

*Approved at the 9/15/2023 meeting*  
**BOARD OF TRUSTEES OF THE COLORADO SCHOOL OF MINES**  
**MINUTES OF THE BOARD MEETING**  
Friday, June 2, 2023  
**Starzer Welcome Center, Wagner Boardroom**  
**1812 Illinois St. Street, Golden CO 80401**

**I. Executive Session – 8:00 a.m.**

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); 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 Grewcock.

Trustees present: Chairman Salazar, Trustees Grewcock and Steinberg.  
Trustee Lawler and Starzer present virtually.  
Trustee Burgess and Sanders absent.

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

Guests present: Mr. David Applegate and Mr. Peter Griffiths from USGS.

9:06 a.m. Executive Session concluded.

**II. Regular Meeting – 9:30 a.m.**

9:30 a.m. Regular session called to order by Chairman Salazar.

Trustees present: Chairman Salazar, Trustees Grewcock, Steinberg and Mehta.  
Trustee Lawler, Starzer and Cooreman present virtually.  
Trustee Burgess and Sanders absent.

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

Chairman Salazar welcomed Mr. David Applegate and Mr. Peter Griffiths from USGS.

**a. Consent Agenda**

The minutes from the May 5, 2023 meeting were submitted for approval.

Trustee Steinberg motioned to approve the minutes as presented; seconded by Trustee Grewcock . Approved 5-0.

**b. Reports and Updates**

President's Welcome \_\_\_\_\_ President Johnson provided an overview of the final weeks of the semester and reported that at Commencement, 1400 graduates crossed the stage. He provided an overview of Marv Kay's Celebration of Life , noting it was well received by the community and Mr. Kay's family and culminated with retiring Mr. Kay's football jersey. Dr. Johnson reported that Mines received its largest research grant ever at

almost \$33 million for a three-year program from the Department of Energy. He noted that Mines is leading a team that includes Carbon America and Los Alamos National Lab to create a carbon storage facility. President Johnson reported that the VPRTT is providing support to get the program going. Dr. Copan provided information on Carbon America, a local start up that has been in business for three years with a focus on carbon storage. President Johnson reported Mines athletics teams wrapped up their seasons last week and provided a summary of the Mines teams that won national championships and the student All American honors. He reviewed the many camps Mines sponsors in the summertime and described the Over the Moon camp sponsored by Lockheed Martin, which is a challenge for teams from all over the world to compete in creating a system that can sort and convey dirt on the moon.

Board Committee Report \_\_\_\_\_ Trustee Grewcock reported that the Finance and Audit Committee met on May 22, 2023. At its meeting the committee reviewed the FY2024 budget proposal, the capital plan and USGS leases that will all be discussed and reviewed at this meeting. The Investment Advisory Committee also met and reviewed the investment pool performance and cash position. Trustee Starzer thanked Ms. Volpi for her expertise and skill in managing the bond issues and putting Mines in a great financial position.

### c. Action Items

Energy and Minerals Research Facility: USGS Leases \_\_\_\_\_ Ms. Volpi provided an overview of the key terms of the anticipated USGS ground lease and facility (occupancy) lease agreements. She provided a summary of the Infrastructure bill authorizing the USGS to enter into an agreement with an academic partner through which federal funds are utilized to construct a research facility on university property.

Chairman Salazar expressed excitement for the partnership and the project.

Management requests Board authorization to enter into the Ground Lease and Occupancy Lease agreements with the US Geological Survey pertaining to the Energy and Minerals Research Facility project. Authorization will be contingent on an acceptable Operating Agreement being negotiated and finalized with the USGS.

Trustee Grewcock motioned to approve the Board the USGS Leases as presented; seconded by Trustee Steinberg. Approved 5-0.

***BE IT RESOLVED*** that the Finance and Audit Committee recommends to the Board of Trustees of the Colorado School of Mines authorization for the President or his delegee to execute a Ground Lease and Occupancy Lease with USGS regarding the Energy and Minerals Research Facility. This authorization is contingent on an acceptable Operating Agreement being reached with USGS.

Energy and Minerals Research Facility: Utilities Infrastructure \_\_\_\_\_ Ms. Volpi provided an overview of the infrastructure utilities program plan. She reviewed the total project cost of \$22.7, which includes chiller plant modifications. Ms. Volpi reported the digging for this project should begin mid-June 2023 and the project is slated to be complete in 6-8 months.

Pursuant to authority conferred by Sec. 23-41-104(1), C.R.S. (1988) and as required by Sec. 23-5-119.5(1), C.R.S. (2012), the Board of Trustees has set forth a policy for the approval of all capital construction projects. Mines policy for Capital Construction and Real Estate Conveyance stipulates that the Board of Trustees approves all capital projects with a total project cost of \$5 million or higher.

Trustee Grewcock motioned to approve the Board the Utilities Infrastructure Program Plan as presented; seconded by Trustee Steinberg. Approved 5-0.

***BE IT RESOLVED*** that the Finance and Audit Committee recommends to the Board of Trustees of the Colorado School of Mines approval of the program plan with a project budget of \$22.7 million for phase I of the utilities infrastructure in order to supply resources to the Energy and Minerals Research Facility.

Student Health Insurance Plan Ms. Volpi provided an overview of the student health insurance plan. She reported that Student Life re-bid the contract and that it is the same provider moving forward. Mines will engage in a three-year contract with Academic HealthPlans and there is no financial commitment on the part of Mines. Dr. Pantel reported the student insureds' co-pays and premiums stay the same.

Colorado Revised Statute §23-5-119.5, (2012) and the Colorado Department of Higher Education policy on student fees set forth the Board of Trustees authority for approval of all procedures, processes, assessment and collection of student fees. Pursuant to the Board's authority, it is recommended that the Board of Trustees approve the Academic year 23 – 24 Student Insurance Health Plan fee of \$2,448.00.

Trustee Steinberg motioned to approve the Student Health Insurance Plan as presented; seconded by Trustee Starzer. Approved 5-0.

***BE IT RESOLVED*** that the Board of Trustees of the Colorado School of Mines approves the contract with Academic HealthPlans for a period from August 2023 to July 31, 2026 at an estimated total contract value of \$18 million.

State Request for IT Funding Ms. Volpi provided an overview of the State funding request for modernizing and refreshing Mines' entire network system. She noted the need for a stronger system for multiple devices and for student use outside. She reviewed the infrastructure estimated cost of \$10 million, with \$7.3 million of that requested from the State of Colorado. Mr. Andrew Moore, Chief Information Officer, reviewed the scope of the project, assuring the Board that this upgrade is in line with future needs and will last a very long time. Ms. Volpi reviewed the State IT Committee and how it works, and noted there is a chance Mines wouldn't be fully funded for all years. Mines will be prepared to cover the expense if the State does not provide sufficient funding.

It is recommended that the Board of Trustees approve the project request for State funding for the IT Modernization and Refresh network infrastructure of \$7.3M with a total estimated project cost of 10.0M. Resolution.

Trustee Lawler motioned to approve the State Request for IT Funding as presented; seconded by Trustee Grewcock. Approved 5-0.

***BE IT RESOLVED*** that the Board of Trustees of the Colorado School of Mines approve of the project request for State funding for the IT Modernization and Refresh network infrastructure of \$7.3M with a total estimated project cost of 10.0M.

FY 2024 Budget Request Ms. Volpi provided highlights of the FY 2024 budget request. She reported there will be a 5% tuition increase and the State Joint Budget Committee approved an 11.7% operating budget increase. She reviewed housing and dining rates based on an analysis of market rates and costs. Ms. Volpi reviewed expense highlights, reporting that compensation, new faculty and administrative positions, student support programming and Entrepreneurship and Innovation initiatives are the main drivers for increased expenses. She summarized the expenses for the new buildings coming online: Beck Venture Center and Labriola Innovation Complex. Also contributing to increased expenses are inflation and other cost increases. Ms. Volpi provided an overview of the projected \$5 million in reserves at year end with a projected \$296 million operating income and \$293 million in expense. She reported that auxiliary revenue is staying pretty true and keeps a close eye on this.

Ms. Volpi reviewed the enrollment projections for Fall 2023 of approximately 7519, due to a lower melt from last year. Ms. Kester provided an update on the new student enrollment this year, reporting there is a higher number

of transfer students, but everything else is holding steady. Mines will likely be close to 1480 freshman this fall. Ms. Kester reported it will be later in the summer before there are more precise numbers. Ms. Volpi provided a breakdown of the tuition rate increase of 5% across the board, and noting the study abroad program is seeing a healthy increase from \$600 to \$920. It hadn't seen a change since FY20 and these funds are used to cover the costs of the program. Ms. Volpi provided an overview of the mandatory fees and what is approved by the students. She also provided an overview of the proposed cost of attendance. Ms. Volpi summarized the proposed parking rates and how the next couple of years parking will be impacted by new construction. She provided information on the strategies in place to help with the parking challenges.

Ms. Volpi provided an overview of funding sources for higher education and funding trends. She reviewed State support. Mr. Han reported on the bill allowing Mines to accept more non-resident students and noted Mines did receive more flexibility, allowing 52% in-state rather than the former 55% needed. Ms. Volpi reviewed housing and dining rates and reported the peer institution increases have been in the 4-6% range, whereas Mines is proposing 0-4% increase, depending on housing type.

Ms. Volpi provided a summary of expenses and inflation trends, and reviewed the increases. She reported a projected increase of \$25.5 million. Dr. Holz provided an overview of the new faculty numbers and searches currently underway.

Ms. Volpi reviewed the following proposed budget for approval.

	FY2023 Forecast	Year-End Clean-Up Adjustments	FY2024 Adjustments	FY2024 Preliminary Proposed Budget	FY2024 GF Proposed Budget	FY2024 UD Aux Proposed Budget
<i>Rounded in Millions \$US</i>						
<b>Revenues</b>						
Undergraduate Tuition	\$145.66	-	\$12.28	\$157.94	\$157.94	-
Graduate Tuition	31.80	-	2.04	33.84	33.84	-
Online Tuition	1.98	-	0.45	2.42	2.42	-
Continuing Education	1.53	-	0.07	1.60	-	1.60
State Support	30.21	-	3.36	33.57	33.57	-
Auxiliaries	35.30	(0.14)	1.38	36.54	-	36.54
Grants and Contracts	18.50	-	1.00	19.50	19.50	-
Other Income	10.48	(1.00)	1.16	10.65	10.65	-
<b>Total Revenues</b>	<b>\$275.46</b>	<b>(\$1.14)</b>	<b>\$21.74</b>	<b>\$296.06</b>	<b>\$257.92</b>	<b>\$38.14</b>
Expenses - General Fund Total	\$230.97	\$0.10	\$23.14	\$254.21	\$254.21	-
Expenses - Auxiliaries Total	31.83	0.97	2.43	35.22	-	35.22
Capital Renovations and Controlled Maintenance	4.92	(0.83)	-	4.09	3.41	0.68
<b>Total Expenses</b>	<b>\$267.72</b>	<b>\$0.24</b>	<b>\$25.57</b>	<b>\$293.52</b>	<b>\$257.62</b>	<b>\$35.90</b>
Reserves and Pre-Funding FY2024 One-Time Funds	5.50	(4.50)	-	1.00	1.00	-
<b>Net Activity</b>	<b>\$2.24</b>	<b>\$3.12</b>	<b>(\$3.83)</b>	<b>\$1.54</b>	<b>(\$0.70)</b>	<b>\$2.24</b>

Pursuant to authority conferred by §23-41-104(1), C.R.S. (2012) and as required by §23-5-119.5(1), C.R.S. (2012), the Board of Trustees has the responsibility and authority for the financial management of the School including the setting of tuition and fees and the approval of the budget.

Trustee Grewcock motioned to approve the FY2024 Budget Request as presented; seconded by Trustee Lawler. Approved 5-0.

**BE IT RESOLVED** that the Finance and Audit Committee has reviewed the proposed budget for the Fiscal Year 2024 and recommends to the Board of Trustees the Fiscal Year 2024 budget consisting of:

- Total operating revenue of \$296.06M
- Total operating expenses of \$293.52M
- 5.0% increase for undergraduate, graduate, and online tuition rates;
- \$920.00 per credit hour faculty-led tuition rate;
- Increases to room and board rates averaging 4.4%;
- Increases to mandatory fees averaging 11.0%; and
- Changes in other fees and charges

5-Year Capital Plan Ms. Volpi provided an overview of the purpose of the five-year capital plan, noting Board approval is sought for the request from the State for potential future capital funding, but not for any specific project(s). She reviewed the Utilities Infrastructure plan and the request from the State to fund \$31.9 million. Ms. Volpi reviewed the other planned capital projects, including Mines Park and sophomore housing, a new dining venue located in Chauvenet Hall, a pilot lab in Mines Park, and the next research building. She reported the strained capacity for recreational and varsity sports and reported there is planning beginning to address needs for those facilities. Ms. Volpi reviewed the renovation of the 4<sup>th</sup> floor of Alderson Hall and the renewal of the State request for the Arthur Lakes Library renovation

Mines 5-Year Capital Construction Plan (in millions)							State Budget Cycle					
Priority	Project Title	Total Project Cost	State Requests	General Fund	Donations	Special Financing	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
1	EMRF 18th Street Infrastructure	\$22.7				\$22.7	\$22.7					
2	Utilities Infrastructure	\$42.5	\$31.9			\$10.6		\$34.0	\$8.5			
3	Mines Park Housing New Construction	\$162.0				\$162.0	\$56.7	\$89.1	\$16.2			
4	Residence Hall 7	\$180.0				\$180.0	\$54.0	\$90.0	\$36.0			
5	New Dining Venue	\$35.0				\$35.0	\$7.0	\$21.0	\$7.0			
6	Mines Park Research Building (Pilot Lab)	\$30.0				\$30.0		\$6.0	\$18.0	\$6.0		
7	Next Research Building	\$233.1				\$233.1		\$23.3	\$163.2	\$46.6		
8	Recreation / Varsity Sports	\$87.8				\$87.8		\$17.6	\$52.7	\$17.6		
9	Alderson Hall 4th Floor Labs	\$14.0				\$14.0		\$2.8	\$11.2			
10	Arthur Lakes Library	\$25.1	\$18.8			\$6.3		\$5.0	\$15.1	\$5.0		
		\$832.2	\$50.7	\$0.0	\$0.0	\$781.5	\$140.4	\$247.9	\$152.8	\$226.9	\$64.2	\$0.0

State Funding

Trustee Steinberg motioned to approve the Board the 5-Year Capital Plan as presented; seconded by Trustee Lawler. Approved 5-0.

**BE IT RESOLVED** that the Finance and Audit Committee recommends to the Board of Trustees of the Colorado School of Mines approval of the Capital Construction Five-Year Plan for the state projects requesting State funding (Utilities Infrastructure and Arthur Lakes Library Renovation); total project costs of \$50.7M.

Mines Park Renovation Program Plan Ms. Volpi provided an overview of the Mines Park renovation project slated to start in three weeks. She summarized the scope of the project, reporting a total cost of \$13.4 million. The timeline begins July 1, 2023 and only one building will be offline at a time, through July 2024. Ms. Volpi provided an overview of the funds being sought for approval.

Pursuant to authority conferred by Sec. 23-41-104(1), C.R.S. (1988) and as required by Sec. 23-5-119.5(1), C.R.S. (2012), the Board of Trustees has set forth a policy for the approval of all capital construction projects. Mines policy for Capital Construction and Real Estate Conveyance stipulates that the Board of Trustees approves all capital projects with a total project cost of \$5 million or higher.

Trustee Lawler motioned to approve the Board Mines Park Renovation Program Plan as presented; seconded by Trustee Starzer. Approved 5-0.

**BE IT RESOLVED** that the Finance and Audit Committee of the Colorado School of Mines recommends to the Board of Trustees the approval of the program plan with a project budget of \$13.4 million for the renovation of existing housing units at Mines Park, to include those units in the 1900's buildings and 2000's buildings.

Mines Park Renovation Development Agreement Ms. Volpi provided an overview of the pre-development agreement that the Board approved in February. She reported that at this time, management is requesting funds for the Phase I costs. Ms. Volpi outlined the key points of the agreement, reporting that developer Capstone will earn their fee through managing the project and assuming the budget and schedule risks. She reported that to date, Capstone has overseen the project and has done a good job. Ms. Volpi summarized the agreement terms

and noted the need for Board approval of the requested indemnification agreement term. She reviewed financial contingencies and the construction and development contingencies.

Ms. Volpi noted the developer will indemnify Mines for losses due to Capstone's breach of contract/delays/negligence. Mines will indemnify the developer against third party claims related to Mines' breach of the Development Agreement.

Trustee Grewcock motioned to approve the Board the Mines Park Indemnification authorization as presented; seconded by Trustee Starzer. Approved 5-0.

The Board of Trustees Contract Approval Policy requires Board approval to enter into contracts for any expenditure exceeding \$5M. Section 3.3 of the policy provides:

*All contracts obligating Mines to expend a sum of money \$5M or more, or to convey an interest in real property, must be approved by the Board. Once approved, the President or his/her designee may execute such agreement.*

Management requests Board authorization to enter into a Development Agreement with Capstone for Phase I of the Mines Park redevelopment project. Mines will re-engage the Board in September and October 2023 to seek approval to amend the Development Agreement to include Phase II in advance of financial close (anticipated November 2023).

Trustee Grewcock motioned to approve the Board the Mines Park Renovation Development Agreement as presented; seconded by Trustee Starzer. Approved 5-0.

***BE IT RESOLVED*** that the Finance and Audit Committee recommends to the Board of Trustees of the Colorado School of Mines the authorization for the President or his designee to execute a Development Agreement with Capstone Development Partners for the redevelopment of Mines Park.

Financing: Mines Park Renovations and Utilities Infrastructure Ms. Volpi provided an overview of financing for the Mines Park Renovation and Utilities infrastructure project, and requested borrowing authority of up to \$38 million. She reported that Mines is pursuing funding through bank direct purchase rather than public offerings, and reviewed the rationale for doing this. She reviewed the Series 2023 Bonds and debt issuance and provided a project summary and the additional authority needed over the next couple of weeks to lock in rates.

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. The twentieth supplemental resolution is attached for consideration of approval.

Trustee Grewcock motioned to approve the Board the Financing: Mines Park Renovations and Utilities Infrastructure as presented Starzer; seconded by Trustee. Approved 5-0.

***BE IT RESOLVED*** that the Finance and Audit Committee has reviewed the financing plans for financing of the EMRF Utilities and Mines Park Renovation projects representing additional borrowing authority of up to \$38.0M and recommends approval of this new issue to the Board of Trustees.

*Authorization is requested for a direct purchase transaction with JPMorgan Chase Bank for \$13.4M of tax-exempt bonds and \$22.7M of taxable bonds.*

*As such, the Finance and Audit Committee recommends to the Board of Trustees the approval of the Twentieth Supplemental Resolution included as Attachment 1.*

Faculty Handbook Committee Recommendations Dr. Holz provided background information on the annual process for review and proposed amendments of the faculty handbook. He reported that the revisions presented have been recommended by the Faculty Handbook Committee, released for community review and comment in accordance with Handbook policy, and are recommended for the Board's consideration. Dr. Holz summarized the material changes proposed and recommends approval of the proposed modifications to the Faculty Handbook for AY 2023-2024.

Trustee Lawler motioned to approve the Board the Faculty Handbook Committee Recommendations as presented; seconded by Trustee. Approved 5-0.

***BE IT RESOLVED*** that the Board of Trustees of the Colorado School of Mines hereby approves the above listed modifications to the Faculty Handbook.

#### **d. Presentation and Discussion**

Faculty Senate report Dr. King provided a summary of Faculty Senate accomplishments during AY23. He provided information on the progress made with core curriculum revisions, the Ombuds office, faculty contract updates and a teaching workload document. He reported the biggest accomplishment was the core curriculum update, which is rolling out in Fall 2023. Dr. King provided an overview of the courses approved by the Undergraduate and Graduate Council's. He provided a summary of the business completed by the Research Council. Dr. King provided his thoughts on the timeline for Faculty Handbook changes and the need to be better aligned with the academic calendar. He also provided his thoughts on faculty engagement in university governance and provided ideas on how to increase such engagement.

### **III. Meeting adjourn and Trustee lunch**

12:24 p.m. There being no further business the meeting was adjourned.



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Anne Stark Walker, Secretary