AGENDA ITEM SUMMARY

1. NAME OF ITEM: Relocation of University College to Brunswick, UMA
2. INITIATED BY: James H. Page, Chancellor
3. BOARD INFORMATION: BOARD ACTION: X
4. BACKGROUND:

The University of Maine at Augusta is seeking Board of Trustee approval under Policy 801 to enter a new lease that will relocate the University College of Bath/Brunswick to the Orion Building at the former Brunswick Naval Air Station.

The proposed new location is approximately half the size and cost of the current location with respect to rent and operating costs. One-time fit-up and occupancy costs at the new site will make the total cost of the new site approximately the same as the current site over the first five years of occupancy in the new location.

The Bath/Brunswick Center has been co-located with Southern Maine Community College for the past ten years at 9 Park Street in Bath. When the Naval Air Station was closed, the Community College was awarded the right to use several buildings for educational purposes. The Community College has been offering classes both in Bath and on the former base for the past few years.

The Community College is vacating its space in Bath in June 2014. The University lease in Bath expires in June 2014. The University’s intention would be to relocate to Brunswick at that time and thereby remain co-located with the Community College.

This University College center currently serves approximately 350 students and SMCC is serving approximately 500 students in the Bath/Brunswick region. The University and College have been providing educational programming to the Bath/Brunswick region for more than ten years and have worked collaboratively to share resources, offer complementary programming, and student services. The relocation of University College to the Orion Building will further enhance the two institutions’ ability to collaborate and share resources to meet the educational needs for post-secondary students and to conduct educational outreach in the Brunswick community. Resources such as classroom space, student support services, and computer equipment will be shared between the two institutions whenever practicable, thus eliminating unnecessary duplication. Discussions about how the proposed relocation of the Center to Brunswick will lead to expanded collaborative opportunities for both public institutions have already begun in anticipation of the proposed move.
Regarding space and costs, the University has been reviewing its space requirements for the Centers and has begun developing plans to reduce the size of Centers when possible. The move to the Orion Building will be the first significant size reduction for a Center. The University’s leased portion of the building in Bath is 12,960 square feet. The Community College and University have jointly identified the first floor south wing of the Orion Building as the new location for the University College Bath/Brunswick Center. That wing is approximately 6,800 gross square feet. The Community College has agreed to a rental rate of $10.06 per square foot, which is the same per square foot rental rate paid by the University in Bath. In addition to the rent, the University will be responsible for custodial/cleaning and telecommunications services.

This relocation will result in a reduction in operating costs as the total square footage of the proposed location is 6,160 feet less than the current location. The University is currently paying more than $130,000 annually for the space in Bath. The estimated rent for the new location will be $68,400, a reduction of approximately 48 percent with the actual rent to be determined on final square footage. The Orion Building wing will need renovations to address the University’s classroom and office space requirements. The renovations and relocation costs will be paid for by the University at an estimated cost not to exceed $300,000, which will be paid for from savings in the operating budget and University College reserves. The total cost including one-time costs will be approximately $642,000 over the initial five years or approximately $68,000 per year on an operating cost basis excluding the one-time costs. Averaging the one-time costs across the first five years of occupancy results in a total cost that is approximately the same as the cost of remaining in Bath, though with a substantial estimated reduction in annual operating costs, the benefits of new space, a landmark location, and the advantage of remaining co-located.

The Finance, Facilities and Technology Committee approved this recommendation to be forwarded to the Consent Agenda for Board of Trustees approval.

5. TEXT OF PROPOSED RESOLUTION:

That the Board of Trustees approve the recommendation to authorize the University of Maine System acting through the University of Maine at Augusta to lease approximately 6,800 square feet at the Brunswick Naval Air Station for a period of five (5) years, with the option to renew for one additional five (5) year term and to terminate its lease in Bath. The final terms, including rate, associated costs and other terms, shall be negotiated by the University of Maine at Augusta in the best economic interest of the University, subject to review and approval by the University of Maine System Vice Chancellor of Finance and Administration and University Counsel.