

UNIVERSITY OF MAINE SYSTEM  
Board of Trustees  
Zoom Meeting

October 29, 2025

**Finance, Facilities & Technology Committee**

**Present: Committee Members:** Roger Katz (Chair), David MacMahon, Trish Riley, Emily Cain, Barbara Alexander, Riley Worth & Patrick Flood **Chancellor:** Dannel Malloy **Presidents:** Joan Ferrini-Mundy, Deb Hedeon, Ray Rice, Joseph McDonnell, Jenifer Cushman, Jacqueline Edmondson & Leigh Saufley, **System Staff:** Ryan Low, Carolyn Dorsey, Robert Placido, Amon Purinton, Seth Goodall, Elizabeth Stickler, Gretchen Catlin, Jeff St. John & Tracy Elliot **Faculty Representative:** Clyde Mitchell. **Other Participants:** Justin Swift, Christopher Boynton, Nate Harris, Jenny Boyden, Jacob Jandreau, Aili Robinson

Committee Members Absent: Lisa Eames.

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 Flood, and approved by roll call vote of all Trustees present, the Finance, Facilities & Technology Committee went into Executive Session under:

- 1 MRSA Section 405 6-A Discussion or consideration of the employment, appointment, assignment, duties, promotion, demotion, compensation, evaluation, disciplining, resignation or dismissal of an individual, appointees, or employees of the University of Maine System (or any individual University) or the investigation or hearing of charges or complaints against a person or persons subject to the requirements of 1 M.R.S.A. §405.
- 1 MRSA Section 405 6-C Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the University of Maine System.
- 1 MRSA Section 405 6-E Consultations between the University of Maine System and its attorney concerning the legal rights and duties of the University of Maine System, pending or contemplated litigation, settlement offers and matters where

the duties of the University of Maine System's counsel to the attorney's client pursuant to the code of professional responsibility clearly conflict with this subchapter or where premature general public knowledge would clearly place the University of Maine System at a substantial disadvantage.

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

## **PUBLIC SESSION**

### **Authorization to Exercise Purchase Option & Reimbursement Resolution, Acquisition – 300 Fore Street, Portland**

The University of Maine System (UMS) requests the Board of Trustees' authorization to exercise its fixed purchase option to acquire 300 Fore Street, Portland, Maine, currently leased and occupied by the Maine Center, Maine Law, GSB and other related UMS programs.

In May 2021, the Board of Trustees reviewed the long-term facilities strategy for Maine Law, with the original plan to lease 300 Fore Street until a new “Maine Center” building was constructed on the University of Southern Maine Portland campus. During that discussion, the Board was informed that the lease for 300 Fore Street contained a future purchase option. However, the purchase option was not incorporated into the formal Board resolution text.

This current request is intended to correct that gap by explicitly requesting Board authorization for UMS to exercise the purchase option at 300 Fore Street. Subsequent financial and market analysis has shown that purchasing 300 Fore Street at the fixed price of \$17 million is significantly less expensive than new construction, while also securing a recently renovated facility.

UMS may initially use an internal loan to fund the purchase and could subsequently issue revenue bonds to reimburse itself. Therefore, UMS requests the Board to adopt the attached Resolution for Reimbursement of Project Expenditures in order to preserve flexibility to issue debt and reimburse for the costs of acquisition of 300 Fore Street, Portland, Maine, with proceeds of future debt. The resolutions do not authorize the issuance of UMS revenue bonds for this purpose. If and to the extent it is determined that revenue bonds should be issued for this purpose, UMS will seek additional approval for such issuance at a future Board meeting.

UMS evaluated several funding options for the building purchase, and these resolutions preserve flexibility so that we may execute the most effective approach at the time of purchase. Such options include an internal loan or issuing a revenue bond. Any debt

service payments would be funded by excess cash flows from Maine Center operations or other agreed upon sources.

To meet Treasury Regulation requirements for tax exempt debt, the UMS requests that the Board approve the attached Resolution for Reimbursement of Project Expenditures to allow for the reimbursement of costs incurred in connection with the acquisition of 300 Fore Street, Portland, Maine, with proceeds of future debt, should the UMS decide to use that funding mechanism.

The resolution does not authorize the issuance of UMS revenue bonds for this purpose. If and to the extent it is determined that revenue bonds should be issued for this purpose, UMS will seek additional approval for such issuance at a future Board meeting. For items over \$5M, indicate when the item was originally presented as an information item. Since 2023, Seth Goodall, Executive Director of the Maine Center, has regularly appeared in front of the Board to provide an update on the programmatic and building improvements, general operations and timelines to purchase 300 Fore Street and 7 Custom House Street. His appearance at the September 2024 Board served as an informational session per Board policy, since more than \$5M will be invested in the buildings.

On a motion by Trustee Cain, which was seconded by Trustee Flood, and approved by roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board approval at the November 17, 2025, 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 exercise its purchase option for 300 Fore Street, Portland, Maine, at the contract price of \$17,000,000, with all final terms subject to review and approval of the University of Maine System Treasurer and General Counsel.

Additionally, the Board accepts the recommendation of the Finance, Facilities, and Technology Committee and authorizes the University of Maine System to issue an internal loan for an amount up to the contract price plus relevant closing costs.

Further, the Board accepts the recommendation of the Finance, Facilities, and Technology Committee and approves the Reimbursement of Project Expenditures resolution.

**The Maine Graduate and Professional Center (Maine Center) sublease renewal with the University of Maine Foundation (UMaine Foundation), Maine Center**

The University of Maine System, acting through the Maine Center requests authorization to renew the sublease between the Maine Center as the landlord and the UMaine Foundation as the tenant for certain defined office space and related services within the Maine Center. The existing sublease expires on December 31, 2025, and the renewal sublease will be effective January 1, 2026, for three (3) years and may be extended for one (1) three-year term at the option of the sublessor under the same terms and conditions, except as to rent, which shall be negotiated by the parties.

Seth Goodall led this discussion, noting that it is crucial to the Center's objectives, including community engagement and fundraising to approve this lease renewal. This sublease will involve just over 400 square feet of office space with proposed terms of a 3-year lease period with an option to renew upon mutual agreement regarding rent.

On a motion by Trustee Cain, which was seconded by Trustee Riley, and approved by roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board approval at the November 17, 2025, Board Meeting:

That the Board of Trustees, acting through the Finance, Facilities and Technology Committee, authorizes the University of Maine System, acting through the Maine Center to renew a sublease with the UMaine Foundation for an additional three years with the sublessor having the option to extend for one additional three-year term and total revenue across all terms not to exceed \$137,000 with all final terms and conditions subject to review and approval of the University of Maine System Treasurer and General Counsel.

### **Art Building Construction – Gorham, USM**

The University of Maine System, acting through the University of Southern Maine (USM), requests authorization to expend up to fifteen million, one hundred thousand dollars (\$15,100,000) for a Guaranteed Maximum Price (GMP) agreement with Great Falls Construction (Great Falls or Developer) for the construction of a new art building on the Gorham campus. One hundred thousand of this agreement is for the installation of a highly visible, ground-level solar array funded by gift funds specifically donated for the installation of solar equipment at the university. The art building will allow USM to relocate the Art Programs located in Robie Andrews residence hall and consolidate the department from various locations on the Gorham campus. The location of the new building will be School Street, where previous buildings have been demolished.

The project is funded through bond financing, as detailed in the meeting materials, with the campus bearing the debt service cost from its fiscal year 2027 budget. Philanthropic efforts are ongoing to assist with debt payments. This financing model assumes a 30-year

repayment term, aligning with the typical practice for financing the life of a building. Justin Swift had modeled this project with conservative budget assumptions, projected with flat credit hours despite anticipated enrollment growth in the arts programs with the completion of this building.

This request is pursuant to Board Policy 701, which requires projects with a total cost of more than \$500,000 to be considered by the Board of Trustees or its FFT Committee. Additionally, this request complies with Board Policy section 712, which requires approval of debt by the Board. Further, reimbursement resolution language ensures that the University may later use tax-exempt bond proceeds to reimburse eligible project costs, consistent with federal IRS rules (Treasury Regulation 1.150-2). The request is for the committee to approve and forward to the full Board for consideration.

For relevant background, the University previously received approval for a pre-development agreement for the art building from the FFT Committee at its December 2024 meeting and from the BOT at its January 2025 meeting.

The University publicly solicited developers through a Request for Qualifications (RFQ) process and received submissions from five qualified development firms. A Request for Proposal (RFP) process followed, which resulted in four submissions. The Great Falls Construction proposal was selected for the project based on the submissions and interviews with the four developers. The selection committee feels their submission best meets the criteria and budget set for the project.

Construction is expected to start in early 2026 and is expected to be completed by fall 2027.

On a motion by Trustee Flood, which was seconded by Trustee Cain, and approved by roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board approval at the November 17, 2025, 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 Southern Maine (USM) to expend up to fifteen million and one hundred thousand dollars (\$15,100,000) for a Guaranteed Maximum Price (GMP) agreement with Great Falls Construction (Great Falls or Developer) for the construction of a new Art Building on the Gorham campus.

Additionally, the Board accepts the recommendation of the Finance, Facilities, and Technology Committee and authorizes the University of Maine System to issue an internal loan for up to \$15,000,000.

Further, the Board accepts the recommendation of the Finance, Facilities, and Technology Committee and approves the Finance, Project and Reimbursement of Project Expenditures resolutions to authorize the University of Maine System, acting through the University of Southern Maine, to fund the construction of a new Art Building on the Gorham campus with a project total of up to \$15,000,000, using financing with a maximum principal amount of debt of \$15,000,000.

### **Cyr Hall Sprinkler System Installation, UMFK**

The Cyr Hall sprinkler system project stems from the renovation of Fox Auditorium. Fox Auditorium is currently undergoing renovation previously approved by the board. Cyr Hall is attached to Fox Auditorium and is considered one building by the state fire marshal. As mentioned, Cyr Hall is a vital part of UMFK's campus as it holds classrooms, laboratories, offices, and the campus store. Cyr Hall is over 27,000 square feet and serves students, staff & faculty daily. Without sprinkling both Cyr Hall and Fox Auditorium, UMFK would fail to be compliant with the State Fire Marshall's office. UMFK's recommendation is to install a sprinkler system throughout the first and second floors of Cyr Hall, ensuring student safety and improving the university's standing with the state fire marshal's office.

The Cyr Hall sprinkler system will be under \$700,000. The project budget was conservatively set with the help of a project manager provided by CPPM. The project will be funded by deferred maintenance bond funds set aside for these projects.

On a motion by Trustee Cain, which was seconded by Trustee Flood, and approved by roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board approval at the November 17, 2025, 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 Fort Kent, to spend up to \$700,000 to install a sprinkler system in Cyr Hall.

### **Collins Center for the Arts Replacement Chiller, UM**

The University of Maine System, acting through the University of Maine (UMaine), requests authorization to spend up to \$625,000 for the replacement of the Collins Center for the Arts (CCA) chiller that has recently failed. This request is pursuant to Board Policy 701, which requires Board approval for projects valued at \$500,000 or greater. The CCA chiller failed earlier this year. Design work and equipment have been ordered, and an estimate for equipment installation has been received. Installation for the job is

anticipated to start immediately, to be able to install the chiller before winter, and be operational for the spring of 2026. Participants attending summer and fall events have, and will, experience warmer-than-ideal temperatures.

On a motion by Trustee Cain, which was seconded by Trustee Riley, and approved by roll call vote of all Trustees present, the Finance, Facilities & Technology Committee approved the following resolution to be forwarded for Board approval at the November 17, 2025, 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, to spend up to \$625,000 to replace the failed chiller located at the Collins Center for the Arts.

### **University Capital Plan Briefing, UMaine**

The capital plan briefing emphasized alignment with strategic priorities to foster a learner-centered R1 university. With significant deferred maintenance challenges, the plan outlines a substantial investment strategy to address various facility needs and operational support.

The University of Maine's capital plan for fiscal years 2026 through 2030 is presented, outlining the roadmap to achieving the university's vision of becoming a learner-centered R1 university. The capital plan aims to align with strategic priorities and make strategic investment decisions to support a wide range of learners and maximize community impact.

The University of Maine is managing a large and complex facilities portfolio with significantly deferred maintenance and capital investment challenges. Investment in facilities has increased but still falls short of the targets necessary to halt the growth of deferred maintenance backlog. Deferred maintenance costs for the University of Maine exceed \$1.08 billion, with \$354 million in immediate needs.

It is noted that to maintain the current state, the University of Maine would need to invest \$28 million annually. A \$148 million capital investment is planned for FY 2026, with \$700 million planned over five years. Projects include the Life and Health Sciences Complex, MCEC Boardman Hall renovation, and the GEM building under the strategy to become a learner-centered R1 university. The strategic capital plan includes utility infrastructure upgrades and residence hall modernization.

By fiscal years 2027-2030, 49% of funding for ongoing projects remains undetermined.

The plan includes multiple strategies to secure necessary funding, including federal grants, philanthropic efforts, and state collaborations. Discussion emphasized the need for

the board to consider system-wide priorities given the limitations of resources and demographic challenges. Attention is drawn to the board's future agenda which includes system-wide planning discussions as a follow-up to previous retreats.

### **IT Project Update**

Chief Information Officer Robert Placid presented this update, which showcased over 200 active projects aimed at unifying and securing technology environments across the universities. Key projects include a transition to a new security model, broadening access to digital tools, and significant systems upgrades, aligning with strategic goals for operational efficiency.

The UMS-IT department is focusing on creating a more secure, unified, and modern technology environment, with over 200 active projects underway. This includes efforts to enhance cybersecurity, financial systems, and access to digital tools for teaching, learning, and operations.

One major project is the transition to Microsoft A5 Security and Identity Modernization, which aims to improve identity management and reduce risks and costs. The move to A5 will expire in summer, and a careful transition plan is in place to ensure no hiccups during implementation.

A system-wide Adobe licensing model has been launched, extending Adobe Express access to all students and staff, and enhancing collaborative tools support. UMS leadership has approved a project transitioning advancement operation to the Ascend platform, including hiring two new positions.

The eRes Life housing system implementation reached its fall milestone, integrating across all campuses. The VRTRM platform for study abroad management improved compliance and streamlined processes replacing manual efforts.

A major update to the Main Street financial system was completed, improving system security, compliance, and performance.

Questions were raised about the cost-benefit of two new positions linked to the advancement project, emphasizing the ROI expected from centralized systems. A demonstration of the Unified Catalog is requested for the next meeting in addition to regular updates.

### **Demolition Fund**

An overview of the demolition fund highlighted the success of previous initiatives and proposed new actions. A notable infusion of funds from the Chancellor's plan would



enhance future efforts to address aging infrastructure and reduce maintenance backlogs, aligning with strategic goals.

This presentation focused on the discussion and strategic plan regarding the demolition fund, including its history, funding proposal, and integration into master planning. Executive Director of Capital Planning and Project Management, Nate Harris provided an overview of the initial demolition efforts to date. Since 2019, the Board has authorized a \$3.4 million demolition initiative, with annual appropriations of \$850,000 to continue facility reduction through the fund. The initiative successfully demolished 35 structures across five universities, totaling 159,000 square feet, and eliminated \$21 million in facility needs with a \$2.5 million expenditure.

A new proposed infusion of \$6 million from the Chancellor's investment plan would raise the funds balance to over \$10 million. This aims to remove approximately 130,000 gross square feet or up to 150,000 square feet in buildings, with costs around \$63 per square foot, to address aging spaces. The annual \$850,000 state allocation will sustain the demolition efforts beyond this cycle, helping reduce deferred maintenance costs.

There is a \$18 million appropriation request to the legislature to cover the remaining backlog. Gretchen Catlin, Chief Facilities & General Services Officer, discusses the alignment of the demolition strategy with master planning efforts and Board Policy 701, which includes integrating demolition into the capital planning process. An RFP has been issued for a comprehensive system-wide master plan expected to be awarded by January 2026. The RFP will include reviews of space utilization, alignment with master plans, and potential alternative uses or sales of properties.

Trustees inquired about the disconnect between historical enrollment projection difficulties and current demolition plan projections.

The Committee Chair emphasizes the importance of a timely execution process for building re-utilization or sale to avoid delays in leveraging opportunities.

Further discussions are planned for future meetings to revisit demolition recommendations and strategize aggressive timelines for underutilized properties.

### **Strategic AI Update**

Vice Chancellor Low proudly offered an update on the system's initiatives regarding implementing AI initiatives. The Strategic AI Update introduced an ambitious roadmap for integrating AI across the educational system, focusing on enhancing access and resources while considering equitable implementation. Recommendations include a funding model and fostering community-wide engagement and discussions.

The System's AI Working Group presented a roadmap for AI integration aimed at strengthening access, affordability, and quality in higher education, promoting ethical and equitable AI use while ensuring privacy. The plan highlights the importance of local control, allowing campuses and faculty autonomy while providing system-wide resources and coordination.

To address equity, a universal access model for AI tools with a sustainable funding model through a per credit hour fee is recommended. The proposed funding model includes a per-credit-hour fee of around \$15 to \$20, with an expected major investment in licensing, support, and training.

Implementation of the AI adoption plan may begin as early as fall 2026, contingent upon further discussions regarding budget and potential impacts on financial aid. To facilitate ongoing AI integration, the formation of a permanent AI steering committee is suggested. Future actions include hosting open sessions at campuses for feedback and refining budget modeling and fee options based on committee and public discussions.

Trustees raised concerns about the costs for students and the potential for students subsidizing faculty and staff use of AI tools.

The issue of opting out of AI fee was discussed, with arguments against it due to the divide it would create between those who could afford the tools and those who could not.

Ongoing comparison with peer institutions to ensure competitiveness and the importance of providing foundational AI knowledge for graduates were emphasized.

Additional discussions involved AI use outside formal education, including security concerns related to broader system access, suggesting a balance between formal and informal usage education.

### **Strategic Plan Tracking Update**

An update was provided on the strategic plan tracking related to budget and facilities. The budget development for 2027 is underway, with an expectation that campuses will balance their budgets without system resources. The strategic plan tracking report underscored the University's fiscal resilience and strategic project execution. Innovations in carbon reduction and facility management strategies demonstrate proactive steps towards sustainability and system improvements.

For the second consecutive year, there's no need for mid-year budget adjustments, credited to improved enrollment prediction and initial work on enrollment models.

The report included references to the strategic use of facilities and the demolition initiative, which will be revisited in the future. Three carbon-reducing projects were

identified that are projected to reduce approximately 7.8 metric tons of carbon dioxide. These projects will be brought forward for board approval as they progress.

Future board meetings will include updates regarding strategic initiatives such as the demolition initiative and carbon reduction projects.

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.

Kayla Flewelling for  
Elizabeth Stickler, Clerk