

FY 2021-22 Supplemental Capital Construction Request

Colorado State University -Pueblo Technology Building Renovation and Addition

MOTION

Approve the supplemental request from Colorado State University–Pueblo to reduce the scope of the Technology Building Renovation and Addition project, with the university intending to request funding for a second project phase in the future.

GENERAL INFORMATION

2008-093

1. Which supplemental criterion does the request meet?

Unforeseen Contingency

Due to construction inflation and supply chain issues, Colorado State University–Pueblo (CSU–Pueblo) is seeking to reduce the scope of the project to align it with the amount appropriated. The university plans to submit a future request for additional state funding or cash funds spending authority to complete the project under a second phase.

2. Which projects will be restricted to fund the supplemental request?

An emergency restriction is not required because no additional state funds are sought under the request, and the request is a regular supplemental request.

3. Has the request been approved by OSPB and CCHE?

Yes

PRIOR APPROPRIATION AND SUPPLEMENTAL REQUEST INFORMATION

The appropriation to be amended was authorized in the following bill: SB21-205

| <u>Fund Source</u> | <u>Prior Appropriations</u> | <u>Supplemental Request</u> | <u>Future Requests</u> | <u>Total Costs</u> |
|--------------------|-----------------------------|-----------------------------|------------------------|--------------------|
| CCF | \$16,952,654 | \$0 | \$10,000,000 | \$26,952,654 |
| CF | \$170,000 | \$0 | \$0 | \$170,000 |
| Totals | \$17,122,654 | \$0 | \$10,000,000 | \$27,122,654 |

REASON FOR SUPPLEMENTAL REQUEST

CSU–Pueblo says construction inflation and supply-chain issues have led the project's cost to increase, specifically citing substantial increases in material and labor costs since the project was awarded an appropriation. In response, the university is seeking to phase the project, with the original appropriation remodeling the core and south wing of the Technology Building, and a future second phase renovating the building's north wing. The university will seek either state funds for the second phase, or cash funds spending authority based on external partnerships.

SUMMARY OF PROJECT

The project renovates 57,654 GSF in the Technology Building and constructs a 20,000-GSF addition to the building. The project remedies existing deficiencies in space and building conditions and accommodates predicted enrollment growth. The project upgrades the building's technological, electrical, and mechanical systems in order to meet current building codes and academic standards. Once the project is complete, the building will house five departments: Teacher Education, Engineering, Civil Engineering Technology, Nursing, and Automotive Industry Management. The project is currently in the early stages of construction.

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QUESTIONS / OUTSTANDING ISSUES

1. Is the university foregoing the 20,000-GSF building addition portion of the project?

Yes, in an attempt to keep as close to possible to budget there will be no addition to the Phase 1 or Phase 2 (North Wing) portions of this project.

2. Do you have a better idea of what fiscal year the university will submit a request for the project's second phase? Will it be the next capital cycle (for FY 2024-25)?

Given the importance of this project, we anticipate (based on future board and system support) our campus funding priorities for FY 25 will shift in order to ensure Phase 2 of the Technology Building is our campus priority ask.