

11-15-1987

Board of Trustees Physical Plant Committee November 15, 1987

University Of Maine System

Follow this and additional works at: <https://digitalcommons.library.umaine.edu/bot-corp-records>

 Part of the [Educational Administration and Supervision Commons](#)

Repository Citation

University Of Maine System. (date).Board of Trustees [Meeting minutes]. Raymond H. Fogler Library Special Collections Department, University of Maine, Orono, Maine.

This Minutes is brought to you for free and open access by DigitalCommons@UMaine. It has been accepted for inclusion in Corporate Records by an authorized administrator of DigitalCommons@UMaine. For more information, please contact um.library.technical.services@maine.edu.

UNIVERSITY OF MAINE SYSTEM
Board of Trustees

University of Maine at Machias
November 15, 1987

Physical Plant Committee

PRESENT: Chairman Richard Marshall, David Flanagan, Robert Foster, Thomas Monaghan and Professor John Zaner. Other Trustees: Patricia Collins, Richard Morin and James Storer. Staff: Chancellor Robert Woodbury, William Sullivan, Richard Eustis, Richard Bowers, Russell Smith, George Connick, Barbara Leondar, James Roach, Frederic Reynolds, Patricia Plante and Dale Lick. Press and Public.

Chairman Richard Marshall convened the meeting. Chancellor Robert Woodbury introduced the staff's presentation on the capital plan which plan has been in progress for more than two months. He reported that the overall list of projects totaled some \$200M at the outset, reflecting the backlog of capital needs which have been accumulating for many years. The Chancellor said that all priorities have been reviewed again since the Committee's last meeting. He had met with each President individually and then with the entire Presidents Council, to bring together what the administrative leadership believes are the highest capital priorities for the System.

Vice Chancellor for Administration William Sullivan presented the detailed capital plan. As background, he took note of the age and condition of existing facilities, changing program needs and enrollment growth, and also of the dearth of new construction for the System in the two decades since the merger. Included in the plan were projects to meet urgent needs in the academic area; in student life; for support structures such as offices, utilities and telephone systems; and for compliance with mandates for safety and health, e.g., asbestos abatement and fire protection. The proposed financing used both public funding and, where appropriate, private monies including fee revenues. The plan proposed a capital request to the State in the amount of \$50M in public funding and incorporated an additional \$7.275M which would be sought from private sources. Included with the staff recommendation were illustrations of alternative capital project packages that, added to or subtracted from the \$50M recommendation, could provide for \$60M, \$70M, or \$40M packages, along with an illustration of the \$40M package divided into two phases. All of these illustrations were options which had been considered by the Committee in preliminary discussion at its prior meetings. Also included in the materials were a summary list of projects, by Campus; impact statements, details of the safety, health and exterior projects, and estimates for increased operating expenses for the proposed new facilities. There was extensive discussion of the plan, the staff recommendation, and the other options illustrated in the materials and primary questions and comments are summarized below.

- The Chancellor acknowledged that some important projects had to be omitted from the \$50M option which made it a difficult choice, but the \$60M option was even more a question of political feasibility. Given the \$50M option, the expectation would be no further capital requests for four years.
- It would take about 4 years to expend the funds and some phasing of projects would be necessary, although dividing the request into two separate bond issues would create problems.

- Trustee Flanagan said it would be helpful in attracting legislative support to have the projects in the request broken down explicitly in terms of criteria developed earlier for evaluation of capital needs, i.e., addressing health and safety mandates; compliance with governmental statutes or regulations; requirements of academic missions; enhancement of student life, among others.
- Concerning allowance for inflation, cost estimates for the projects are based on 1988 dollars and the projects should be under contract within two years. Projections are for complete projects in every case; that is, no additional features were left to be dealt with later even though the size of some proposed projects had to be reduced.
- The staff recommendation actually totalled \$57.2M, including the projects slated for private funding. The Chancellor indicated that items were selected for the private funding list where the nature of the project made a combined funding mechanism feasible, and then only if the project was deemed likely to attract private support. He noted that the private funds would, in some cases, actually be fee revenues. In the event that fund-raising did not generate sufficient monies, some projects would be reduced, others would have to be eliminated.
- If the capital request is not approved or the bond issue fails to pass, the mandated items would have to be taken care of one way or another. Replacement of underground fuel tanks, for instance, is now required by law and the oil tanks at Fort Kent must be replaced immediately since they are located in a sensitive geological area. Tanks at other campuses also must be replaced in a timely manner.
- The operational details for a combined funding mechanism would be worked out with the Legislature, probably through matching funds or challenge grants where the money would be available to the University for a certain length of time, which would allow for private funds to be raised.

Following discussion of the specific components of the plan, the Committee considered what recommendation should be presented to the full Board in terms of the size of the capital request.

The Committee reviewed the staff recommendation and the several other options illustrated in the materials, and discussed the pros and cons of submitting a smaller package on a biennial basis versus a larger request on a less frequent schedule. After extensive discussion, Mr. Foster moved that the Committee support the \$60M option with the intent to submit no further capital request for four years, and the motion was seconded. During further discussion, reservations were expressed about the four-year specification being included in the motion and with the concurrence of the seconder, Mr. Foster withdrew it with the understanding that the provision could remain as a discussion factor with the Legislature. After further deliberation, it was voted to recommend Board approval of the \$60M capital plan, with Mr. Marshall, Mr. Foster, Mr. Monaghan and Mr. Morin supporting the motion. Mr. Flanagan said he would support a \$50M plan. The Committee's recommendation was referred to the full Board for disposition.

Adjournment.

JoAnne R. Magill
Clerk