

**TOPIC: TWO-YEAR CASH FUNDED CAPITAL PROGRAM LIST  
AMENDMENT – FORT LEWIS COLLEGE**

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**I. SUMMARY**

This agenda item requests approval of an amendment to the Two-Year Cash Funded Capital Program for Fort Lewis College (FLC). Bader/Snyder Residence Hall Phase II was approved in July by the Colorado Commission on Higher Education (CCHE), but the project bid came in at \$3,815,000, an increase of 15.6% over the initial estimated cost of \$3,300,000. CCHE must reapprove the project since the new cost is more than 15% higher than the original cost. The scope of the project, which is to renovate two residence halls, is the same. This submission is amended to reflect the new, higher cost. The project is a non-Intercept project, and does not require Program Plan approval. This project was approved by both CCHE and the Capital Development Committee this summer, receiving authorization for the initial spending request. To avoid any delays in construction, the project was resubmitted a month ahead of the annual Two-Year Cash Funded list which is submitted to CCHE for approval each December. FLC's amended two-year list is included as Attachment A.

**II. BACKGROUND**

Under state law, C.R.S. 23-1-106(7), the Colorado Commission on Higher Education and the legislative Capital Development Committee must approve two-year capital construction lists and amendments for non-Intercept projects before construction may begin. Governing boards are authorized to submit lists throughout the fiscal year, and these lists may be submitted at any time to CCHE for approval. If a project is amended or the cost changes by more than 15% of the original total, CCHE must reapprove the submission. Every December, a comprehensive two-year cash list of all projects is submitted to CCHE for approval, and then forwarded to the CDC for approval in January.

**III. STAFF ANALYSIS**

The FLC project is a non-Intercept project, and only requires CCHE approval for the institution's cash funded list. The request is phase two of three, and all three phases use institutional cash revenue generated from auxiliary facilities to update residence halls. The attached list reflects the amended cost for this project, which increased from \$3,300,000 to \$3,815,000. The increase is driven by inflated construction costs, and since the change is larger than 15%, the project must be reapproved by CCHE and the CDC. However, the project received spending authority for the initial \$3.3 million, and is allowed to commence. This request, if approved by CCHE and CDC, will authorize spending for the additional project cost beyond the initial submission. Table 1 displays the amended cost for the projects as reported on the two-year list by funding type.

**Table 1:**  
**Two-Year Cash Funded Capital Program**  
**FY 2013-14 to 2014-15**

<b>CF</b>	\$3,815,000
<b>FF</b>	\$0
<b>TF</b>	<b>\$3,815,000</b>

The project is described briefly below:

*“Bader/Snyder Residence Hall Improvements, Phase 2”* is part of a three phase project to remodel a six building residence hall complex. Originally constructed in 1968, the facilities are out of compliance with current codes, and the project sets aside \$175,000 for asbestos removal. Additionally, the interiors are too small and do not meet current needs. The project is funded with net auxiliary revenues from sources such as student housing and conference services, food service, and the bookstore. The project aligns with institutional master plan goals, and FLC is targeting a May 2015 date for completion.

#### **IV. STAFF RECOMMENDATIONS**

**Staff recommends that the Commission approve the amendment to the Bader/Snyder Residence Hall cost on the Two-Year Cash Funded Capital Program list for Fort Lewis College, and submit the re-approved list to the Governor’s Office of State Planning and Budgeting, and the Capital Development Committee.**

#### **STATUTORY AUTHORITY**

C.R.S. §23-1-106 (7)

(II) (A) The commission shall submit the two-year projections prepared by each state institution of higher education for each two-year period to the office of state planning and budgeting and the capital development committee. The capital development committee shall conduct a hearing in each regular legislative session on the projections and either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection.

(B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year projection. The capital development committee shall conduct a hearing on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general assembly is not in regular legislative session. The capital development committee shall either approve the projections or return the projections to the state institution of higher education for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment (d) of this subsection (9), a capital construction or capital renewal project for an auxiliary facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section,

as the projection may be amended from time to time, and that is to be acquired or constructed and operated and maintained solely from cash funds held by the institution is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee.

**ATTACHMENT A:** Two-Year Cash Funded Capital Program List Amendment – FLC