$3,335,000), put forth by Governor Janet Mills and supported by the 130th Maine Legislature to invest the state's share of federal

American Rescue Plan relief funds, including in the University of Maine System workforce development. These funds will be utilized for the continued design of SAWIC. Additionally, Fiscal Year 2024 Congressionally Directed Spending (\$7,000,000) was requested by the University of Maine System and secured by U.S. Senator Susan Collins, Vice Chairman of the Senate Appropriations Committee, and U.S. Senator Angus King.

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting.

That the Board of Trustees accepts the recommendation of the Finance Facilities and Technology Committee and authorizes the University of Maine System acting through the University of Maine to expend up to \$1,500,000 for the continued design of an approximately 14,200 square-foot facility to house the Sustainable Aquaculture Workforce and Innovation Center (SAWIC).

GROUND LEASE AUTHORIZATION UM BETA THETA PI FRATERNITY

The University of Maine System, acting through the University of Maine requested authorization of renewal of a ground lease for thirty years with Beta Eta Chapter House Association for the land located at 12 Munson Road in Orono, Maine.

On a motion by Trustee Cain, which was seconded by Trustee Michaud, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting.

That the Board of Trustees accepts the recommendation of the Finance Facilities and Technology Committee and authorizes the University of Maine System acting through the University of Maine to enter into a ground lease for the land at 12 Munson Rd, Orono, Maine with Beta Eta Chapter House Association for the term of thirty years with all final terms and conditions subject to review and approval of the University of Maine System Treasurer and General Counsel.

LAND DONATION TO THE UNIVERSITY OF MAINE (UM)

The University of Maine System, acting through the University of Maine (UMaine), requested approval to receive a parcel of land adjacent to UMaine's Diagnostic and Research Lab (DRL) located at 17 Godfrey Drive, Orono, Maine, via donation.

Ms. Scotty Fogler would like to donate six (6) acres adjacent to the DRL for the use of the UMaine Tick Lab for both research and potentially for future expansion of the building. The six (6) acres contain fields and woods which are significantly infested with

ticks. Additionally, the DRL facility and its four labs have outgrown their space and are seeking multiple funding opportunities for potential expansion. Expanding to the existing DRL will be challenging at best without this parcel of land. Ms. Fogler is an alumna of the University of Maine, a respected citizen of Orono, and supports both the University and the work of the UMaine Tick Lab at DRL.

On a motion by Trustee Cain, which was seconded by Trustee Michaud, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting.

That the Finance Facilities and Technology Committee authorizes the University of Maine System acting through the University of Maine to accept the donation of a parcel of land of six acres from Ms. Scotty Fogler adjacent to UMaine's Diagnostic and Research Lab located at 16 Godfrey Drive, Orono, Maine. All final terms and conditions are subject to review and approval of the University of Maine System Treasurer and General Counsel.

FOOD INNOVATION LAB, UM

The University of Maine's new Food Innovation Lab will provide access to system research and development facilities and promote both recruitment and retention of undergraduate and graduate students to benefit the entire University of Maine System. It aligns with our institutional mission and purposes, as required under NECHE Standard One. NECHE Standard 6.20 further states that "Consistent with its mission and purposes, the institution provides support for scholarship, research, and creative activities. Faculty and students undertake research to an extent reflective of the level and nature of the degrees awarded."

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting.

That the Board of Trustees accepts the recommendation of the Finance Facilities & Technology Committee and authorizes the University of Maine System acting through the University of Maine (UM) to expend up to \$4,461,000 for the renovation and addition to the Key Building for the construction of a new Food Innovation Lab.

LEVEL-3 DIRECT CURRENT FAST CHARGERS LAND LEASE

AUTHORIZATION UM & USM

The University of Maine System, acting through the University of Maine (UMaine) and the University of Southern Maine (USM), seeks authorization to negotiate and enter into a new lease agreement with Gridwealth EV, LLC (or its designee) for two small areas of university property, one at UMaine and one at USM, for the installation of level-3 Direct Current Fast Chargers (level-3 DCFC).

Gridwealth EV, LLC was selected as part of the State of Maine Efficiency Maine Trust to install three (2) level-3 DCFCs, one at each university and one at a private business in northern Maine. Each level-3 DCFC system consists of a Battery Energy Storage System (BESS) and two – 150kW plugs, thus allowing the charge of two vehicles at the same timer per level-3 DCFC. The UM unit is anticipated to be located near the Stevens Hall parking lot and existing level-2 EV chargers. The USM unit is anticipated to be in Gorham near 134 School St House, pending verification that the existing infrastructure can support the units at the two universities.

UM & USM anticipates the leases to be for a total of up to possibly twenty-one (21) years. Pending negotiations, the initial term will most likely be for six (6) years with three (3) additional five (5) year renewals. The six (6) year initial term is due to the requirement from the Efficiency Maine grant of a minimum of five (5) years in operation, which does not include the time for installation.

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance Facilities and Technology Committee and authorizes the University of Maine System acting through the University of Maine and the University of Southern Maine to negotiate and enter into a new lease agreement with Gridwealth EV LLC (or its designee) for two small areas of university property one at UMaine and one at USM for the installation of level-3 direct current fast chargers for a total of up to twenty-one years upon review and approval by General Counsel and the Vice Chancellor for Finance and Administration.

BUDGET INCREASE FOR PURINGTON HALL RENOVATION PROJECT, UNIVERSITY OF MAINE AT FARMINGTON

The University of Maine System, acting through the University of Maine at Farmington (UMF) requests authorization to increase the total project budget by \$500,000 to finish the renovation of Purington Hall. This increase is requested due to unforeseen structural issues discovered during demolition.

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting.

That the Board of Trustees acting through the Finance Facilities and Technology Committee authorizes the University of Maine System acting through the University of Maine at Farmington to increase the construction budget up to \$500,000 making the total project budget \$3,200,000 to renovate the restrooms and replace the failing plumbing infrastructure at Purington Hall on the UMF campus.

AUTHORIZATION OF SPACE REDUCTION AND CONSTRUCTION OF A NEW FACILITIES MANAGEMENT BUILDING AT UMF

This project aims to enhance UMF's physical infrastructure through several disposals and one construction project. First, we will sell two underutilized parcels of land totaling approximately 12.5 acres. Separately, we will offer one house for public bid, resulting in approximately 4,000 square foot reduction. Additionally, we will sell one commercial building, reducing our square footage by approximately 13,500 square feet. The proceeds from these sales will be used to construct a new facilities management building equating to approximately 6,500 square feet. These transactions will show a net reduction of approximately 11,000 square feet.

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution: That the Board of Trustees acting through the Finance Facilities & Technology Committee authorizes the University of Maine System acting through the University of Maine at Farmington to dispose of two parcels of land, one house, and one commercial building. Proceeds from these sales will be utilized to fund construction of a new 6,500 square foot facilities management building with construction costs not to exceed \$600,000.

UNIVERSITY OF MAINE (UM) ELECTRICAL INFRASTRUCTURE UPGRADE/RENEWAL FINANCING PROJECT AND REIMBURSEMENT RESOLUTION AUTHORIZATION

At its April 8, 2024 meeting, the Board of Trustees authorized the University of Maine System (UMS), acting through the University of Maine, to expend up to \$25 million for crucial upgrades and renewal of the university's electrical infrastructure. This upgrade of the existing campus electrical distribution system is necessary as it is beyond its useful life and near its rated capacity. The upgrade is also a prerequisite for future UM capital construction projects, including Green Engineering & Materials (GEM), the Energy Center (UMEC), Harold Alfond Foundation (HAF) UMS TRANSFORMS Athletics

projects such as a new multipurpose arena, and high-speed Electric Vehicle charging capacity. Additionally, the upgrade is required to establish a foundation compatible with the future conversion to beneficial electrification of the campus.

When the Board approved this project in April, it was with the understanding that it would be financed with revenue bonds and that project design is expected to be completed by the summer of 2024 , but with long supply lead times, project completion is anticipated in the summary of 2026.

This resolution is to approve the use of tax-exempt financing, with UM funding debt service with E&G funded depreciation and reduced energy costs.

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance Facilities and Technology Committee and approves the Financing Project and Reimbursement of Project Expenditures resolution to authorize the University of Maine System acting through the University of Maine to fund an Electrical Infrastructure Project to make crucial upgrades and renewal of the University of Maine’s electrical infrastructure with a project total of up to \$25,000,000 using financing with a maximum principal amount of debt of \$25,000,000.

REQUEST FOR PROPOSAL – FINANCING SERVICES AWARD

The University of Maine System (UMS) recently completed a Request for Proposal (RFP) process for Financing Services. The goal of the competitive process was to ensure that the UMS continues to receive favorable terms and conditions for ongoing capital equipment financing and Energy Services Contracts (ESCOs) with a qualified financial firm. The RFP requested pre-negotiated terms and conditions including:

- A fixed basis point markup above a publicly available index with tax-exempt and taxable financing terms.
- Financing terms of 2 years up to 10 years for capital equipment and up to and including 20 years for ESCOs, not to exceed the useful life of the property.

Based on a careful review and scoring of the proposals, the UMS Sourcing Committee recommends re-awarding the financing agreement to the incumbent, Banc of America Public Capital Corp (a wholly owned subsidiary of Bank of America, National Association (the “Bank”)) (“BAPCC”).

On a motion by Trustee Michaud, which was seconded by Trustee Cain, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee

approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting:

That the Board of Trustees accepts the recommendation of the Finance Facilities and Technology Committee and authorizes the University of Maine System to execute and deliver the Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp as lessor and separate schedules for the acquisition purchase financing and leasing of certain equipment and ESCO agreements pursuant to the negotiated contract terms resulting from Request for Proposal #2024-062; authorizing the execution and delivery of other documents required in connection therewith; and authorizing all other actions necessary to the consummation of the transactions contemplated by this resolution.

UMS RESERVE POLICY

VC Low presented the updated UMS Reserve Policy, outlining key changes and the rationale behind them. He emphasized the importance of maintaining adequate reserves to ensure financial stability and to manage unexpected expenses.

UNIVERSITY OF MAINE SYSTEM CENTERS AND OFF-SITE LOCATIONS

Vice Chancellor Ryan Low briefly discussed the system's centers and off-site locations.

- Trustees raised questions about the long-term sustainability of funding for these centers and the potential for expanding their services.
- There was a discussion about the importance of maintaining and enhancing the infrastructure of these centers to support their activities.
- Trustees also emphasized the need for continuous assessment of the centers' impact and alignment with the university's strategic priorities.

LEASE AUTHORIZATION REQUEST USM – HAYNES BUILDING

The University of Maine System acting through the University of Southern Maine requests authorization to extend the lease for the Haynes building with Augusta East Redevelopment Company, LLC in Augusta, ME for a period of one (1) year. Space is used by the Catherine Cutler Institute and the total square footage is 9,536.

On a motion by Trustee Michaud, which was seconded by Trustee MacMahon, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution:

That the Board of Trustees acting through the Finance Facilities and Technology Committee authorizes the University of Maine System acting through the University of Southern Maine to extend the lease for the Haynes building with Augusta East Redevelopment Company LLC for one (1) year with all final terms and conditions

subject to review and approval of the University of Maine System Treasurer and General Counsel.

LEASE AUTHORIZATION REQUEST UMA – MAINE COMMUNITY COLLEGE SYSTEM/SOUTHERN MAINE COMMUNITY COLLEGE

The University of Maine System acting through the University of Maine at Augusta requests authorization to extend the lease of 7,434 square feet of office, classroom, and meeting space in the Orion Hall Building on SMCC's Midcoast Campus.

On a motion by Trustee Michaud, which was seconded by Trustee MacMahon, and approved by a roll call vote of all Trustees present, the Finance, Facilities, & Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the July 14-15, 2024 Board Meeting:

That the Board of Trustees approves the recommendation of the Finance Facilities & Technology Committee and authorizes the University of Maine System acting through the University of Maine at Augusta to extend the lease of 7,434 square feet with the Maine Community College System/Southern Maine Community College with an initial period of one year with the possibility of two 2-year extensions at a total cost not to exceed \$550,000; with all final terms and conditions subject to review and approval of the University of Maine System Treasurer and General Counsel.

FY25 CAPITAL PLAN REVIEW

Nate Harris, Associate Director of Capital Planning presented the FY25 Capital Plan, outlining the major projects and their funding sources. The 1-year Capital Plan is part of the three-tiered capital planning program that includes a 5-year plan and university master plans.

He highlighted the priorities for the upcoming fiscal year, including necessary upgrades and new construction projects. He discussed the strategic importance of each project and how they align with the University's long-term goals. The presentation included detailed financial projections and timelines for each project.

Extensive discussion followed, with questions regarding specific projects' impacts on the university's operations and long-term benefits. Clarifications were provided on the allocation of funds and the expected outcomes.

Additional information about the meeting can be found on the Board of Trustees website: <https://www.maine.edu/board-of-trustees/meeting-agendas-materials/finance-facilities-technology/>

Adjournment.

Elizabeth Stickler, Clerk