

COLORADO GENERAL ASSEMBLY

JOINT BUDGET COMMITTEE



2008 LEGISLATIVE SESSION SUPPLEMENTAL: CAPITAL CONSTRUCTION

PRIORITIZED AND NON-PRIORITIZED REQUESTS

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

Prepared By:

Eric Kurtz, JBC Staff

January 24, 2008

For Further Information Contact:

**Joint Budget Committee
200 East 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061**

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

TABLE OF CONTENTS

	Numbers Page	Narrative Page
Department of Personnel and Administration New Office Building, 1555 Sherman Street CAPITOL COMPLEX MASTER PLAN	1	5
Public Health and Environment Natural Resources Damage Restoration	1	7
University of Colorado at Boulder Information Technology Infrastructure	1	8
Colorado State University at Fort Collins Shortgrass Steppe Field Station Additions/Alterations	2	9
Colorado State University at Fort Collins Rockwell Hall Business Expansion	2	10
Colorado State University at Fort Collins New Academic Village - Phase 1B	2	11
University of Colorado at Denver and Health Sciences Center Center for Bioethics and Humanities	3	12
Mesa State College Saunders Fieldhouse Renovation and Expansion	3	13
Department of Natural Resources Division of Parks and Outdoor Recreation Revenue Enhancements; Automated Entrances	3	14
Colorado School of Mines General Research Lab Building 3 rd Floor Buildout	4	15
Department of Human Services Services for People with Disabilities Homelake Domiciliary Renovation	4	16
Colorado Historical Society Cumbres and Toltec Scenic Railroad,Track Rehabilitation	4	17
Department of Revenue Limon Port-of-Entry, Westbound Scale Pit Replacement	5	18
Department of Revenue Fort Morgan Port of Entry, Eastbound Lane and Scale Pit Repair	5	18

	Total Approps To Date for the Project	Supplemental			New Total with with Rec.
		Approp Being Amended	Requested Change	Recommended Change	
CAPITAL CONSTRUCTION					
Department of Personnel and Administration					
<i>(B) Capital Construction</i>					
FY 2006-07					
(H.B. 06-1385)					
New Office Building, 1555 Sherman Street					
Capitol Complex Master Plan	<u>1,700,000</u>	<u>1,700,000</u>	Name Change	No Change	<u>1,700,000</u>
Capital Construction Funds Exempt	1,700,000	1,700,000			1,700,000
Cash Funds	0	0			0
Cash Funds Exempt	0	0			0
Federal Funds	0	0			0
FY 2005-06					
(S.B. 05-209)					
Department of Public Health and Environment					
Natural Resources Damage Restoration	<u>16,019,425</u>	<u>7,500,000</u>	Extend Deadline	Extend Deadline	<u>7,500,000</u>
Capital Construction Funds Exempt	0	0			0
Cash Funds	0	0			0
Cash Funds Exempt	16,019,425	7,500,000			7,500,000
Federal Funds	0	0			0
FY 2005-06					
(S.B. 05-209)					
University of Colorado at Boulder					
Information technology Infrastructure	<u>13,524,930</u>	<u>13,524,930</u>	Extend Deadline	Extend Deadline	<u>13,524,930</u>
Capital Construction Funds Exempt	0	0			0
Cash Funds	0	0			0
Cash Funds Exempt	13,524,930	13,524,930			13,524,930
Federal Funds	0	0			0

	Total Approps To Date for the Project	Supplemental			New Total with with Rec.
		Approp Being Amended	Requested Change	Recommended Change	
Colorado State University at Fort Collins					
<i>(B) Capital Construction</i>					
Shortgrass Steppe Field Station					
FY 2005-06 (S.B. 05-209)					
Additions/Alterations	<u>3,800,000</u>	<u>3,800,000</u>	Extend Deadline	Extend Deadline	<u>3,800,000</u>
Capital Construction Funds Exempt	0	0			0
Cash Funds	0	0			0
Cash Funds Exempt	3,800,000	3,800,000			3,800,000
Federal Funds	0	0			0
FY 2007-08 (S.B. 07-239)					
Rockwell Hall Business Expansion	<u>11,803,850</u>	<u>11,803,850</u>	<u>3,496,150</u>	<u>3,496,150</u>	<u>15,300,000</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	11,803,850	11,803,850	3,496,150	3,496,150	15,300,000
Federal Funds	0	0	0	0	0
S.B. 92-202 Approved October					
FY 2007-08 (S.B. 07-239)					
New Academic Village - Phase 1B	<u>22,144,617</u>	<u>0</u>	<u>2,555,383</u>	<u>2,555,383</u>	<u>24,700,000</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	22,144,617	0	2,555,383	2,555,383	24,700,000
Federal Funds	0	0	0	0	0

	Total Approps To Date for the Project	Supplemental			New Total with with Rec.
		Approp Being Amended	Requested Change	Recommended Change	
University of Colorado at Denver and Health Sciences Center		FY 2003-04 (H.B. 06-1405)			
Center for Bioethics and Humanities	<u>5,436,977</u>	<u>5,436,977</u>	<u>2,817,715</u>	<u>2,817,715</u>	<u>8,254,692</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	5,436,977	5,436,977	2,817,715	2,817,715	8,254,692
Federal Funds	0	0	0	0	0
Mesa State College		FY 2007-08			
<i>(B) Capital Construction</i>		<i>(S.B. 07-239)</i>			
Saunders Field House/Addition and Renovation	<u>18,112,500</u>	<u>13,927,500</u>	<u>4,375,316</u>	<u>4,375,316</u>	<u>22,487,816</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	18,112,500	13,927,500	4,375,316	4,375,316	22,487,816
Federal Funds	0	0	0	0	0
Department of Natural Resources		FY 2007-08			
<i>(B) Capital Construction</i>		<i>(S.B. 07-239)</i>			
Revenue Enhancements	<u>6,487,000</u>	<u>6,487,000</u>	<u>246,780</u>	<u>246,780</u>	<u>6,733,780</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	6,487,000	6,487,000	246,780	246,780	6,733,780
Federal Funds	0	0	0	0	0
Automated Entrances	<u>500,000</u>	<u>500,000</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>250,000</u>
Capital Construction Funds Exempt	0	0	0	0	0

	Total Approps To Date for the Project	Supplemental			New Total with with Rec.
		Approp Being Amended	Requested Change	Recommended Change	
Cash Funds	0	0	0	0	0
Cash Funds Exempt	500,000	500,000	(250,000)	(250,000)	250,000
Federal Funds	0	0	0	0	0
		FY 2007-08 (S.B. 07-239)			
Colorado School of Mines					
General Research Lab Building 3rd Floor Builc	<u>0</u>	<u>0</u>	<u>2,955,509</u>	<u>2,955,509</u>	<u>2,955,509</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	0	0	2,505,509	2,505,509	2,505,509
Federal Funds	0	0	450,000	450,000	450,000
		FY 2007-08 (S.B. 07-239)			
Department of Human Services					
<i>(3) Services for People with Disabilities</i>					
<i>(B) Capital Construction</i>					
Homelake Domiciliary Renovation	<u>3,443,700</u>	<u>3,443,700</u>	<u>2,142,857</u>	<u>2,142,857</u>	<u>5,586,557</u>
Capital Construction Funds Exempt	1,205,295	1,205,295	750,000	750,000	1,955,295
Cash Funds	0	0	0	0	0
Cash Funds Exempt	0	0	0	0	0
Federal Funds	2,238,405	2,238,405	1,392,857	1,392,857	3,631,262
		FY 2007-08 (S.B. 07-239)			
Colorado Historical Society					
<i>(B) Capital Construction</i>					
Cumbres and Toltec Scenic Railroad, Track Rehabilitation	<u>4,000,000</u>	<u>4,000,000</u>	<u>600,000</u>	<u>600,000</u>	<u>4,600,000</u>
Capital Construction Funds Exempt	1,350,000	1,350,000	600,000	600,000	1,950,000

	Total Approps To Date for the Project	Supplemental			New Total with with Rec.
		Approp Being Amended	Requested Change	Recommended Change	
Cash Funds	0	0	0	0	0
Cash Funds Exempt	2,650,000	2,650,000	0	0	2,650,000
Federal Funds	0	0	0	0	0
Department of Revenue					
<i>(B) Capital Construction</i>					
FY 2007-08					
(S.B. 07-239)					
Limon Port-of-Entry, Westbound Scale Pit Replacement	<u>0</u>	<u>0</u>	<u>414,918</u>	<u>414,918</u>	<u>414,918</u>
Capital Construction Funds Exempt	0	0	0	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	0	0	414,918	414,918	414,918
Federal Funds	0	0	0	0	0
Fort Morgan Port-of-Entry, Eastbound Lane and Scale Repair	<u>0</u>	<u>0</u>	<u>290,234</u>	<u>290,234</u>	<u>290,234</u>
Capital Construction Funds Exempt	0	0	44,187	0	0
Cash Funds	0	0	0	0	0
Cash Funds Exempt	0	0	246,047	290,234	290,234
Federal Funds	0	0	0	0	0
Total					
CAPITAL CONSTRUCTION	N.A.	N.A.	<u>19,644,862</u>	<u>19,644,862</u>	N.A.
Capital Construction Funds Exempt			1,394,187	1,350,000	
Cash Funds			0	0	
Cash Funds Exempt			16,407,818	16,452,005	

	Total Approps To Date for the Project	Approp Being Amended	Supplemental		New Total with with Rec.
			Requested Change	Recommended Change	
Federal Funds			1,842,857	1,842,857	

Key:
"N.A." = Not Applicable

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Department of Personnel and Administration

New Office Building, 1555 Sherman Street CAPITOL COMPLEX MASTER PLAN

	Request	Recommendation
Total	\$0	\$0
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	No
<p>The Department submitted the request under the criteria of <i>new data</i> with the explanation that the priorities of the executive branch have changed with the change in administration since the New Office Building project was initially funded. The Department also indicated that discussions last year about potentially relocating the Judicial Department and/or the Historical Society made the need for a Capitol Complex Master Plan more evident.</p> <p>Staff disagrees that the request meets the JBC's supplemental criteria. The Department did not submit any data about changes in economic circumstances or the space needs of the state that would suggest that the legislature needs to reevaluate the New Office Building project. The need for a master plan for the capitol complex and the desires of the Judicial Department and the Historical Society for facility improvements have been known for several years, but not prioritized by the legislature.</p> <p>If the legislature has changed its priorities and wants to discontinue the New Office Building, 1555 Sherman Street project, then a supplemental reduction to the FY 2006-07 appropriation would be appropriate to free up the capital construction moneys for other purposes. However, staff is unsure why the money would need to be rededicated to developing a capitol complex master plan in a supplemental bill, as opposed to having the capitol complex master plan compete for funding with the other projects proposed for FY 2008-09. Its possible that funding the capitol complex master plan through the supplemental process would be perceived as giving the project undue favor and exempting it from the normal scrutiny that other capital projects receive. However, since the CDC has recommended the capitol complex master plan supplemental to the JBC, presumably the CDC would prioritize the capitol complex master plan over other projects in FY 2008-09. In which case, the distinction between whether the capitol complex master plan is funded in a supplemental bill versus the FY 2008-09 Long Bill may be technical.</p>	

Department Request: The Department requests changing the name of an FY 2006-07 appropriation so that it can spend the money to develop a master plan for the capitol complex rather than to develop architectural and engineering plans for a mixed-use office building with retail space on the first floor and parking. The original plan was to issue COPs for the construction costs of the mixed-use building with revenues from the retail leases and parking supporting the COP payments. The Department has spent \$313,500 to date to develop a feasibility study for the mixed-use building and to determine the appropriate square footage for parking. That leaves \$1,386,500 that has not been used that the Department would like to redirect to developing the master plan. The following table summarizes how the Department proposes to spend the money.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

PHASE I Investigation/Discovery/Goals & Objectives:	\$75,000
PHASE I Strategic Analysis/Business Plan:	\$125,000
PHASE III Projections of Space Needs:	\$50,000
PHASE IV Development of Alternatives/Selection:	\$100,000
PHASE V Master Plan Documentation/Facilities/Site Immediate and Long Term Development Plans:	\$100,000
PHASE VI Implementation/Development of Capital Construction Request(s) to the Legislature:	\$450,000*
Subtotal:	\$900,000
PROFESSIONAL SUBCONSULTANTS (All Phases)	\$150,000
- Urban Design/Architecture/Landscape/Graphics:	
- Parking/Transportation:	\$25,000
- Historic Preservation:	\$25,000
- Security:	\$50,000
- LEED:	\$25,000
- Cost Estimating/Life Cycle Cost Analysis:	\$25,000
- Financial Planning:	\$50,000
Subtotal:	\$350,000
CONTINGENCY	
- Reimbursables:	\$25,000
- Project:	\$111,500
Subtotal:	\$136,500
TOTAL:	\$1,386,500

*Including efforts to coordinate the expansion of the Judicial Branch and the relocation of the Colorado History Museum.

CDC Action: The Capital Development Committee recommends approval of the request.

**CAPITAL CONSTRUCTION
FY 2007-08 SUPPLEMENTAL RECOMMENDATION
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Staff Recommendation: Staff recommends that the JBC deny the request. The Department did not submit any data about changes in economic circumstances or the space needs of the state that would suggest that the legislature needs to reevaluate the project.

Staff believes that the development and maintenance of a master plan for the capitol complex is part of the ongoing, day-to-day functions of the Department of Personnel, and that the Department can not reasonably perform its statutory duties with regard to approving facility program plans and developing performance criteria for state buildings in the absence of strategic planning for the capitol complex. The Department of Personnel should be using its operating appropriation to develop and maintain a master plan, and if the Department feels that the operating appropriation is insufficient for this purpose, then it should be submitting operating requests to increase the base. Staff is unsure how a one-time expenditure for a consultant to develop a plan at a point in time will meet the ongoing needs of the state. The size and space needs of state government change frequently, as does the economic environment in which the state operates, suggesting a near annual need to evaluate leases and buildings in and around the capitol complex.

The Department reports that it completed a limited master plan in 1989 that focused on space utilization in the Capitol Complex, but that the plan has not been updated and it is rarely consulted. Staff suspects that it is rarely consulted because space needs change and the report quickly became outdated.

There are government processes in place involving the executive/judicial branches and the legislature to sort out the competing proposals for what to do about space for the Historical Society and the Judicial Department. If compromise has not yet been achieved through these processes, what reason is there to believe that a consultant will be able to propose an acceptable solution?

**Public Health and Environment
Natural Resources Damage Restoration**

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
The Department made a <i>technical error</i> in projecting the amount of time it would take local governments to secure required matching funds.	

Department Request: The Department requests a three-year extension of time to expend the original appropriation, through June 30, 2011. Typically, capital construction appropriations remain active for three years after the original authorization, pursuant to the headnotes for the capital construction section of the Long Bill. This project funds the restoration or replacement of natural resources that have been damaged as a result of releases of hazardous substances into the environment. The source of funds is money recovered by the state through litigation when the state is acting as a trustee of natural resources pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act. These moneys are deposited in the Natural Resources Damage Recovery Fund and subject to appropriation by the General Assembly for purposes authorized by the federal act and consistent with the judicial order or decree. The Department indicates that it has not spent all of the FY 2005-06 appropriation because it took longer than expected for local governments to secure required matching funds. To date, the Department has spent \$3,110,500 of the \$7,500,000 cash funds exempt originally authorized. The active projects are Idarado, Globeville, Cotter, Eagle, and Uravan.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. By statute the moneys in the Natural Resources Damage Recovery Fund can not be used for a different purpose. According to the Department, the delays in disbursing the money have been caused by local issues rather than the Department.

**University of Colorado at Boulder
 Information Technology Infrastructure**

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
<p>At the time the institution received approval for the Information Technology Infrastructure project the University did not know that it would subsequently receive General Fund to renovate the Ketchum Arts and Sciences Building. This was an <i>unforeseen contingency</i>. Coordinating the Information Technology Infrastructure project with the renovation of the Ketchum Arts and Sciences Building will reduce the disruption to classes.</p>	

Department Request: The University requests an extension of time to expend the \$13,524,930 cash funds exempt appropriation originally authorized in FY 2005-06 until December 31, 2010. The project makes infrastructure improvements to several buildings, including laying fiber optic cables, renovating communication closets, and wiring buildings for high-speed network connections. The source of funds is a student academic facility fee. To date the institution has spent \$2,510,504. The delay is requested so that the technology infrastructure improvements for the Ketchum building can be coordinated with a larger renovation of the facility to save money and reduce the disruption to classes.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The institution indicates that the extension of time will allow for a more efficient and less intrusive implementation. In FY 2007-08 the University received \$991,015 from the capital construction fund to begin renovation of the Ketchum Arts and Sciences Building, and for FY 2008-09 the University has requested \$8,435,946 for the project. The Governor ranked the Ketchum project 19th out of 24 projects requested for FY 2008-09.

**Colorado State University at Fort Collins
 Shortgrass Steppe Field Station Additions/Alterations**

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
The request meets the criteria of an <i>unforeseen contingency</i> , as federal research revenue for the project has been slower to materialize than originally projected.	

Department Request: The University requests an extension of time to expend the appropriation until June 30, 2011 based on delays in funding from the National Science Foundation. The project was originally appropriated \$3,800,000 cash funds exempt in FY 2005-06. The source of funds is federal research money. To date the institution has spent \$680,117 on the project.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The University has begun site work and designed the classroom and some residential buildings. It needs to have more of the federal research funds in hand before proceeding further with the project.

**Colorado State University at Fort Collins
 Rockwell Hall Business Expansion**

	Request	Recommendation
Total	<u>\$3,496,150</u>	<u>\$3,496,150</u>
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	3,496,150	3,496,150
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
The University has <i>new data</i> about the location of utility connections and actual bids submitted for similar work elsewhere on the campus. Also, the University has refined its technology expectations for the classrooms, which less clearly fits within the JBC's supplemental criteria, but accounts for only \$260,000 of the total request.	

Department Request: The University requests \$3,496,150 cash funds exempt spending authority from ___, in addition to the \$11,803,850 cash funds exempt spending authority initially provided in FY 2007-08. The additional spending authority is to address higher costs due to utility connections being farther from the building than expected and a projection that bids will be higher than originally anticipated based on recent

**CAPITAL CONSTRUCTION
FY 2007-08 SUPPLEMENTAL RECOMMENDATION
JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

bids for a similar project elsewhere on the campus. In addition, the University has refined its technology expectations for the classrooms and anticipates that this will increase the cost by \$260,000.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The location of the utility connections was unexpected, as were the cost of the bids for a similar project on campus. The changes to the technology expectations expand the scope of the project, but will result in a significantly more useable space for the institution.

**Colorado State University
New Academic Village - Phase 1B**

	Request	Recommendation
Total	<u>\$2,555,383</u>	<u>\$2,555,383</u>
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	2,555,383	2,555,383
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	YES
<p>The University indicates that the high level of student and faculty demand for academic space that is co-located with housing is an <i>unforeseen contingency</i>, such that the institution has decided to reallocate revenue from an existing student academic facility fee to construct academic space in the New Academic Village rather than as originally planned in a free-standing building. The institution believes that constructing the academic space in the New Academic Village will also save construction inflation by building the academic space sooner than originally planned.</p>	

Department Request: The University requests \$2,555,383 of cash funds exempt spending authority from an existing student academic facility fee, in addition to the \$22,144,617 cash funds exempt from student housing and food service fees initially authorized as a S.B. 92-202 project in October. The project constructs a 56,000 GSF dormitory and adds 5,210 GSF to a dining hall. The requested new spending authority would add 7,500 GSF of academic instruction and classroom space to the housing building.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The project will not increase student

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

fees. It changes plans for how the existing academic facility fee will be used to reflect student and faculty preferences (as interpreted by the institution) about the type of academic space constructed with the fee.

**University of Colorado at Denver and Health Sciences Center
 Center for Bioethics and Humanities**

	Request	Recommendation
Total	<u>\$2,817,715</u>	<u>\$2,817,715</u>
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	2,817,715	2,817,715
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
The institution submitted the request under the criteria of <i>new data</i> based on information about the structural need to include a basement for the facility, and the slower than anticipated fund raising for the facility.	

Department Request: The University requests \$2,817,715 cash funds exempt spending authority from gifts in addition to the \$5,436,977 cash funds exempt originally provided in FY 2003-04. Construction of the project has been temporarily halted due to slower than anticipated fund raising. During the delay: construction costs have increased; the University has incurred unanticipated expenses associated with security for the partially completed structure; and the University can no longer take advantage of expected efficiencies for work such as utility taps, because the construction is no longer concurrent with work on the adjacent Education 1B facility. In addition, the University has expanded the scope of the project by 3,588 GSF due to structural requirements for a basement to support mechanical equipment, the lobby, the exhibit area, and the forum area. The inclusion of a basement has allowed the institution to add more office space, "breakout" rooms for small groups, and gallery and lobby spaces for exhibits than originally programmed.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The institution did not anticipate the structural need for a basement, and projected gift revenue has come in slower than expected.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Mesa State College
 Saunders Fieldhouse Renovation and Expansion**

	Request	Recommendation
Total	\$4,375,316	\$4,375,316
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	4,375,316	4,375,316
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
<p>The institution has changed the architecture and engineering firm for the project. The new firm identified errors in the original cost estimate for the project, which lead to a supplemental request through the H.B. 98-1331 process in October. The new firm and the institution have continued to refine the design for the project, which has provided <i>new data</i> about the cost. The changes in scope are primarily attributable to poor initial planning and <i>technical errors</i> in the design. In addition, construction inflation on the western slope has exceeded projections. Finally, some of the large donors have put conditions on their gifts that have resulted in an expansion of the scope.</p>	

Department Request: The college requests \$4,375,316 cash funds exempt spending authority from gifts in addition to the \$13,927,500 cash funds exempt spending authority previously provided in FY 2007-08 and the \$4,185,000 cash funds exempt authorized through the H.B. 98-1331 process in October. The additional spending authority will allow the institution to construct a single building, at the recommendation of the architect, rather than three separate attached buildings. In addition, the institution has expanded the scope of the project to include more classrooms for the health sciences department, an expansion of the running track, and an expansion of the performance laboratory, based on recommendations of the architect and conditions of the donors.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The college has the gifts for this supplemental request in hand.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Department of Natural Resources
 Division of Parks and Outdoor Recreation
 Revenue Enhancements;
 Automated Entrances**

	Request	Recommendation
Total - Revenue Enhancements	\$246,780	\$246,780
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	246,780	246,780
Federal Funds	0	0

	Request	Recommendation
Total - Automated Entrances	(\$250,000)	(\$250,000)
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	(250,000)	(250,000)
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	YES
<p>The Department has <i>new data</i> indicating the cost of the automated entrances was significantly lower than expected. The Department used its statutory continuous spending authority to reallocate the savings from the automated entrances project to purchase boats and trailers for the Navajo State Park marina.</p>	

Department Request: The Department requests that the Revenue Enhancements project be increased by \$246,780 and the Automated Entrances project be reduced by \$250,000 cash funds exempt from lottery proceeds. These lottery proceeds are continuously appropriated to the Department of Natural Resources, and so the Department does not require an appropriation to move the funds. However, there are informational appropriations in the Long Bill and the Department requests the changes in order to keep the General Assembly informed of how it is spending the lottery funds.

The additional funds for the Revenue Enhancements are being used to purchase six pontoon boats and trailers for daytime rental at the Navajo State Park marina. The actual cost of installing the automated entrances was half of the original projection, leaving money available for reallocation to the boats and trailers.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. Lottery moneys are continuously appropriated to the Department of Natural Resources.

**Colorado School of Mines
 General Research Lab Building 3rd Floor Buildout**

	Request	Recommendation
Total	\$2,505,509	\$2,505,509
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	2,505,509	2,505,509
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
The institution has <i>new data</i> about the timeline for a federal research grant. These timeline requires the institution to encumber the grant prior to the expected passage of the Long Bill.	

Department Request: The institution requests \$2,505,509 cash funds exempt and \$450,000 federal funds spending authority in order to renovate 9,720 GSF of unfinished space on the 3rd floor of the General Research Lab Building. The cash funds exempt comes from institutional reserves created by refinancing bonds. The institution will use the space for studying pathogenic biohazard detection, microfluidics and the properties of fluid flow under extreme conditions, and algae for renewable bio-fuel applications, among other things, in partnership with the Department of Defense and the National Institutes of Health. The institution has a \$2.5 million research grant from the Department of Defense that requires that the moneys be encumbered prior to the projected passage of the Long Bill. In order to encumber the moneys for the research grant, the institution needs space to house the research project.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The timeline for encumbering the Department of Defense research grant was an unforeseen contingency.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Department of Human Services
 Services for People with Disabilities
 Homelake Domiciliary Renovation**

	Request	Recommendation
Total	<u>\$2,142,857</u>	<u>\$2,142,857</u>
Capital Construction Funds Exempt	750,000	750,000
Cash Funds	0	0
Cash Funds Exempt	1,392,857	1,392,857
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
The Department encountered several <i>unforeseen contingencies</i> including additional asbestos, heating and cooling systems that didn't meet health industry standards, higher state environmental policies, and construction inflation.	

Department Request: The Department requests \$750,000 from the Capital Construction Fund and \$1,392,857 federal funds (total of \$2,142,857) for the Homelake Domiciliary Renovation. The project originally received \$1,205,295 from the Capital Construction Fund and \$2,238,405 federal funds in FY 2007-08. The requested increase will address additional asbestos discovered in the cottages, the replacement of existing radiant baseboard heating to meet current health care industry standards, LEED silver certification, and the escalation of construction costs.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The Department encountered several unforeseen contingencies including additional asbestos, heating and cooling systems that didn't meet health industry standards, higher state environmental policies, and construction inflation.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Colorado Historical Society
 Cumbres and Toltec Scenic Railroad, Track Rehabilitation**

	Request	Recommendation
Total	<u>\$600,000</u>	<u>\$600,000</u>
Capital Construction Funds Exempt	600,000	600,000
Cash Funds	0	0
Cash Funds Exempt	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **NO**
 [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]

The railroad was denied a request in FY 2007-08 for \$1,350,000 to perform track upgrades. This supplemental is essentially a request for the legislature to reconsider its decision, but with a different dollar amount.

Department Request: The railroad requests supplemental funding so that it can pre-purchase materials for March 2008 to perform track work. Much of the work can only be done during the summer construction season. The railroad has trained the track crew over the last two years. If funding is not provided for the next phase of track repairs, the railroad will need to lay off the experienced crew. It will take considerable time, effort, and cost to train a new crew if the track rehabilitation work is resumed at a later date. The track rehabilitation is an ongoing project. It received funding \$1,350,000 from the capital construction fund in FY 2006-07. The supplemental projects that another \$4,079,500, in addition to the supplemental, will be needed over the next few years to complete the project.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. The project does not clearly fit any of the JBC's supplemental criteria. However, assuming that the legislature wants the track work to eventually get done, a minimal amount of funding should be provided each year to justify maintaining the crew that the railroad has trained. Otherwise, the railroad will incur significant additional costs and loss of expertise. The legislature funded the first phase of the track work in FY 2006-07. The track work is critical to the continued operation of the railroad. If the staff assumption that the legislature eventually wants to complete the track work is wrong, then the legislature may want to examine whether the Cumbres and Toltec Railroad should continue to be funded at all.

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

**Department of Revenue
 Limon Port-of-Entry, Westbound Scale Pit Replacement**

	Request	Recommendation
Total	\$414,918	\$414,918
Capital Construction Funds Exempt	0	0
Cash Funds	0	0
Cash Funds Exempt	414,918	414,918
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria?	YES
[An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	
<p>The Department submitted this request under the criteria of an <i>unforeseen contingency</i>. Its questionable whether the deterioration of the scale pit was unforeseen, since the Department replaces/repairs scales and pits regularly due to the stress and wear and tear placed on the equipment. The Department reports larger than expected cracks and buckling.</p>	

Department Request: The Department has requested \$414,918 cash funds exempt from the Highway Users Tax Fund to begin replacing the westbound scale pit at the Limon port-of-entry. Cracks and buckling in the scale pit have caused the scale to malfunction.

CDC Action: The Capital Development Committee recommends approval of the request.

Staff Recommendation: Staff recommends approval of the request. This appropriation is subject to the six percent limit on "off-the-top" expenditures from the Highway Users Tax Fund. After the JBC makes all decisions on supplementals involving off-the-top expenditures, the JBC staff will present a reconciliation to the limit. At that time, the JBC may need to adjust the source of funds for this project. The alternative to off-the-top HUTF for this project is the Capital Construction Fund.

**Department of Revenue
 Fort Morgan Port of Entry, Eastbound Lane and Scale Pit Repair**

	Request	Recommendation
Total	\$290,234	\$290,234
Capital Construction Funds Exempt	44,187	0
Cash Funds	0	0

**CAPITAL CONSTRUCTION
 FY 2007-08 SUPPLEMENTAL RECOMMENDATION
 JBC WORKING DOCUMENT - SUBJECT TO CHANGE**

	Request	Recommendation
Cash Funds Exempt	246,047	290,234
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God / a technical error in the appropriation / new data / an unforeseen contingency]	YES
<p>The Department submitted this request under the criteria of an <i>unforeseen contingency</i>. Its questionable whether the deterioration of the scale pit was unforeseen, since the Department replaces/repairs scales and pits on a regular basis due to the stress and wear and tear placed on the equipment. The Department reports greater than expected shifting of the exit lane in a way that binds the scale wall.</p>	

Department Request: The Department has requested \$290,234 to replace the eastbound scale pit, repour the exit lane, and replace the scale deck at the Fort Morgan port-of-entry. The source of revenues is a mix of "off-the-top" Highway Users Tax Fund and the Capital Construction Fund, based on an estimate by the Department of the available off-the-top HUTF at a point in time.

CDC Action: The Capital Development Committee recommends only the \$44,187 from the Capital Construction Fund, and no money from the off-the-top Highway Users Tax Fund. No explanation was provided for why the CDC rejected the request for off-the-top HUTF.

Staff Recommendation: Staff recommends approval of \$290,234 for the project, with the mix of off-the-top HUTF and capital construction funds to be determined when the JBC reconciles to the FY 2007-08 limit on off-the-top expenditures. Staff does not understand why the CDC would recommend only the \$44,187 from the Capital Construction Fund for this project. That level of funding would not be sufficient to complete the work. The CDC did not provide any explanation in their letter to the JBC.