

# MINERAL INDUSTRIES AT MINES

SD Mines is one of only five US universities offering undergraduate majors in:

- Geology & Geological Engineering
- Mining Engineering
- Metallurgical Engineering

Collectively, these are referred to as Mineral Industry (MI) majors.



## Current Challenges

Built in 1962 with no major renovation since original construction

- Infrastructure needs
  - o Provide ADA accessibility throughout the building
  - o Upgrade HVAC, mechanical, and electrical systems
  - o Asbestos removal
  - o Design classrooms and laboratories for flexibility and adaptability for long-term needs

## Vision

Mineral industries play an important role in the economy of South Dakota. With its central and convenient location, SD Mines will be the hub of regional industrial, academic, and governmental collaboration related to mineral industries.

## Positioned for Success

- Enterprising department heads and faculty
- Advisory boards with active and diverse representation
- Alignment of curricula and research with industry needs
- Strong, collaborative and diverse research portfolio

## Highly Sought-After Majors

460 students majoring in the three disciplines in Fall 2018

Represents 19% of total SD Mines enrollment

Placement has been at or near 100% over the past five years

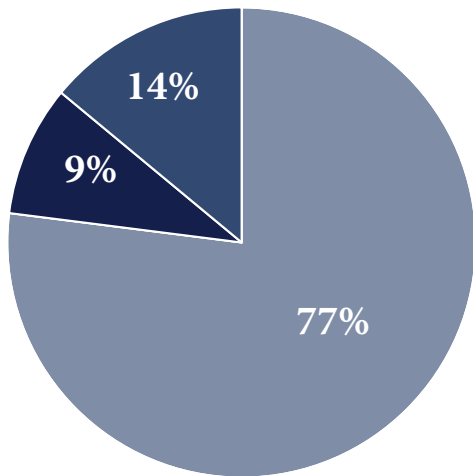
130 employers hired a total of 208 MI graduates from SD Mines over the past five years

In addition to MI students, another 190 students from other majors were hired by the same companies

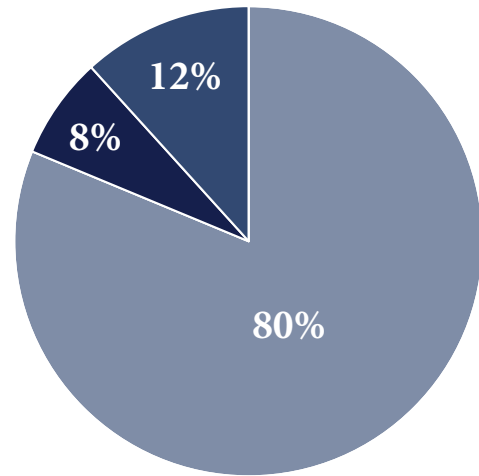
Total of 399 SD Mines graduates hired by companies specializing in MI

# Proposed Funding Plan

## \$28M Renovation



## \$33M New Building



● Mineral Tax    ● Industry    ● SD Mines

\$28M Project		\$33M Project
\$22,000,000	Principal	\$27,000,000
13,754,715	Interest	16,880,786
35,754,715*	Total Financed*	43,880,786*
6,000,000	Industry Upfront Contribution	6,000,000
<b>41,754,715</b>	<b>Total Project Cost</b>	<b>49,880,786</b>
\$32,004,715	Mineral Tax	\$40,130,786
3,750,000	SD Mines M&R Funding	3,750,000
6,000,000	Industry	6,000,000
<b>41,754,715</b>	<b>Funding Source</b>	<b>49,880,786</b>
\$1,349,042	Mineral Tax	\$1,605,231
150,000	SD Mines M&R Funding	150,000
<b>1,499,042</b>	<b>Annual Debt Service</b>	<b>1,755,231</b>

\* 25-year bond (includes principal & interest)

### What are the Precious Metals and Energy Mineral Taxes?

- South Dakota's 4.5% sales & use and 2% contractors' excise tax
- Applies to services and tangible personal property in the precious metal mining industry
- Combined \$10M generated in FY17 – an increase of 32% over FY16
- Strong industry support for use of funds for this purpose