

# STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

September 13, 2023

**TOPIC:** Community College of Denver Spending Authority Request for the Clear Creek Building Renovation Project

**PRESENTED BY:** Dr. Marielena DeSanctis, President

## **RELATIONSHIP TO THE STRATEGIC PLAN:**

### **Partnerships with Business & Industry**

- Create Education without Barriers through Transformational Partnerships.
- Transforming the Student Experience.
- Redefine our Value Proposition.

## **EXPLANATION:**

In September 2022, the SBCCOE approved project spending authority of \$8.75 million, (with institutional general fund reserves up to \$5,750,000 and federal Higher Education Emergency Relief Fund (HEERF) funding of up to \$3,000,000) for the Clear Creek renovation project. Since that initial approval, the project has been delayed by a full year due to legal negotiations with the Diocese, who donated the building to CCD. Because of these negotiations, CCD had to redesign the HVAC systems to accommodate the Diocese's desire to continue parking in one of the garages. The issue with the Diocese has been resolved at this point and the project can proceed.

However, since the initial Board approval, costs on the project have increased due to general construction price increases associated with the project start delay, monies needed to redesign the HVAC system, and unanticipated environmental hazard abatement, roof and window replacements, security upgrades, and additional furniture replacement. This new spending authority request also includes increases in architectural/design fees, a contract for an owner's rep to help manage the project, and a 5% owner's contingency not included in the original project request (to account for potential additional unexpected costs that often occur when renovating an old facility). This adds \$3.17 million in additional costs to the renovation project, for a total spending authority request of \$11.92 million.

CCD is proposing to fund the additional \$3.17 million with additional college reserves. As of July 1, 2023, college reserves are at \$31 million with a \$4.45 million minimum required reserve. They have steadily increased over the last 5 years. Using the originally approved \$5.75 million of reserves for the Clear Creek project, plus the additional requested amount of \$3.17M, and an additional amount of \$3.4M previously committed to the Boulder Creek renovation project, will reduce college reserves to \$18.6M.

Since this project now exceeds the \$10 million threshold for cash-funded projects, CCD is required to submit a cash-funding spending authority request to be considered by the

Colorado Commission on Higher Education, and if approved, to the General Assembly's Capital Development Committee before proceeding.

### **Project Description**

As a reminder to the Board, this project consists of the remodel and upgrade of the existing Clear Creek building located at 1030 St. Francis Way on the Auraria campus. The building is adjacent to St. Elizabeth of Hungary Catholic Church. The building, originally constructed in 1976, is two stories and includes 14,310 square feet. The Auraria Higher Education Foundation transferred ownership of the building to CCD in 2012. This is one of two buildings that CCD owns – the Confluence building and this building. In contrast, MSU Denver owns four buildings and CU Denver owns three buildings on the 150-acre Auraria campus. All other buildings are owned and managed by the Auraria Higher Education Center (AHEC). A small portion of the building was remodeled in 2014, but overall the building systems, finishes, roof, and windows are original and have received little ongoing maintenance and no upgrades or improvements over its 46 year history.

The project primarily focuses on full replacement of all HVAC system components including the main air handling system, cooling system, boiler system, enhancing filtration to current standards as a result of COVID, replacement of the temperature control system with digital controls, sealing existing ductwork, removing the building from the aging steam boiler currently located in St. Elizabeth's church, testing and balancing of the mechanical systems, replacing a broken air handling unit damper, and implementing demand controlled ventilation. All HVAC work, estimated at \$2.5 to \$3M, will be funded with federal HEERF dollars.

In addition, because the work requires electrical system upgrades and removal of most of the ceilings and some of the walls in the building in order to access ductwork, additional remodeling to the building is also planned. The project will be divided between fiscal year 2023-24 and fiscal year 2024-25.

### **Vision for the Building**

The Clear Creek building is historically significant in Denver and is studied in architecture classes at the University of Colorado Denver as a representative building from the 1970's. The building was designed by notable Denver architect Marvin Hatami as the St. Francis Interfaith Center and was selected by the Denver Post in 2007 as an example of iconic Denver architecture that is "Hiding in Plain Sight." The building's original design includes a large first floor event space, with offices on the second floor.

The college previously used the building to house the Confucius Institute, which closed in 2020. The building has been largely vacant since that time. The first floor of the building includes a large open atrium with a curved glass wall facing a columned courtyard. Originally designed as an event space, this floor is ideal for hosting Foundation, program graduations, and other events. Currently CCD has just one suitable space for events, the

assembly rooms in the Confluence building. If the college has two events or larger gatherings at the same time, which is quite common, CCD must rent additional space from AHEC. When unused for CCD events, the Clear Creek space may also be rented to other parties both on and off campus, generating auxiliary revenue and offsetting a portion of operating costs. Minor remodeling will occur to this space including removal of large indoor trees, which must currently be sprayed with insecticide, growth inhibitors, and other poisonous chemicals on a quarterly basis. This is a significant indoor air quality and safety concern. A small catering kitchen and storage room will be constructed and the restrooms, original to the building, will be remodeled.

A curved marble staircase currently leads to the building's second floor, which will house a President's suite, the CCD Foundation, Marketing and Communications departments, and the CCD Foundation Offices. The college plans to use the building to host these essential college functions as well as college events such as Foundation receptions, pinning ceremonies, program graduations, etc. College events and gatherings held by the college are typically organized, led, and attended by these departments. The building is ideal for these functions since a parking lot used for campus guests is located directly in front of the building. Many of the second-floor offices will remain largely intact as originally planned, but some walls will be removed to house a large open area for cubicle workspaces and for an office and conference room for the President. Restrooms will be updated, and a reception area will be created. The former President's suite in the Cherry Creek building will be converted into an Academic Hub to support collaboration and innovation for the Provost, Academic Deans, centralized scheduling, and FLAC processing.

**RECOMMENDATION:**

CCD recommends the Board approve the Clear Creek Building Remodel Project increase, with a project amount not to exceed \$11.92 million to move forward in the state approval process for consideration from the Colorado Commission on Higher Education and the General Assembly's Capital Development Committee. CCD also recommends delegating contract approval and signature authority, up to the maximum amount authorized by the Board for this project, to the CCCS Vice Chancellor for Finance and Administration, as long as college and state processes are followed.