

Approved at the 04/01/2022 meeting
BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES
MINUTES OF THE BOARD MEETING
Friday, February 4, 2022
Hybrid Meeting

I. Executive Session – 8:00 a.m. In-person and Virtual

To discuss legal advice pursuant to §24-6-402 (3)(a)(II), C.R.S.; update on potential property transaction per CRS 24-6-402 (3) (a) (I); and matters required to be kept confidential by federal law or statute statutes, pursuant to §24-6-402(3)(a)(III), C.R.S.

8:00 a.m. Motion to move into executive session by Trustee Steinberg. Motion approved 5-0.

Trustees present: Trustee’s Salazar and Steinberg.

Trustees present virtually: Trustees Burgess, Sanders, Starzer and newly appointed Trustee, David Lawler.

Mines executives and directors present virtually: President Johnson, Provost Holz, EVP Volpi, VP Fox, VP Copan, VP Han, VPGC Walker and Mines Foundation President Winkelbauer.

9:10 a.m. Executive Session concluded

II. Regular Meeting – 9:00 a.m. In-person and Virtual

9:16 a.m. Regular session called to order by Vice Chair Salazar.

Trustees present in-person: Trustee’s Salazar, Steinberg and Saxena.

Trustees present virtually: Trustees Burgess, Sanders, Starzer, Gardner and newly appointed Trustee, David Lawler.

Absent: Trustee Grewcock

Mines executives and directors present: President Johnson, Provost Holz, EVP Volpi, VP Fox, VP Copan, VP Han, VPGC Walker and Mines Foundation President Winkelbauer.

a. Oath of Office

Vice Chair Salazar administered the Oath of Office to appoint new Trustee, Mr. David Lawler.

b. Election of Officers and Committee appointments

Vice Chair Salazar proposed the Board’s election to fill the vacant positions of Board Chair and Vice Chair.

Election of Officers:

Chair – Trustee Starzer nominated Trustee Salazar to serve as the Chair for the Board of Trustees, seconded by Trustee Steinberg. Approved 6-0

Vice Chair – Trustee Sanders nominated Trustee Starzer to serve as the Vice Chair for the Board of Trustees, seconded by Trustee Burgess. Approved 6-0

Committee Appointments:

Finance and Audit Committee & Investment Advisory Committee – Chair Salazar appointment Trustee Grewcock as Chair and appointed Trustee Starzer to fill the vacant seat.

c. Consent Agenda

The minutes from the December 3, 2021 meeting were submitted for approval.

Trustee Starzer motioned to approve the minutes as presented; seconded by Trustee Burgess. Approved 6-0.

d. Reports and Updates

President's Report President Johnson highlighted the Mines student selected for the Governor's Student Award and also reported on two Mines students who gained national fame for saving a dog in a Colorado avalanche. They appeared on the Ellen DeGeneres show and she gave them both a check for \$10,000. He reported on the appointment of George Sours to the NASA Advisory Board for human exploration in space. Dr. Johnson provided information on Mines' newly appointed head football coach, Brandon Moore, former Mines defensive coordinator. He reported Dr. Andy Herring was recently appointed as Vice Provost for Strategic Initiatives.

President Johnson provided an overview of the Georgetown ranking system according to return on investment on education for low-income students, noting Mines ranked the #2 public university on that list. He also reported that Mines recently received the R1 Carnegie Classification for very high research activity. He asked Dr. Copan to provide additional information on this ranking.

President Johnson invited Trustee Lawler to provide information about his background and asked Trustee Saxena Conall to share the news of his new position.

Board Committee Reports Trustee Salazar reported that the Finance and Audit Committee met on January 24, 2021. At its meeting it reviewed the June 30, 2021 Draft Financial Statements, noting the unmodified opinion with only minor findings. Also reviewed was the second quarter forecast, financial health and annual debt review, bond refinancing plan and proposal, and major capital projects. Chair Salazar reported that SpeakUp@mines reports were reviewed and there were no significant concerns.

Financial report Ms. Volpi reported on the Fiscal Year End June 30, 2021, draft Financial Statements and the Second Fiscal Quarter Operating results. She reviewed the timing for the State Audit noting its delay due to the funds from Federal government and the additional compliance required for those funds. Ms. Volpi reported the State should finalize by the end of February. She reported there is nothing out of the ordinary on the balance sheet, income statement or cash flow.

e. Presentations and Discussion

Fiscal Year 2023 Budget Preview Ms. Volpi provided highlights of the fiscal year 2023 budget, including enrollment projections, and reported Mines' target is to bring in 1325 first-year students and 130 transfer students with a total undergraduate student population of 5,500 students for Fall 2022. She provided an overview of the assumptions and scenarios, both for revenue and expenses, that are being assessed in the development of the FY 23 budget. She addressed questions regarding "the great resignation" and its impact on Mines' budget. She reported that the budget includes vacancy savings, which may need to be adjusted due to changes in employee retention.

Financial Health and Debt Review Ms. Volpi provided an overview of how financial health is measured in higher education through credit rating agencies and other financial risk metrics specific to higher education. She noted that the metrics are reviewed regularly by management, the State, and the credit rating agencies. The results of the metrics reflect that Mines is in sound financial health. She addressed questions regarding growth of the university and long-term debt impact. Chairman Salazar requested that a sensitivity analysis be done to determine credit rating based on differing levels of new debt. President Johnson reviewed Mines' growth and how it is connected with the Mines@150 strategic plan.

Ms. Volpi provided an annual debt review that included a summary of the debt portfolio as of January 1, 2022, noting Mines has primarily fixed rate debt with a 3.3% weighted average on an average length of 13 years. She reviewed credit ratings and comparisons with peer institutions and reported on the impact and implications of the

rating on borrowing costs. Ms. Volpi reviewed the debt policy noting that after management review, no changes were deemed necessary to the policy. Ms. Volpi reviewed debt funding by source and the impact to potential new debt issues, reporting that management continues to assess impacts of new debt on available resources and Mines' credit rating.

Major Capital Projects Update Ms. Volpi provided an update of the Mines Park redevelopment plan and reported the community meetings have been very positive. She briefly reviewed the project timeline and provided an overview of the demand studies that have been done. She reported the demand for housing is strong and Mines Park redevelopment will allow for more room for students in residence on campus. Dr. Fox reported on the general demand and desire to live on campus. Ms. Volpi provided a status update on the Minerals and Energy Resources Building, noting Federal efforts to identify additional funding and their continuing assessment of their occupancy needs for the building. Mines will re-engage the architect and construction team once all funding is secured.

Annual Board Conflict of Interest Policy Review Ms. Walker reviewed the Trustees' obligations under the Board Conflict of Interest policy, noting it was adopted in 2010 and amended last year. The purpose of the Policy is to guide the Board in addressing, managing and resolving potential and actual Trustee conflicts of interest. Ms. Walker summarized the conflict disclosure process and asked the Trustees to sign the Acknowledgement of the Conflict of Interest Policy and complete the Conflict of Interest Annual Disclosure form. These should be returned to Ms. Walker or Ms. Strange. Ms. Walker can address any questions or concerns regarding the disclosure form.

Annual Career Center update Dr. Fox introduced Dr. Colin Terry and Ms. Wendy Winter-Searcy to provide the annual update on the Career Center. Ms. Winter-Searcy reviewed the 2021 student placement outcomes, reporting 92% positive outcomes. She reviewed the salary averages and noted they are a little lower than last year. She reported that 1585 graduates were tracked and noted that 58% are staying in the Colorado area. She reviewed the students' accepted jobs by industry.

Ms. Winter-Searcy provided an overview of Career Day activities and recruiting efforts for AY 2020/2021 and reported that there were 710 employers and 4335 jobs posted on DiggerNet. She provided information on the implementation of the virtual Career Day format in 2021, and the 2022 revised format that included both in-person and virtual employer engagement opportunities. Ms. Winter-Searcy shared quotes from employers and reported there were 273 employers and 2127 participating students this semester, which is back to pre-pandemic turnout numbers.

Ms. Winter-Searcy provided an overview of the services and support offered to students and reported that 4123 students accessed services an average of 3.5 times in 2020/2021. She provided an overview of the available engagement activities, such as CSM250, Jobscan and Focus2 Career. She reported on the new program Career Launch Academy to increase and expand networking opportunities for students.

President Johnson acknowledged how the Career Center has excelled under Ms. Winter-Searcy's leadership by expanding ways for students to reach employers.

f. Action Items

Bond Financing Ms. Volpi reviewed the background for a proposed bond refinancing, as well as a new debt issue. The refinancing is proposed for the 2016 and the 2017 series A and B bonds to be partially refunded. She reported that interest rates could shift, but Mines anticipates an estimated present value savings of \$5 million, which correlates to 7%. She then reviewed the proposal to debt finance a portion of the Beck Venture Center project costs. She noted that \$12.5 million had been secured through the Mines Foundation, leaving a funding need of \$11.2 million in order to start construction. Ms. Volpi reviewed the cost of the new debt, interest rate and debt service, noting the general fund will pay for the project. She provided information on the impact of the refunding and new debt, noting the Finance and Audit Committee reviewed both and have recommended to the full Board for approval.

Pursuant to the authority conferred upon it by §23-41-104(1), C.R.S. (2008), the Board of Trustees has the power to borrow funds, to issue securities and refunding securities.

Trustee Starzer moved to approve the Bond Refinancing as presented; seconded by Trustee Burgess. Approved 5-0.

Refunding

BE IT RESOLVED that the Finance and Audit Committee has reviewed the refinancing plan for a portion of the 2016 and 2017A/B bonds to be refunded with new bonds of up to \$100.0M and recommends approval of this refinancing to the Board of Trustees.

New Debt Issue

BE IT RESOLVED that the Finance and Audit Committee has reviewed the revised financing plan for the Beck Venture Center which includes new debt of up to \$11.4M and recommends approval of this new issue to the Board of Trustees.

Sale of Real Property Ms. Volpi reviewed the proposed sale of Mines-owned former mining properties located in Clear Creek County at Virginia Canyon Road, north of 1-70. The properties came to Mines over the years by either gift, transfer or bequest. She reported that due diligence has been completed, and measures to ensure mitigation of liability risk have been taken. She reviewed the terms of the purchase and sale agreement and recommended Board approval. If approved, the sale would close on March 15, 2022.

Pursuant to the Board of Trustees Capital Construction and Real Estate Conveyance Policy, Section 2.1, the Board of Trustees is asked to consider and approve of Mines' sale of the mining properties located at Virginia Canyon Road, Idaho Springs, Colorado, and to authorize the execution of any and all documents necessary to effect the sale and transfer of title.

Trustee Steinberg motioned to approve the Sale of Real Property as presented; seconded by Trustee Starzer . Approved 5-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves of the sale of the real property located at Virginia Canyon Road, Idaho Springs, Colorado, and authorizes the President or his appropriate delegee to execute all documents necessary to effect the sale of said property and transfer of title.

Labriola Project Xcel Easement Ms. Volpi reviewed the proposed Right of Way with Xcel Energy, which is needed to move a gas pipeline that is currently in the construction zone for the Labriola Innovation Hub. She requested approval to grant Xcel Energy the Right of Way access to Mines property to move the gas pipeline.

Pursuant to the Board of Trustees Capital Construction and Real Estate Conveyance Policy, Section 2.1, the Board of Trustees is asked to consider for approval the granting of a gas ROW to Xcel Energy and authorizes the University to execute said ROW upon final location and survey data.

Trustee Starzer motioned to approve the Labriola Project Xcel Easement as presented; seconded by Trustee Sanders. Approved 5-0.

BE IT RESOLVED that the Board of Trustees of the Colorado School of Mines approves of the granting of a gas Right of Way described above to Xcel Energy and authorizes the President or his appropriate delegee to execute the Right of Way with Xcel Energy.

g. Regular Written Reports

Admissions and Enrollment report Ms. Kester provided a status update on enrollment efforts and noted the need for a strong admissions recruitment effort and effective marketing strategy going forward. She is

cautiously optimistic for the 2022 outcome but has some concerns for Fall 2023. She reported the 2022 applications are down slightly from last year, and admits are down 4%, which is where Mines wants them since last Fall Mines' enrollment was above the target. Ms. Kester reported deposits are down from last year, but yield is up 1.3%. She noted the scholarship applications are up and FAFSA submissions appear to be at the same rate as last year. Ms. Kester reviewed the new partnership with Red Rocks Community College (RRCC), which allows students to start at the Mines Academy at RRCC and then transfer to Mines. She reviewed the grants for low-income high school students and reported graduate numbers finished strong in the Spring.

Research and Technology Transfer report _____ Dr. Copan provided highlights of the new Carnegie ranking Mines achieved as a Research 1 institution. He noted he is looking at funding opportunities to pull together teams, scheduling town halls, networking events and sponsoring leadership training. Dr. Copan reported the engagement with a new communications firm RW Jones Agency. He informed the Board of the Statement of Commitment to research security, integrity and safety which was co-authored and signed by Mines leadership. Dr. Copan provided an overview of the Methane and Natural Gas Symposium planned for February 17th with leadership of EPA, Methane leadership, Department of Interior, Senator Hickenlooper, and representation from the Office of President's Climate Policy. He noted an invitation would be sent to the Board.

Faculty Senate report _____ Dr. Düzgün provided an overview of recent Faculty Senate business, including an update on the new Diversity, Inclusion and Access Committee, and the Promotion and Tenure processes. She reported on the election of two new Senators. Dr. Düzgün provided information on the current activity of the Undergraduate and Graduate Councils, noting the approval of new programs and certificate programs. She reported the Research Council is very active, noting there are 10 committees under it, and they are calling for proposals. She reported on the establishment of the new Excellence in Research Awards.

Annual Environmental Health and Safety report Ms. Volpi introduced Barb O'Kane. Ms. O'Kane reviewed the annual report on campus health and safety incidents. She noted that there were no substantive incidents, and reported that the number of incidents and costs have gone down.

CSM Foundation and Alumni Relations report _____ Mr. Winkelbauer provided an overview of the philanthropy efforts and successes, noting significant movement towards reaching the goals for the Mines@150 campaign. He reported that CSMF is approaching \$30 million towards the campaign goal, and has raised \$112 million for financial aid, a top priority and significant need for Mines. Mr. Winkelbauer reported on the private support received for entrepreneurship and innovation initiatives that created the Labriola Hub, Beck Venture Center and the McNeil Center, noting the importance of having advocates, networking and messaging on Mines' behalf. He reported the Alumni Board is very active in entrepreneurship and innovation and is hosting a showcase at The Buffalo Rose in Golden on February 15, 2021. Mr. Winkelbauer reported the Foundation is working towards building a venture fund, which is being led Mr. Steve Kreidler. Mr. Kreidler is working to build a fund to enhance opportunities for entrepreneurship and innovation ventures. Mr. Winkelbauer provided information on other campus partnerships. He reported that the Alumni Board was the big winner for the highest donations in the Board challenge on #iDigMines Giving Day. He sees an uptick in engagement this year and reported exceeding last year's fundraising by approximately \$14,000. Mr. Winkelbauer reported on several large gifts received in December.

11:55 a.m. There being no further business the meeting was adjourned.



Anne Stark Walker, Secretary