

# FY 2019-20 Capital Construction Supplemental Request

## Colorado School of Mines Subsurface Frontiers Building

**Motion:**

Approve the supplemental request from the Colorado School of Mines to rescind cash funds spending authority (\$120,000,000 CF) for the Subsurface Frontiers Building project, to revert state funds appropriated to the project to the Capital Construction Fund (\$1,856,741 CCF), and for federal funds spending authority for the project (\$156,400,000 FF), contingent upon the federal government approving federal funding for the project, and also contingent upon the Colorado Commission on Higher Education's approval of the project.

**GENERAL INFORMATION**

2020-030

**1. Which supplemental criterion does the request meet?**

New Data

The university is seeking federal stimulus money to complete the project. The university says the project requires federal funds spending authority in order to be "shovel ready" and thus qualified for the stimulus funding. Contingent upon federal funding approval, the university seeks to change the source of funds from cash funds to federal funds, and to revert \$1.9 million in state funds to the Capital Construction Fund. The university is also increasing the scope of the project to 194,292 GSF, and the overall cost of the project to \$156.4 million.

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

No funding restriction is necessary because the supplemental appropriation is requested from federal funds.

**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: SB 19-207

Fund Source	Prior Appropriations	Supplemental Request	Future Requests	Total Cost
CCF	\$1,856,741	(\$1,856,741)	\$0	\$0
CF	\$120,000,000	(\$120,000,000)	\$0	\$0
FF	\$0	\$156,400,000	\$0	\$156,400,000
	\$121,856,741	\$34,543,259	\$0	\$156,400,000

**REASON FOR SUPPLEMENTAL REQUEST**

The supplemental request eliminates cash funds spending authority for the project, reverts state funds appropriated for the project to the Capital Construction Fund, and replaces these fund sources with federal funds spending authority at an overall higher project cost, contingent upon funding approval by the federal government. The project was appropriated \$1.9 million state funds and \$9.4 million in cash funds spending authority for FY 2019-20. The university received an additional \$110.6 million in cash funds spending authority through a 2019 emergency supplemental request, bringing the project cost to \$121.9 million. Due to uncertainty surrounding whether the university's partner, the United States Geological Survey (USGS), would move to the facility as a result of the coronavirus pandemic, the university suspended the project. Soon afterward, the university learned of potential federal infrastructure stimulus legislation, and is now pursuing this funding source for the project, with the support of the university's congressional representatives. Since the project must be "shovel ready" in order to qualify for the

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federal stimulus funding, the university says it requires federal funds spending authority now, and a regular supplemental request would be inadequate in terms of timing.

The 2019 emergency supplemental request expanded the scope of the project from 155,189 GSF to 180,189 GSF. Due to increased space needs for additional programmatic requirements, this supplemental request seeks to further increase the project scope to 194,292 GSF. Finally, this supplemental request seeks to increase the overall project cost from \$121.9 million to \$156.4 million to cover increased building system costs, computer system redundancy, increased interior finish and site costs, and future growth.

### SUMMARY OF PROJECT

The project constructs a new 194,292-GSF, six-story building to house research laboratories, imaging labs, classrooms, conference rooms, offices and associated spaces. In partnership with the USGS, the building will house both organizations' mineral exploration and subsurface mineral economics programs, in order to advance worldwide knowledge of the earth's energy and mineral resources. The university says the building will become the nation's premier destination for earth sciences research.

### QUESTIONS / OUTSTANDING ISSUES

None.