

STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

December 8, 2021

**TOPIC: Approval of Spending Authority for HVAC System Upgrade of Front Range Community College's Larimer Campus' Little Bear Peak Building**

**PRESENTED BY: Andrew R. Dorsey, President**

**RELATIONSHIP TO THE STRATEGIC PLAN: Goal 4:** Refine our value proposition through accessibility, affordability, quality, accountability, resource development, and operational excellence.

**EXPLANATION:**

Front Range Community College seeks spending authority for \$242,000 to upgrade the exhaust system for a portion of the Larimer Campus' Little Bear Peak building that houses the College's Heating, Ventilation, and Air Conditioning (HVAC) program. The College has an existing contract with Adolfson Peterson Construction (A&P) for \$470,000 for the recent renovation of the space to support the HVAC program and desires to use A&P for the remaining upgrade. The addition of the exhaust system upgrade increases the total contracted amount over the \$470,000 original contract amount – and now requires Board approval since it is above the \$500,000 spending threshold in total contract value (\$712,000) for this vendor.

When the space was originally remodeled to support the HVAC program in July 2020, we contracted with A&P to install exhaust snorkels from our previous lab into the new HVAC lab. Once we started working with students in the new lab, we determined that the new exhaust system generally worked, but was not sufficient for the soldering and brazing part of the program. We determined, in consultation with A&P, that the new lab requires a stronger exhaust system and that the existing snorkels should be removed and replaced with a more functional design with increased suction.

Implementation of this upgrade includes adding a 4800 cubic feet per minute (CFM) exhaust fan to replace the 1200CFM exhaust fan, adding a heat only MAU (makeup air unit) with distribution ductwork, adding general room exhaust, adding new ductwork for the exhaust and adding new articulating smoke collection arms.

As of August 2021, college reserves were \$48.0M or 40.3% of operating expenses. With this project and other funded expenditures, projected ending reserve will be \$45.4M or 34.2% of operating expenses.

<b>Unrestricted Net Asset Reserves</b>	<b>\$ Reserves</b>	<b>% Net Expense</b>
FY21 Ending Balance	\$48,026,165	40.3%
Committed for other FRCC funded projects/expenses	-\$770,702	
BCC Facilities Improvements (Approved Sept. 2021)	-\$436,840	
LC WC Café Grab & Go Renovation	-\$1,200,000	
LC LBP HVAC Renovation	-\$242,000	
Projected FY22 Balance	\$45,376,623	34.2%

**RECOMMENDATION:**

Staff recommends the Board approve the exhaust system upgrade contract for Front Range Community College with A&P for an additional \$242,000 (and a total contract of \$712,000) and delegate the signature authority of the Board to the FRCC President on the condition that all State and Board required processes are met.