UNIVERSITY OF MAINE SYSTEM
Board of Trustees
Zoom Meeting

February 11, 2026

Finance, Facilities & Technology Committee

Present: **Committee Members**: Roger Katz (Chair), David MacMahon, Trish Riley, Emily Cain, Heather Johnson, Barbara Alexander, Riley Worth & Patrick Flood **Chancellor**: Dannel Malloy **Presidents**: Joan Ferrini-Mundy, Jenifer Cushman, Joseph McDonnel, Jacqueline Edmondson, Deb Hedeen, Raymond Rice & Leigh Saufley, **System Staff**: Ryan Low, Carolyn Dorsey, Jeffrey St. John, Tracy Elliot, Robert Placido, Crawford Cleavland, Gretchen Catlin & Elizabeth Stickler **Faculty Representative:** Clyde Mitchell. **Other Participants**: Justin Swift, Jenny Boyden, Nate Harris, Jake Ward, Tiff Maiuri, Kim Tran, Steven Jenson, Del Dixon, Giovanna Guidoboni, Jacon Olsen, Megan Desjardins, Jabob Jandreau

Committee Members Absent: None

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

PUBLIC SESSION

Reimbursement Resolution, Equipment – Master Lease Agreement Financing

The University of Maine System requests Board approval of the *Resolution for Reimbursement of Project Expenditures* aggregating up to $1,500,000. Approval of this resolution will authorize the University to use future financing proceeds to reimburse eligible project expenditures incurred prior to the issuance of debt. This resolution supports financing activity conducted under the Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp (BAPCC or "the Bank"), approved by the Board on July 15, 2024.

The Lease/Purchase Agreement provides a framework for the acquisition, purchase, financing, and leasing of various equipment items pursuant to the negotiated terms with BAPCC. Each project financed under this agreement will be documented through a separate Bank Schedule specifying the project scope and corresponding financing terms. Because BAPCC requires a minimum financing amount of $200,000 per transaction, the University may aggregate multiple projects as necessary to meet this requirement. Prior to securing external financing, the University may fund project expenditures internally, with the intent to reimburse such expenditures from future financing proceeds.

Trustees did raise questions regarding the RFP process adequacy and it was confirmed that it does ensure competitive intertest rates, and that projected changes in interest rates throughout the life of the RFP process to contract awarding is taken into account when project planning .The financing terms are variable, based on benchmarks plus a spread, which acknowledges this interest rate volatility.

TEXT OF PROPOSED RESOLUTION:

On a motion by Trustee Cain, which was seconded by Trustee Flood, the Finance, Facilities and Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the March 16, 2026, Board Meeting:

> That the Board of Trustees accepts the recommendation of the Finance, Facilities, & Technology Committee and declares official intent for System reimbursement from the proceeds of tax-exempt obligations for certain capital expenditures funded by the System prior to the issuance of such tax-exempt obligations.

Series 2012 and 2015 Revenue Bond Refunding Resolution

The University of Maine System requests Board approval to refund all or a portion of the callable Series 2012 Bonds and Series 2015 Bonds, as further detailed in the accompanying resolution, with the aggregate principal amount not to exceed $35,000,000, in one or more series as determined to be beneficial based on market conditions. Such refinancing will not increase outstanding debt but rather would achieve interest savings.

The potential savings from refinancing could total approximately $700,000, depending on interest rates at the time of issuance. Approval is sought for refunding a maximum of $35 Million, which will not increase total debt issuance.

TEXT OF PROPOSED RESOLUTION:

On a motion by Trustee Cain, which was seconded by Trustee Flood, the Finance, Facilities and Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the March 16, 2026, Board Meeting:

> That the Board of Trustees accepts the recommendation of the Finance, Facilities, & Technology Committee and declares official intent for the System to issue revenue bonds in an aggregate amount not to exceed $35,000,000 to refund certain prior revenue bonds.

Energy Savings Performance Contract (ESPC), Financing, Project and Reimbursement Resolution Authorization, UMPI

In August 2024, UMPI presented a request to support planning for replacement of the Kelley Commons boilers, which was supported and forwarded to the Full Board in September 2024. Concurrently with that effort, the University continued evaluating broader campus infrastructure needs, recognizing that the Kelley Commons boiler replacement represents only one component of a larger set of aging systems requiring attention.

On December 18, 2024, UMPI, through then-CBO Betsy Sawhill-Espe, presented the broader self-funded energy concept to the FFT Committee as a project not to exceed $14,443,657, and the Committee accepted and approved that approach.

Concurrently with that effort, the University continued evaluating broader campus infrastructure needs, recognizing that the Kelley Commons boiler replacement represents only one component of a larger set of aging systems requiring attention. Based on further evaluation, UMPI is requesting that the standalone Kelley Commons boiler replacement project be withdrawn and incorporated into a broader, campus-wide energy planning effort, enabling the University to address multiple priority needs in a coordinated manner rather than proceeding with a single, isolated capital project.

The University now seeks approval to enter into a contract with NV5 and Trane, both approved UMS contractors, to implement a scaled, financed ESPC with debt service self-funded over the life of the project. The revised scope focuses on targeted, cost-effective energy conservation and infrastructure improvements across campus, including lighting, water conservation, building envelope measures, thermal destratification, kitchen ventilation controls, and select HVAC and controls upgrades, including work at Kelley Commons.

The revised ESPC is projected to cost approximately $4.065 million. UMPI will provide upfront capital of $125,000, funded through the C3 Committee to support the Library DDC controls. The remaining project costs will be financed through the UMS Master Lease Agreement with Bank of America. Debt service will be fully supported by the project's guaranteed energy savings, allowing the improvements to be implemented without increasing the University's net operating costs.

This resolution is to approve the use of tax-exempt financing, which UMPI will repay using savings generated from the above identified conservation measures and avoided maintenance costs which Trane has estimated to average $348,000 annually over 20 years. Actual savings will depend on avoided energy consumption, market/contract rates for water and utilities, and avoided maintenance.

Trustees suggested the establishment of formal communication methods for when Board approved investments are not implemented and to inform the FFT Committee about what happened and the recourse action of those failures. It was noted that there have been past instances where motions and approvals were not implemented and that the reasoning was noted interdepartmentally, and usually for reasons that would benefit the system and to avoid contract or project failure, and to avoid the cost estimates ultimately exceeding the financial guidelines set forth by the committee and Board. Vice Chancellor Low agreed that a more formal process would occur moving forward.

TEXT OF PROPOSED RESOLUTION:

On a motion by Trustee Cain, which was seconded by Trustee Flood, the Finance, Facilities and Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the March 16, 2026, Board Meeting:

> That the Board of Trustees accepts the recommendation of the Finance, Facilities, and Technology Committee, and approves the Financing, ESPC, Project and Reimbursement of Project Expenditures resolutions to authorize the University of Maine System, acting through the University of Maine at Presque Isle, to fund an ESPC project implementing energy conservation and infrastructure improvements across campus, including lighting, water conservation, building envelope measures, thermal destratification, kitchen ventilation controls, and HVAC and controls upgrades with a project total of up to $4,065,000, using financing with a maximum principal amount of debt of $4,070,000.

Level-3 Direct Current Fast Chargers Land Lease Authorization, UMPI & UMFK

The University of Maine System, acting through the University of Maine Presque Isle (UMPI) and the University of Maine Fort Kent (UMFK), seeks authorization to negotiate and enter into a new lease agreement with eCamion, USA (or its designee) for two small areas of university property, one at UMPI and one at UMFK, for the installation of level-3 Direct Current Fast Chargers (level-3 DCFC).

Jule was selected through the State of Maine Efficiency Maine Trust's Rural EV Chargers initiative to install two Level 3 DC fast charging (DCFC) units at the University of Maine at Fort Kent (UMFK) and the University of Maine at Presque Isle (UMPI) campuses. The proposed configuration includes a 220 kWh Jule Hub battery energy storage system (BESS/ESS) to manage load and support fast charging where grid capacity may be constrained, paired with two 200 kW Jule Point DCFC chargers that allow two vehicles to charge simultaneously.

The UMPI installation is anticipated to be located near the Campus Center, repurposing a small, underutilized area to put campus space to higher value use The UMFK installation is anticipated to be located adjacent to the Veterans Square parking lot. Both locations will provide convenient, highly visible access for campus users and visitors passing through, increasing opportunities for community connection and engagement while expanding access to fast charging in Northern Maine.

UMPI & UMFK anticipate the leases to be for a total of up to possibly sixteen (16) years. Pending negotiations, the initial term will be for six (6) years with two (2) 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.

Trustees discussed the lease revenue and the operation timelines and noted that installation is likely to be completed by the early summer (aiming for June 1 deadline) and how that would align with EV use in the area. Early indicators note that the revenue from these stations is typically 9K annually per institution.

TEXT OF PROPOSED RESOLUTION:

On a motion by Trustee Cain, which was seconded by Trustee Flood, the Finance, Facilities and Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the March 16, 2026, 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 Presque Isle and the University of Maine Fort Kent, to negotiate and enter into a new lease agreement with eCamion USA (or its designee) for two small areas of university property, one at UMPI and one at UMFK, for the installation of level-3 direct current fast chargers for a total of up to sixteen years with all final terms and conditions subject to review and approval of the University of Maine System Treasurer and General Counsel.

Environmental Science Lab Building Renovation, UM

The University of Maine System, acting through the University of Maine (UMaine), requests authorization to expend up to $550,000 for the design and renovation of the ESL building for the future location of the Franco-American Centre.

The Environmental Science Lab building is a 7,175 square foot 4-story facility that used to be the main house for the poultry barn once located on the south end of campus. The

poultry barn was removed several decades ago and has been used for multiple small research functions, most recently the home to the Spruce Budworm Lab.

The reinvestment to ESL will optimize the facility for the Franco-American Centre programming and is a continuation of the North Campus Infrastructure Improvements most recently approved at the January 26, 2026, Board of Trustees meeting.

Renovations of the building include providing a new and ADA accessible entrance and bathroom facility, and a new kitchen. Through the design process, the University and selected engineering firm will work with the Franco-American Centre to determine the layout of the building regarding offices, library, and archives. The facility will meet the programming needs for both education and community engagement.

According to the FY24 Gordian report, the Environmental Science Lab building has a replacement value of approximately $2.38 million with a total need of approximately $376.6k resulting in a net asset value (NAV) of approximately 84%.

Initial renderings are available (see Appendix A), however, final design and configuration will be determined during the design process with a third-party engineering firm, Facilities Management, and the Franco-American Centre.

TEXT OF PROPOSED RESOLUTION:

On a motion by Trustee Cain, which was seconded by Trustee Flood, the Finance, Facilities and Technology Committee approved the following resolution to be forwarded for Board of Trustee approval at the March 16, 2026, 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 expend up to $550,000 for the renovations to the Environmental Science Lab building as the future home of the Franco-American Centre.

University of Maine Energy Center (UMEC)

The University of Maine (UMaine), provides this item for informational purposes to update the Board of Trustees on the status of the University of Maine Energy Center (UMEC) project, including project history, scope development, and a preliminary financing framework. No Board action is requested at this time. The University anticipates returning to the Finance, Facilities, and Technology committee at a future meeting with a formal request for reimbursement, project and financing approval.

The Board of Trustees initially approved the engineering design for UMEC in March 2019 with a budget of up to $5.7 million, which was later increased to $8.7 million in January 2024. In January 2021, the Board also approved a financing and reimbursement resolution authorizing the use of bond proceeds to reimburse eligible UMEC project expenditures incurred prior to bond issuance. That action preserved financing flexibility but did not obligate the System to proceed with construction.

Since that time, design efforts were extended beyond the originally anticipated timeline to further refine the engineering design, project scope, and cost assumptions. This work enabled Honeywell and the University to develop a more complete and realistic project definition and to arrive at a current projected total project budget of approximately $110 million, reflecting alignment with the University's operational objectives and long-term financial capacity.

For planning purposes, the University has developed a preliminary financing approach that would contemplate the future issuance of Revenue Bonds, with debt service funded by UMaine Education & General and C3 funds. Under this preliminary framework, a revenue bond issuance would not exceed $104 million, allowing for capitalized interest, reserves, costs of issuance, and potential market variability.

Trustees did express concern about the claims regarding renewable natural gas, questioning its availability and cost-effectiveness, highlighting the need for accurate presentation when presenting this project and similar ones in the future. The primary fuel for this project is intended to be liquid biofuel, with renewable natural gas or regular natural gas as a backup based on availability and pricing. Jenny Boyden noted that, currently, 85% of the campus is heated by the current steam plant and indicated the critical nature of the UMEC project for the university. The project is ready to proceed with the current engagement from the vendor Honeywell, with the thought that going out to bid for a new provider could delay the project by 18 months. The typical timeline of this project is estimated to be 18-24 months, with potential commencement as soon as the following summer if current plans proceed.

IT Update

The IT Department is pleased to announce the completion of its executive leadership team with the appointment of Del Dixon as Associate CIO. This full leadership team is now driving strategic modernization across four key pillars of the System's technology infrastructure:

Infrastructure & Foundational Layers (Del Dixon, Associate CIO): Efforts are focused on a comprehensive modernization of disaster recovery and business continuity capabilities. Current projects include critical network security improvements, virtual server migrations, and the management of statewide network and storage assets to ensure system-wide resilience.

Campus Technology Services (Kim Tran, Associate CIO): Initiatives focus on improving the "digital front door" to enhance transparency and accessibility. Operational updates include the rollout of softphone solutions for faculty flexibility and a data-driven classroom refresh program designed to modernize equipment while maintaining cost containment.

Information Security (Steven Jensen, CISO): The security posture is shifting from reactive risk management to proactive strategy. Key focus areas include strengthening email security, reducing hidden data exposure paths, and implementing robust identity verification practices to mitigate enrollment and financial aid fraud.

Enterprise Services (Tiff Maiuri, Associate CIO): Priority is being given to enterprise software initiatives to optimize the "constituent lifecycle" through ERP and CRM improvements, such as, migrating procurement to the Boomi platform for cost efficiency, and managing ERP updates related to payroll and finance improvements.
The alignment of these four leaders ensures that the University of Maine System balances foundational stability with the innovation necessary to support its academic and operational mission.

Trustees noted that there is interest in addressing the previously discussed TouchNet challenges to improve the student payment experience. An update on the gift processing software was also requested, noting that there had been no recent updates, as well as a future detailed update on the Unified Catalog system and student utilizations. Robert Placido noted these requests and will be scheduling updates in the coming meetings.

Ferland Engineering Education and Design Center Presentation

Nate Harris, Executive Director of Capital Planning, led the presentation supported by Giovanna Guidoboni, UMaine Vice President for Research and Jacob Olsen, Senior Director for Capital Planning & Project Management.

Jacob Olsen reported on the project's timeline, starting with an initial $1 Million investment in 2017, followed by an $8 Million approval in 2018 for design and relocation, and a $72 Million approval in 2020 for construction, equipment, and furniture. Construction of the center was completed in August 2022, on schedule and within budget, despite global challenges during 2020-2022.

The center serves as the home for mechanical and biomedical engineering, witnessing an 18% increase in mechanical engineering enrollment from Fall 2022 to Fall 2025. The project led to significant program enhancements, including curriculum changes to include more hands-on-learning experiences in the student project design suite.

The building influenced educational outreach with 163 classroom visits from K-12 schools and over 200 teachers involved in STEM outreach since opening. Giovanna Guidoboni and Jacob Olsen offered to answer questions, highlighting the ongoing impact the engineering center on education and community outreach. Giovanna Guidoboni further discussed Biomedical Engineering in the center, and its focuses on healthcare innovations, including reducing drug costs with bio-based materials and enhancing imaging accuracy for diseases. Biomedical Engineering students and faculty have developed innovative tools for emergency situations, highlighting significant contributions to real-world applications. Dr. Guidoboni emphasized collaborative efforts with various system campuses to enhance engineering education across the state.

Vice Chancellor Low rounded out the conversation by acknowledging the critical support from government and legislature in the project's success, noting its impact on timely construction and building.

FY27-FY31 Capital Plan

Executive Director of Capital Planning and Project Management, Nate Harris, presented the FY27-31 Capital Plan, emphasizing it as a plan and roadmap for the university's capital investments over the next five years. It will serve as an informational item until projects mature and meet thresholds for committee and board approvals.

The capital plan will focus on facility conditions and enrollment, using Gordian's net asset and value for strategic investment considerations. The capital plan totals $1.18 billion for over 300 projects with $175 million for FY27. 62% of those funds remain to be determined. The reshuffle of projects has lowered FY27 projections by $103 million due to funding rephases, with no projects removed.

Trustees began discussion concerning the need for adjustments in governance mechanisms to consider projects reflecting increased costs and inflation. Trustees questioned the planning for residence hall usage in relation to decreasing enrollment and alternative learning methods. Chair Katz responded that the upcoming master planning should address this, including occupancy rates and future projections.

Discussion then turned to low demolition expenditure in capital budget, emphasizing the need for more funding. VC Low highlighted previous efforts on demolition funding and unsuccessful $18 million budget request to the governor's budget. Trustees raised concerns about new building proposals being insufficient without addressing usage and demolition.

Trustees did note that some former residence halls on campuses have been repurposed for academic and other uses instead of demolishing them and noted the need to optimize building use.

Trustees did remind the committee of the importance of aligning capital investments to strategic goals and support enhanced occupancy and utilization studies for informed capital planning decisions. VC Low explained past developments in capital planning processes, highlighting the need for systematic project proposal and budgeting. Trustees suggested a deeper analysis of residence hall usage, maintenance costs, and broader system impact.

Gretchen Caitlin reassured the committee that master planning efforts will provide and have provided extensive university reviews and projections for each campus.

Strategic Plan Tracking Update

Vice Chancellor Low and Gretchen Catlin, Chief Facilities and General Services Officer provided the Finance, Facilities, and Technology Committee with a brief update on the Strategic Plan Tracking process.

The update highlighted how recent discussions align with the strategic plan, particularly concerning financial sustainability, strategic stewardship of facilities, capital assets, space utilization, and long-term affordability. Specific projects included UMPI's ESPC project, the UMaine energy project and the RFP for master planning efforts.

Recognition was given to the facility teams for their dedication in maintaining safe and operational facilities during snowstorms as Maine has recently been impacted a great deal by the winter weather.

Institutions are finalizing initial drafts of their 2027 budgets, with budget presentations scheduled for March 25th at 9 a.m. A work session on the budget is scheduled for April 15th, with the final FY27 budget expected to be presented at the May Board Meeting.

EXECUTIVE SESSION

On a motion by Trustee Alexander, which was seconded by Trustee Johnson, 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-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 UMS.

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

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