

STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

December 14, 2022

TOPIC: Trinidad State College Romero Residence Hall Phase II Improvements

PRESENTED BY: Dr. Rhonda Epper, President

RELATIONSHIP TO THE STRATEGIC PLAN:

- Transform the student experience.
- Redefine our Value Proposition through accessibility, affordability, quality, accountability, resource development, and operational excellence.

EXPLANATION:

Trinidad State College is requesting permission to borrow \$2,000,000 from CCCS System Reserves and to use \$1,000,000 of TSC college reserves to complete the Phase II renovation of Romero Residence Hall during FY 22-23 and FY 23-24. With Phase I of the Romero renovation currently underway, TSC has a limited window of opportunity to complete the renovation while the building is unoccupied through August 2024.

The first phase of the Romero Residence Hall renovation addressed indoor air quality improvements by bringing mechanical cooling and heating to the sleeping rooms and study lounges. These improvements include the installation of VRF cooling and heating units throughout the building and upgrading the capacity of the electrical transformer and panel boards to support the new cooling/heating system.

Phase I of the Romero Hall renovation was funded with federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA) funding. The combined federal funds of \$2,171,625 along with \$510,000 from the sale of the TSC President's House was applied to Phase I.

On the advice of the Office of the State Architect, the college has utilized the Design/Build Guaranteed Maximum Price Service process for the Phase I project. With supply chain and construction delays, Phase I construction is currently at the code review and sub-contractor bid stage.

A Project Manager (NV5) is already contracted for Phase I of the Romero project, as required by the Office of the State Architect. The RFQ used by TSC in selecting the Project Manager indicates that the selected manager will continue to oversee phases II and III of the Residence Hall project should additional funding be available. Because of this approach, there should be minimal start-up costs for the continuation of the Romero Residence Hall project.

Trinidad State College completed a Residence Hall Program Plan, which was presented to the board in September 2021.

<https://onboardprodpublic.blob.core.windows.net/fwbka3pvisoybzq6y5d5v7wcetjxnpvzxpjzbmipoisa/PIAJnFenrNApBloNDcBukLz5Z4Ab3njLKsmfdEIOud8A/III.J.b. TSC%20Residence%20Hall%20Complex%20FINAL%20PROGRAM%20PLAN 8-31-2021.pdf>

Among the many challenges for TSC's dormitories is the age of the buildings (average 60 years), with the realities of the energy-inefficiencies of the existing building envelope, mechanical systems, plumbing, and interior/exterior finishes. TSC Residence Halls have never been renovated, and it is the only rural college in the CCCS without at least one modernized/updated residence hall.

The scope of work under Phase II for Romero will continue the goals outlined in the Program Plan: renovating bathrooms, implementing accessibility improvements; upgrading plumbing fixtures, e.g. replacing sinks with trough sinks and sensor faucets; improving building energy performance with window replacements, replacing exterior doors, improving overall accessibility, and adding new interior finishes. If budget allows add alternates will include metal screens and external metal trellis shades and updated signage.

| Anticipated Base Scope | Estimate |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Exterior Window and Storefront Door Replacement - including ACM | \$900,000.00 |
| Fire Suppression Upgrades - including ACM abatement | \$250,000.00 |
| Bathroom Renovations - accessibility improvements, upgraded plumbing fixtures, flooring, added privacy | \$200,000.00 |
| Upgraded Laundry Room/Janitor Closet | \$30,000.00 |
| Interior Aesthetic Upgrades - common area paint, flooring, corridor ceiling replacement including ACM abatement, mural, art, furniture, fixtures, and equipment | \$760,000.00 |
| Cost of Work Subtotal | \$2,140,000.00 |
| Soft Costs (40% of Hard Costs) - Project Management, Architect/Engineer, Testing and Inspections, Moving and Storage, Owner's Contingency | \$856,000.00 |
| Project Costs Total | \$2,996,000.00 |
| Alternates | |
| Building Energy Performance Improvements - external trellis shades/metal | \$410,000.00 |
| Entry Improvements - additional flat roof and new dimensional signage letters | \$40,000.00 |
| Total | \$450,000.00 |

Proposed terms of the CCCS loan would be as follows:

- \$2.0 million loan from CCCS to TSC for Phase II Romero scope of work (as detailed above), transferred to TSC by January 15th, 2023;
- By 6/15/23, TSC will make a repayment of a minimum of \$600,000 to CCCS. There is no interest charged on this repayment. And, TSC may choose to increase that payment amount to offset the remaining loan balance;
- Over the following five fiscal years, TSC will repay in 5 equal installments the balance of the loan less the 6/15/23 payment. Each payment will be due to CCCS by 6/15 (starting with 6/15/24). An interest rate of 2.0% will be charged on the remaining amount, compounded annually and incorporated into the annual payment, beginning 6/15/23.
- The Chancellor has the discretion to alter the length of the repayment term if negative economic conditions warrant, up to an additional two years. The Chancellor also has the discretion to alter the interest rate if the 5-year treasury drops below 2%.

TSC's steadfast commitment to improving its facilities through careful planning, state capital requests, fundraising, and increasing reserves (an Institutional Centennial Goal 2025), underscores the College's commitment to providing an environment that supports learners and learning success. This loan also reflects the work of the Ad Hoc Committee on Student Housing and aligns with the Committee's recommendation to continue to prioritize and to seek solutions for funding to provide and maintain acceptable student housing into the future. This loan enables TSC to take advantage of an immediate timing opportunity to move toward its goal of having at least one fully updated residence hall on its Trinidad campus.

RECOMMENDATION:

Staff recommends the Board approve loaning TSC \$2.0 million from CCCS reserves, under the conditions outlined above, and delegates signature authority for the loan agreement to the Chancellor. Staff also recommends the Board approve a do not exceed amount of \$3.0 million in cash spending authority for TSC to complete Phase II of the Romero residence hall, as outlined above. In addition, staff recommends the Board delegate signature authority to the System Vice Chancellor of Finance and Administration for all contractual and related documentation of Romero Phase II, on the condition that all Board and State processes are followed.