COLLEGE OF MICRONESIA-FSM

VICE PRESIDENT FOR INNOVATION AND SUSTAINABILITY (VPIS)

MANAGEMENT REPORT
FACILITIES, MAINTENANCE, TRANSPORTATION & OPERATIONS DIVISION

REPORTING PERIOD SEPTEMBER TO OCTOBER 2026

Purpose

This report updates the Board of Regents on the condition of College facilities and infrastructure, maintenance and transportation operations, and support provided across campuses during September and October 2026. It highlights major accomplishments, risks to safety and continuity of operations, and the financial implications of priority repairs and improvements.

1. EXECUTIVE SUMMARY

National Campus power and water service stabilized during the reporting period, with seven outages reported in September and none in October. This allowed the Maintenance Office to begin restoring preventive maintenance, starting with classroom buildings. Renovation of the former Admissions Office was completed to prepare for the Business Office relocation. Shuttle Bus No. 5 requires an engine repair, which is planned for the December break to limit disruption to student transportation.

The most immediate financial concern is a projected FY2027 utilities shortfall of up to $120,000. Projected Facilities Operation and Maintenance Fee collections of approximately $500,000 may supplement eligible utility and maintenance costs under Board Policy No. 7001, subject to available funds and College procedures. Funding for campus infrastructure projects remains uncertain. The FSM Project Management Unit identified the National Campus water storage and distribution improvements as a possible candidate for FY2027 Compact funding.

Immediate priorities are to review the utilities allocation, recruit a certified electrician to address fire alarm and electrical deficiencies, and confirm the scope and funding of priority campus repairs.

2. OPERATIONAL HIGHLIGHTS & ACCOMPLISHMENTS

Infrastructure projects. On October 30, the College met with the FSM Project Management Unit (PMU) to review the status of its infrastructure and maintenance projects. PMU advised that competing infrastructure commitments, including the FSM Google cable project, have limited the Compact funding available for College projects. Improvements to the National Campus water storage and distribution system may be the College's only project considered for FY2027 Compact funding. The Infrastructure Maintenance Fund projects at Kosrae, CTEC, and the Yap Campus Administration Building remain in the bidding and procurement process.

Maintenance and continuity of operations. As power and water service stabilized, the Maintenance Office began restoring preventive maintenance, starting with classroom buildings. During the outages, staff operated and serviced standby generators and delivered water to campus restrooms, helping keep facilities open and basic services available.

Utilities and facilities funding. The Maintenance Office projects a FY2027 utilities budget shortfall of up to $120,000 due to rising costs and a lower allocation. Projected Facilities Operation and Maintenance Fee collections of approximately $500,000 may supplement eligible utility costs, maintenance, and minor capital repairs and renovations under Board Policy No. 7001. The use of these funds depends on actual collections, project eligibility, and the President's allocation of fee revenue under Administrative Procedure No. 7001.

Staffing. The Maintenance Office submitted personnel requisitions for nine positions. Special contract staff currently cover seven positions, and two remain vacant.

3. FACILITIES & INFRASTRUCTURE STATUS

Facilities condition assessment. The Maintenance Office developed a standard assessment form to help campuses document facility conditions and prioritize repairs. Campus deans are reviewing the assessments to verify the findings. The annual assessments will guide updates to the College's five-year repair and renovation plan.

National Campus water system. The FSM Project Management Unit (PMU) identified improvements to the National Campus water storage tank and distribution system as a potential candidate for FY2027 Compact infrastructure funding. Funding for this project and other College infrastructure priorities remains unconfirmed.

Kosrae Campus Administration Building. The Maintenance Office and PMU are reviewing whether the floor rehabilitation can be completed in phases. Any revised scope must meet applicable procurement and bonding requirements. If the College proceeds with a phased approach, it will need to identify funding for any deferred repairs it determines are necessary.

Funding for priority repairs. The College projects approximately $500,000 in FY2027 Facilities Operation and Maintenance Fee collections. These funds could help resume eligible work in the five-year plan, subject to actual collections and allocation under Administrative Procedure No. 7001. Board Policy No. 7001 permits the Fund to support eligible maintenance and minor capital repairs and renovations. Use of the Fund for major capital construction requires specific Board approval.

4. STATE CAMPUS MAINTENANCE OVERSIGHT

Priority campus repairs. The Maintenance Office will coordinate with campus leadership to advance repairs at the Kosrae, Yap, and CTEC administration buildings, CTEC classrooms 1–4, and the Chuuk Campus Dean's Office. The goal is to carry out the work by the end of FY2027, subject to funding and procurement requirements. Any proposed use of the Facilities Operation and Maintenance Fund will be reviewed for eligibility under Board Policy No. 7001.

FMI electrical system upgrades. The FMI Campus Dean and Maintenance Team are working with a Yap Public Works electrical engineer to prepare a proposal for Phase II of the electrical system upgrade. Given

the anticipated cost, the Maintenance Office recommends that the Senior Leadership Team review the proposal and determine whether the project should proceed.

5. WORK ORDER & MAINTENANCE

Business Office relocation. The Maintenance Office completed renovations to the former Admissions Office. The ground-floor location will improve access to Business Office services for the campus community and the public once the office relocates.

Preventive maintenance. The Maintenance Office resumed preventive inspections and repairs, beginning with classroom buildings to help keep instructional spaces in service.

Gymnasium lighting. The Maintenance Office replaced defective lights over the competition court.

Dining Hall sanitation. In response to a recommendation from the Pohnpei Environmental Protection Agency, the Maintenance Office increased the frequency of grease trap cleaning from monthly to weekly.

6. WATER UTILITIES AND ENGERGY MANAGEMENT

National Campus service reliability. Following a period of daily power and water disruptions, the Maintenance Office reported seven outages in September and none in October.

Electricity rates and costs. The electricity rate rose from $0.41 per kilowatt-hour in April 2026 to $0.55 in July, an increase of approximately 34%. The Maintenance Office reported that monthly electricity bills increased by approximately $10,000. The rate increase adds pressure to the FY2027 utilities budget.

Standby generator maintenance. The Maintenance Office reported progress on generator maintenance across the College. The Chuuk Campus generator remains an outstanding maintenance concern. The attached progress checklist provides details by campus.

7. LAND TRANSPORTATION OPERATIONS

Shuttle service. Shuttle Bus No. 5 has an engine oil leak at the main crankshaft seal. The repair is expected to take the bus out of service for at least one week. The Maintenance Office plans to carry out the repair during the December break to minimize disruption to student shuttle service.

Vehicle and equipment maintenance. The Maintenance Office is reinstating its preventive maintenance program for vehicles and equipment. The program was paused while staff responded to power outages and prioritized standby generator operations.



8. SEA & BOAT OPERATIONS

Snapper. The Maintenance Office hauled the vessel out of the water to remove algae and barnacles from the hull. After cleaning, staff traced a malfunction in the No. 1 engine's tilt and trim system to a failed motor. The motor was replaced on November 3, 2026, restoring normal operation of the system.



SNAPPER ENGINE #1 TILT/TRIM MOTOR REPLACEMENT



SNAPPER BOTTOM CLEANED AND SCRUBBED

9. STAFFING & OPERATIONAL CAPACITY

Air conditioning and electrical staffing. Two resignations reduced staffing in the Air Conditioning and Electrical Section, including the departure of an employee with more than 20 years of service.

Maintenance staff transfer. The President endorsed the transfer of a maintenance employee from Chuuk Campus to National Campus to support facility repairs and renovations across the College. The Maintenance Office is coordinating with Human Resources to implement the transfer.

Recruitment. The Maintenance Office submitted personnel requisitions for nine positions. Special contract staff currently cover seven of those positions, and two remain vacant.

10. RISKS, SAFETY & COMPLIANCE ISSUES

Fire alarm and electrical systems. Deficiencies in fire alarm and electrical systems require prompt attention. Recruiting a certified electrician is an immediate priority to address outstanding repairs and support ongoing inspection and maintenance.

Staffing and coverage. The Maintenance Office recommends prioritizing recruitment for ongoing positions currently covered by special contract staff. It also recommends working with Human Resources to review whether employees' assigned duties match their job descriptions, update position descriptions or classifications where warranted, and verify workers' compensation and life insurance coverage for the duties employees perform.

11. FINANCIAL & RESOURCE ANALYSIS

The Facilities and Maintenance operating budget decreased by **$47,366 (4.2%)**, from $1.12 million in FY2026 to $1.07 million in FY2027. Salaries and benefits increased due to step increases and other adjustments, while allocations for utilities, fuel, and other expenses declined.

Budget category	FY2026 budget	FY2027 budget	Dollar change	Percent change
Salaries and benefits	$375,419	$475,054	+$99,635	+26.5%
Utilities	$373,500	$289,235	−$84,265	−22.6%
Fuel	$100,000	$80,000	−$20,000	−20.0%
Other expenses, including fixed assets	$272,736	$230,000	−$42,736	−15.7%
Total	**$1,121,655**	**$1,074,289**	**−$47,366**	**−4.2%**

Utilities. The FY2027 utilities allocation fell by $84,265 while the Maintenance Office reported that monthly electricity bills had risen by approximately $10,000. The Office projects a potential utilities shortfall of up to $120,000 by fiscal year-end. Management should review actual bills and consumption against the FY2027 allocation to refine the forecast.

Building repairs and maintenance. The reduction in other expenses reflects a lower allocation for building repairs and maintenance. Under Board Policy No. 7001, the Facilities Operation and Maintenance Fund may supplement eligible utility costs and facility repairs, subject to available funds and the President's allocation of fee revenue under Administrative Procedure No. 7001.

12. STRATEGIC RECOMMENDATIONS

Review the FY2027 utilities allocation. The Director of Facilities and Maintenance should work with the Comptroller to update the projected shortfall of up to $120,000 using actual bills, consumption, and current rates. If the shortfall is confirmed, they should assess whether the Facilities Operation and Maintenance Fund can cover eligible utility costs under Board Policy No. 7001 while preserving funding for priority maintenance. Any proposed allocation should be submitted to the President in accordance with Administrative Procedure No. 7001.

Prioritize infrastructure projects and identify funding. The May 19, 2026 memorandum from the FSM Secretary of Transportation, Communications and Infrastructure to the FSM President identifies $2 million annually in Compact infrastructure funding for National Government projects. Given the competition for those funds, the Director of Facilities and Maintenance should work with the FSM Project Management Unit to confirm which College projects are eligible for consideration and identify other funding sources for priority work. The annual facilities condition assessments should guide project sequencing, with priority given to safety and continuity of operations.

Fill critical maintenance positions. The Director of Facilities and Maintenance should work with Human Resources to prioritize recruiting a certified electrician and filling ongoing positions currently covered by special contract staff. Human Resources should also review assigned duties against position descriptions and confirm applicable workers' compensation and insurance coverage.

13. UPCOMING PRIORITIES

The Director of Facilities and Maintenance will lead the following work during the next reporting period:

- **Campus administration buildings.** Work with the FSM Project Management Unit to advance floor rehabilitation at Kosrae Campus, Yap Campus, and CTEC, subject to funding and procurement requirements.
- **Project scopes and estimates.** Prepare scopes of work and cost estimates for the Chuuk Campus Dean's Office renovation and repairs to CTEC classrooms 1–4.
- **Deferred maintenance and generator repairs.** Identify funding for priority deferred maintenance and outstanding generator repairs.
- **Shuttle service.** Identify funding to repair out-of-service shuttle buses and schedule repairs to minimize disruption to student transportation.
- **Staffing.** Work with Human Resources to fill vacancies and recruit for ongoing positions currently covered by special contract staff, with priority given to the certified electrician position.
- **FMI electrical system.** Complete the Phase II proposal with the FMI Campus Dean and submit it to the Senior Leadership Team for review. Implementation depends on approval and funding.