

Two-Year Projection of Cash Need -- August 13, 2012

Colorado School of Mines

MOTION: Approve the Colorado School of Mines Two-Year Projection of Cash Need.

Project Name	LEED Certification	Amount	Fund Source
Elm Street Residence and Dining Hall 2013-087 Two-Year Projection of Cash Need - New	N/A	\$31,000,011	CF
<p>The project constructs an 87,000-GSF student residence and dining hall. The 500-seat dining hall replaces an existing, functionally obsolete dining facility. The attached 200-bed residence hall will provide additional on-campus housing for freshman and sophomore students.</p> <p>The source of cash funds is revenue bonds to be repaid from housing and dining fees generated by the new facility.</p> <p>Higher Education Revenue Bond Intercept Program. This project is subject to the Higher Education Revenue Bond Intercept Program, which directs the Treasurer to make payments of principal and/or interest on bonds, on behalf of a state-supported institution of higher education, in the event a higher education institution does not make a scheduled payment.</p>			
Mines Services Building 2013-085 Two-Year Projection of Cash Need - New	N/A	\$6,000,001	CF
<p>The project constructs a 17,694-GSF building to house several university service functions currently located in temporary facilities, and to serve as a "front door" to the rest of the campus. Mines will relocate the Alumni Association, Foundation, University Advancement, Finance and Administration, and reception programs to the new building from space the college says is inadequate. The new building will also contain hospitality lobbies, breakout spaces, and meeting rooms.</p> <p>The source of cash funds is bonds to be repaid from donations. The expected average annual payment for the 30-year bond is about \$420,000 at an anticipated rate of 4.0 percent.</p> <p>Higher Education Revenue Bond Intercept Program. This project is subject to the Higher Education Revenue Bond Intercept Program, which directs the Treasurer to make payments of principal and/or interest on bonds, on behalf of a state-supported institution of higher education, in the event a higher education institution does not make a scheduled payment.</p>			
New Stadium 2013-088 Two-Year Projection of Cash Need - New	N/A	\$19,000,000	CF
<p>The project constructs a new, 84,062-GSF, 5,000-seat stadium on the Colorado School of Mines campus. The project also demolishes the existing Brooks Field stadium, constructs administrative offices and practice facilities, and makes improvements to the adjacent track and soccer fields, including the installation of new lighting. According to the university, the existing wood structure of the stadium is deteriorating due to decades of wind loading. A 2011 structural analysis identified temporary structural repairs that were later undertaken to extend the useful life of the stadium for another two years. Mines says the continued expense to maintain the stadium will eventually prove to be financially unsustainable and that if a new stadium is not constructed, the existing stadium will be closed.</p> <p>The source of cash funds is a \$13.8 million private loan to be repaid through fundraising, a \$2 million gift, and institutional sources. The private loan will be financed through the sale of privately placed bonds. The lender is guaranteed a return of 3 percent on the investment until 2026. The lender has also committed to forgiving a portion (\$5.5 million) of the principal amount financed in 2020.</p>			

Project Name	LEED Certification	Amount	Fund Source
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Student Center Renovation Phase I	N/A	\$9,600,002	CF
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2013-086

Two-Year Projection of Cash Need - New

The project renovates 41,446 GSF of space in the 65,734-GSF Student Center, which houses a number of student service programs, including dining and catering facilities, admissions, the registrar, financial aid, student life, housing administration, university clubs, the career center, the campus bookstore, and ballrooms. This project is the first of three planned stand-alone projects that will renovate the entire Student Center and add 15,483 GSF to the building. The current project renovates dining outlets and the bookstore, and locates a convenience store in the building. The school says the Student Center has exceeded its capacity due to enrollment growth and the location of additional programs in the building. The Student Center was originally designed to support a student population of 2,800, while current enrollment is 5,300.

The source of cash funds is bonds to be repaid from existing auxiliary fees. The expected average annual payment for the 30-year bond is about \$665,000 at an anticipated rate of 4.0 percent.

Higher Education Revenue Bond Intercept Program. This project is subject to the Higher Education Revenue Bond Intercept Program, which directs the Treasurer to make payments of principal and/or interest on bonds, on behalf of a state-supported institution of higher education, in the event a higher education institution does not make a scheduled payment.

Green Center Renovation	Silver	\$31,000,000	CF
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2012-020

Two-Year Projection of Cash Need - Received Prior Approval

The project renovates the 135,000-GSF Green Center and provides asbestos abatement. The Green Center houses the Department of Geophysics, CCIT (campus computing), and classrooms. According to the university, the center contains extensive and highly friable asbestos-containing materials, which has limited the university's ability to substantially improve the building. Emergency roof repairs were made to the building in 2004 and 2005 using state emergency funds and later capital construction funds. These funds were also used to address ADA-access deficiencies and some laboratory improvements. The university notes that the temporary roof repairs are now in danger of failure.

The university has not yet identified a source of cash funds for this project but anticipates using bonds. The Department of Capital Planning and Construction is currently reviewing funding strategies with the school administration.

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Lakes Library Addition and Renovation	Silver	\$24,000,000	CF
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2011-007

Two-Year Projection of Cash Need - Received Prior Approval

The project renovates the existing Arthur Lakes Library, which was last renovated and enlarged in 1977. The project includes 87,000 GSF of new and renovated space. According to the university, the library does not currently serve the needs of students and faculty. The renovation will add functionality and bring the library up to current code standards.

The source of cash funds is donations.

Project Name	LEED Certification	Amount	Fund Source
Meyer Hall Replacement 2007-136	Silver	\$46,258,000	CF
Two-Year Projection of Cash Need - Received Prior Approval			
<p>The project constructs a 103,647-GSF, four-story physics building on the site currently occupied by Meyer Hall. The new, centrally located physics building will feature teaching laboratories, classrooms, flexible research laboratories, seminar rooms, and computer labs. The university says that this project is needed to replace the obsolete facilities in the existing physics building; provide improved learning, teaching, and research space; generate new research funding; improve the national reputation of the program; and attract top students and faculty to the physics program. According to the university, Meyer Hall lacks sufficient space for the growing Physics Department, and the space it currently uses is functionally obsolete. Also, it is more cost-effective to replace the existing building rather than making the needed programmatic renovations, says Mines.</p> <p>The source of cash funds is bonds to be repaid from donations. According to Mines, fund-raising for the project is currently underway.</p> <p>Higher Education Revenue Bond Intercept Program. This project is subject to the Higher Education Revenue Bond Intercept Program, which directs the Treasurer to make payments of principal and/or interest on bonds, on behalf of a state-supported institution of higher education, in the event a higher education institution does not make a scheduled payment.</p>			
Student Health and Wellness Center 2011-032	Gold	\$3,410,992	CF
Two-Year Projection of Cash Need - Received Prior Approval			
<p>The project constructs a 10,192-GSF Student Health and Wellness Center in order to replace the existing, deteriorating facility. The center will locate student medical, dental, counseling, and disability services in a single facility in order to provide a better standard of patient care and to meet federal privacy regulations. The existing facility is only 2,682 GSF, and a space analysis conducted by Mines shows a need for a larger facility. The student population has almost doubled since the Student Health Center opened in 1988.</p> <p>Approval history. The university increased the request amount from \$2,799,892 to \$3,410,992 to address higher-than-anticipated construction costs and an extension of the electrical feed to the project site. This increase was approved by the CDC on October 11, 2011.</p> <p>The source of cash funds for the project is Build America Bonds to be repaid from revenue earned from a student health fee. The source of cash funds for the additional project cost is revenues from the Student Life Department.</p>			

Total Projection of Cash Need	\$170,269,006
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