



MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
Executive Action Summary

Budget & Finance - Attachment 3

Committee Name Budget & Finance

Date September 11, 2026

Agenda Item: PROCEED – Construct New Transportation Services Building

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Information

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Review

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Action

Resolution:

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby authorizes the Administration to proceed with the project titled “Construct New Transportation Services Building” with a total project budget of \$24,264,000.

Recommendation:

The Trustee Committee on Budget & Finance recommends that the Board of Trustees authorize the Administration to proceed with the construction of a new Transportation Services Building and the associated demolition of the RHS Services and University Services buildings. The project will provide a permanent home for Transportation Services operations and support implementation of the Spartan Stadium Modernization project.

Prior Action by BOT:

The Board authorized planning for this project on October 31, 2025.

Responsible Officers:

Kenneth McFarlane, Associate Vice President for Strategic Infrastructure Planning and Facilities

Mike Zeig, Acting Executive Vice President for Administration

Summary:

The project will construct a new Transportation Services Building within the campus service district, providing a permanent location for Transportation Services’ administrative, maintenance, and garage operations. The facility will replace functions previously housed in the Central Services Building and those currently operating from Spartan Stadium’s east concourse.

Construction of the new facility requires demolition of the RHS Services Building (153 Service Road, constructed in 1962) and the University Services Building (169 Service Road, constructed in 1969). The project advances MSU's *Vision 2050: Integrated Facilities and Land Use Plan* by relocating service operations from the athletics district to the campus service district and freeing space needed for the potential Spartan Stadium Modernization project. Demolition is planned to begin September 2026.

Background Information:

In December 2024, the Board of Trustees approved three actions for improvements at the Spartan Stadium. As part of that effort, the Central Services Building located in the stadium's east parking lot was demolished, displacing Transportation Services' administrative operations.

The proposed Transportation Services Building will provide a permanent replacement facility and allow remaining Transportation Service functions to be relocated from Spartan Stadium's east concourse. Upon completion, all Transportation Services operations will be consolidated within the new facility.

Source of Funds:

\$23,000,000 of the project budget will be funded through long-term debt and repaid from Transportation Services revenues. \$1,200,000 of the budget will be funded by capital renewal funds for the replacement of adjacent water main and storm drains.

Resource Impact:

The project will eliminate approximately \$4 million in deferred capital renewal liabilities (\$2 million RHS and \$2 million General Fund), consolidate Transportation Services operations into a modern, purpose-built facility, and improve safety, operational efficiency, service delivery, and customer experience. The project will also support long-term campus land-use objectives and create flexibility to accommodate future campus development priorities, including the potential Spartan Stadium Modernization project, if approved by the Board.

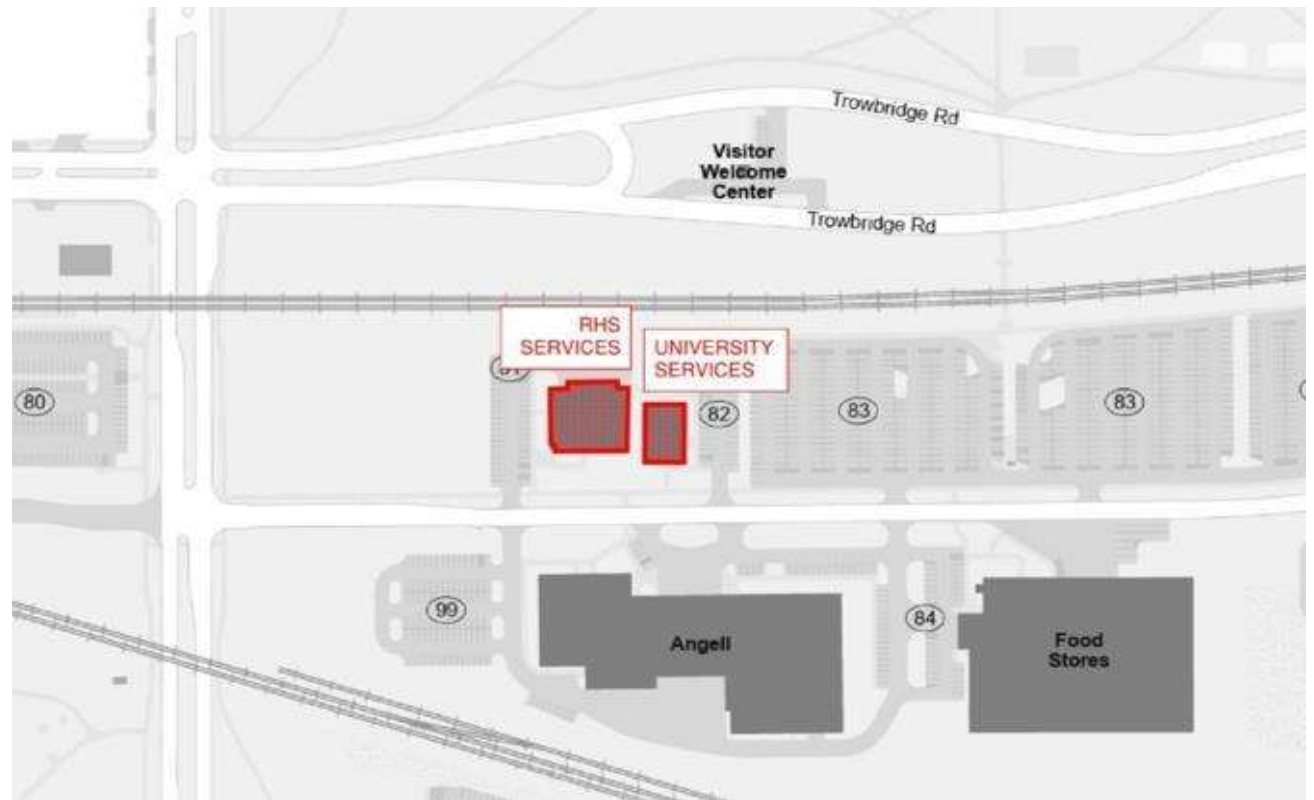
PROCEED

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