

UNIVERSITY OF MAINE SYSTEM  
Board of Trustees Meeting

at the University of Maine System  
Conference Call

September 13, 2018

**Finance/Facilities/Technology Committee**

**Present: Committee Members:** Karl Turner, Chair, Norman Fournier, James Donnelly, Sam Collins, Mark Gardner, Gregory Johnson, and James Erwin. **Other Non-Voting Trustees:** Trevor Hustus. **Chancellor:** James Page. **Presidents:** Rebecca Wyke. **System Staff:** Chip Gavin, Ryan Low, Ellen Doughty, and James Thelen. **Other Participants:** Tim Brokaw and Jon Henry.

**Committee Members Absent:** Kelly Martin and David MacMahon.

Trustee Turner, Chair, called the meeting to order and welcomed everyone.

**Short-Term Housing, UMA.** UMA President Rebecca Wyke provided the Committee with information pertaining to the UMA Short-Term Housing request. The University of Maine at Augusta (UMA) is requesting approval to enter a lease for a 38-bed student housing facility located at 2 Coos Lane, Hallowell, Maine. The lease costs are to be paid by UMA from student housing fees from residents of the facility and from tuition revenue associated with increases in credit hours resulting from the availability of the facility. This request is pursuant to Board of Trustee Policy 801, which requires Trustee approval for any real property lease of more than five years' duration and \$100,000 in value. The proposed lease would have a cost of approximately \$1.5 million over the first five years.

This effort is consistent with the priority outcomes set forth by the Board of Trustees to increase enrollment and improve student success and completion. In particular, the lease provides student residential housing for UMA's Augusta campus and is intended to support enrollment growth in key academic programs including Aviation, Architecture, Music and Nursing.

This student housing proposal is the result of a public, competitive solicitation (RFP2018-81) which was advertised by the University on May 24, 2018, and to which multiple responses were received. An award to Mastway Development, LLC, contingent on Trustee approval and other considerations, was issued on August 10, 2018. The proposed lease would have an initial lease term of 5 years and would have a maximum estimated cost of approximately of \$1.5 million over that period. The initial term of the lease would commence on August 1, 2019. A security deposit of \$25,650 is also due upon execution of the lease. In addition to the lease commitment, UMA will also invest approximately \$25,000 to furnish two common rooms and a small fitness area. If UMA chooses to terminate the lease before 5 years, it would be responsible to pay a termination fee as follows: after year 1, \$220,000; after year 2, \$165,000; after year 3, \$110,000; and, after year 4, \$55,000.

UMS Chief General Services Officer Mr. Chip Gavin reported that although a protest was received in this matter from a non-selected bidder, UMA's determination was upheld. Now that the allotted appeal period has passed and no appeal of the protest determination was received by UMA, they can move forward with their short-term housing request to the Board of Trustees.

On a motion by Trustee Fournier, which was seconded by Trustee Donnelly, the Finance, Facilities and Technology Committee agreed to forward this item to the Consent Agenda at the September 16-17, 2018 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the recommendation of the Finance, Facilities and Technology Committee to authorize the University of Maine System acting through the University of Maine at Augusta to enter a lease for student residential space with Mastway Development, LLC or its successor organization for an initial 5-year period, an initial cost of approximately \$1.5 million and with optional renewals for a maximum term of 15 years and cost of up to \$5.3 million, subject to review and approval of the final terms and conditions by the University of Maine System General Counsel and Treasurer.

Additional information about the meeting can be found on the Board of Trustees website:  
<http://staticweb.maine.edu/wp-content/uploads/2018/09/fft-mtg-materials-rev-091218.pdf?0d0f03>

Adjournment.

Heather A. Massey for  
Ellen N. Doughty, Clerk