

JOINT BUDGET COMMITTEE



SUPPLEMENTAL BUDGET REQUESTS FY 2021-22, FY 2020-21, FY 2019-20

CAPITAL CONSTRUCTION

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

PREPARED BY:
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CONTENTS

Summary: FY 2019-20 Appropriation and Recommendation	1
Request/Recommendation Descriptions	1
Summary: FY 2020-21 Appropriation and Recommendation	2
Request/Recommendation Descriptions	2
Summary: FY 2021-22 Appropriation and Recommendation	3
Request/Recommendation Descriptions	3
Prioritized Supplemental Requests	4
OSPB Priority 1 – HED: Colorado School of Mines Subsurface Frontiers Building	4
Department Request:	4
Capital Development Committee Action:	4
Staff Recommendation:	4
Staff Analysis:	4
OSPB Not Recommended - HED: Colorado State University Shepardson Building Renovation & Addition	5
Department Request:	5
Capital Development Committee Action:	5
Staff Recommendation:	5
Staff Analysis:	5
Previously Approved Interim Supplemental Request	6
DHS: Emergency Suicide Mitigation, Colorado Mental Health Institute at Pueblo	6
Department Request/CDC Action:	6
Additional Staff Recommendation:	6
Summary:	6
Committee Action:	7
Appendix A: Letters to the JBC	8

CAPITAL CONSTRUCTION

SUMMARY: FY 2019-20 APPROPRIATION AND RECOMMENDATION

CAPITAL CONSTRUCTION: RECOMMENDED CHANGES FOR FY 2019-20					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2019-20 APPROPRIATION					
SB 19-207 (Long Bill)	\$224,613,001	\$156,122,857	\$68,092,774	\$0	\$397,370
Other legislation	120,683,682	9,139,718	111,543,964	0	0
CURRENT FY 2019-20 APPROPRIATION	\$345,296,683	\$165,262,575	\$179,636,738	\$0	\$397,370
RECOMMENDED CHANGES					
Current FY 2019-20 Appropriation	\$345,296,683	\$165,262,575	\$179,636,738	\$0	\$397,370
HED: CSM Subsurface Frontiers Building	(121,856,741)	(1,856,741)	(120,000,000)	0	0
RECOMMENDED FY 2019-20 APPROPRIATION	\$223,439,942	\$163,405,834	\$59,636,738	\$0	\$397,370
RECOMMENDED INCREASE/(DECREASE)	(\$121,856,741)	(\$1,856,741)	(\$120,000,000)	\$0	\$0
Percentage Change	(35.3%)	(1.1%)	(66.8%)	n/a	0.0%
FY 2019-20 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0

REQUEST/RECOMMENDATION DESCRIPTIONS

COLORADO SCHOOL OF MINES SUBSURFACE FRONTIERS BUILDING: The Colorado Commission on Higher Education (CCHE) requests the elimination of the appropriation for the Colorado School of Mines (CSM) Subsurface Frontiers Building due to the project being directly funded by the federal Infrastructure Investment and Jobs Act signed in November 2021. The building will be constructed in partnership with the United States Geological Survey (USGS) on the Mines campus and will house both organizations' mineral exploration and subsurface mineral economics programs.

SUMMARY: FY 2020-21 APPROPRIATION AND RECOMMENDATION

CAPITAL CONSTRUCTION: RECOMMENDED CHANGES FOR FY 2020-21					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2020-21 APPROPRIATION					
HB 20-1360 (Long Bill)	\$105,724,997	\$2,543,768	\$71,688,773	\$0	\$31,492,456
Other legislation	70,247,868	71,000,000	(752,132)	0	0
CURRENT FY 2020-21 APPROPRIATION	\$175,972,865	\$73,543,768	\$70,936,641	\$0	\$31,492,456
RECOMMENDED CHANGES					
Current FY 2020-21 Appropriation	\$175,972,865	\$73,543,768	\$70,936,641	\$0	\$31,492,456
HED: CSU Shepardson Building Renov & Add	(3,100,000)	0	(3,100,000)	0	0
RECOMMENDED FY 2021-22 APPROPRIATION	\$172,872,865	\$73,543,768	\$67,836,641	\$0	\$31,492,456
RECOMMENDED INCREASE/(DECREASE)	(\$3,100,000)	\$0	(\$3,100,000)	\$0	\$0
Percentage Change	(1.8%)	0.0%	(4.4%)	n/a	0.0%
FY 2020-21 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$3,100,000	\$0	\$3,100,000	\$0	\$0

REQUEST/RECOMMENDATION DESCRIPTIONS

COLORADO STATE UNIVERSITY SHEPARDSON BUILDING RENOVATION & ADDITION: CCHE requests a reduction in a cash appropriation authorized in FY 2020-21 for Colorado State University's Shepardson Building Renovation and Addition Project. The original request anticipated the project would require \$33.8 million from the Capital Construction Fund (CCF) with a \$9.0 million cash match from CSU. The project was appropriated \$4.5 million CCF in FY 2018-19 and \$13.5 million CCF and \$9.0 million cash in FY 2019-20. The final phase did not receive funding in FY 2020-21 due to the COVID-19 pandemic, but the FY 2020-21 Long Bill included \$3.1 million cash funds spending authority as a bridge to keep the project going until additional funding was secured. Senate Bill 20-219 provided \$17.0 million from certificates of participation to complete the project; CSU therefore did not need the \$3.1 million appropriation and seeks a rescission of said spending authority.

SUMMARY: FY 2021-22 APPROPRIATION AND RECOMMENDATION

CAPITAL CONSTRUCTION: RECOMMENDED CHANGES FOR FY 2021-22					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
SB 21-205 (Long Bill)	\$301,716,984	\$217,395,025	\$79,429,276	\$1,800,000	\$3,092,683
Other legislation	0	109,462	0	0	0
CURRENT FY 2021-22 APPROPRIATION	\$301,826,446	\$217,504,487	\$79,429,276	\$1,800,000	\$3,092,683
RECOMMENDED CHANGES					
Current FY 2021-22 Appropriation	\$301,826,446	\$217,504,487	\$79,429,276	\$1,800,000	\$3,092,683
DHS: Emergency Suicide Mitigation CMHIP	4,113,216	4,113,216	0	0	0
RECOMMENDED FY 2021-22 APPROPRIATION	\$305,939,662	\$221,617,703	\$79,429,276	\$1,800,000	\$3,092,683
RECOMMENDED INCREASE/(DECREASE)	\$4,113,216	\$4,113,216	\$0	\$0	\$0
Percentage Change	1.4%	1.9%	0.0%	0.0%	0.0%
FY 2021-22 EXECUTIVE REQUEST					
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0

REQUEST/RECOMMENDATION DESCRIPTIONS

INTERIM SUPPLEMENTAL – DEPARTMENT OF HUMAN SERVICES: EMERGENCY SUICIDE MITIGATION, COLORADO MENTAL HEALTH INSTITUTE AT PUEBLO: The Department of Human Services (DHS) requested, and the Capital Development Committee and JBC approved, an increase of \$4,113,216 Capital Construction Fund (General Fund) to address suicide risk mitigation items at the Colorado Mental Health Institute at Pueblo (CMHIP) as an outcome of a July 2021 Colorado Department of Public Health and Environment survey executed in response to a serious life-safety incident at the facility.

PRIORITIZED SUPPLEMENTAL REQUESTS

OSPB PRIORITY 1 – HED: COLORADO SCHOOL OF MINES SUBSURFACE FRONTIERS BUILDING (REDUCE FY 2019-20 APPROPRIATION)

	REQUEST	RECOMMENDATION
TOTAL	(\$121,856,741)	(\$121,856,741)
FTE	0.0	0.0
Capital Construction Fund	(1,856,741)	(1,856,741)
Cash Funds	(120,000,000)	(120,000,000)
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 calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.

DEPARTMENT REQUEST: CCHE requests the elimination of the appropriation for the Colorado School of Mines Subsurface Frontiers Building due to funding for the project being provided by the federal Infrastructure Investment and Jobs Act signed in November 2021.

CAPITAL DEVELOPMENT COMMITTEE ACTION: The Capital Development Committee approved the request on January 13, 2022 and forwarded it to the JBC.

STAFF RECOMMENDATION: Staff recommends that the Committee approve the request. This will require a supplemental adjustment to reduce the FY 2019-20 Capital Construction Fund and cash funds appropriation by \$1.9 million and \$120.0 million, respectively. The intent is to relieve Mines of the requirement to fund the cash match and true-up CCF committed to this project.

STAFF ANALYSIS: The Colorado School of Mines Subsurface Frontiers Building received an appropriation of \$121.9 million in FY 2019-20, consisting of \$1.9 million CCF and \$120.0 million cash funds. After a couple years of uncertainty around how the partnership with the USGS would pan out, the project received \$167.0 million directly from federal funding in the Infrastructure Investment and Jobs Act signed in November 2021. The building will be constructed in partnership with the USGS on the Mines campus and will house both organizations' mineral exploration and subsurface mineral economics programs.

OSPB NOT RECOMMENDED - HED: COLORADO STATE UNIVERSITY
 SHEPARDSON BUILDING RENOVATION & ADDITION
 (REDUCE FY 2020-21 APPROPRIATION)

	REQUEST	RECOMMENDATION
TOTAL	(\$3,100,000)	(\$3,100,000)
FTE	0.0	0.0
General Fund	0	0
Cash Funds	(3,100,000)	(3,100,000)
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 calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was no available when the original appropriation was made.

DEPARTMENT REQUEST: CCHE requests a reduction in the \$3.1 million cash appropriation authorized in FY 2020-21 for Colorado State University’s Shepardson Building Renovation and Addition Project.

CAPITAL DEVELOPMENT COMMITTEE ACTION: The Capital Development Committee approved the request on January 13, 2022 and forwarded it to the JBC.

STAFF RECOMMENDATION: Staff recommends that the Committee approve the request. This will require a supplemental adjustment to reduce the FY 2020-21 cash funds appropriation by \$3.1 million. The intent is to relieve CSU of the requirement to fund this portion of the match it had committed for the project.

STAFF ANALYSIS: The original request anticipated the project would require \$33.8 million from the Capital Construction Fund with a \$9.0 million cash match from CSU. The project was appropriated \$4.5 million CCF in FY 2018-19 and \$13.5 million CCF and \$9.0 million cash in FY 2019-20. The final phase did not receive funding in FY 2020-21 due to the COVID-19 pandemic, but the FY 2020-21 Long Bill included \$3.1 million cash funds spending authority as a bridge to keep the project going until additional funding was secured. Senate Bill 20-219 provided \$17.0 million in funding from certificates of participation to complete the project; CSU therefore did not need the \$3.1 million appropriation and seeks a rescission of said spending authority. If this request is approved, CSU’s cash contribution to the project would remain at \$9.0 million as planned in the original project request.

PREVIOUSLY APPROVED INTERIM SUPPLEMENTAL REQUEST

**DHS: EMERGENCY SUICIDE MITIGATION, COLORADO MENTAL HEALTH INSTITUTE AT PUEBLO
(INCREASE FY 2021-22 APPROPRIATION)**

	REQUEST	APPROVED
TOTAL	\$4,113,216	\$4,113,216
FTE	0.0	0.0
Capital Construction Fund/General Fund	4,113,216	4,113,216
Cash Funds	0	0
Federal Funds	0	0

DEPARTMENT REQUEST/CDC ACTION: The Department of Human Services requested, and the CDC approved, an increase of \$4,113,216 Capital Construction Fund (General Fund) to address suicide risk mitigation at CMHIP as an outcome of a July 2021 Colorado Department of Public Health and Environment survey executed in response to a serious life-safety incident at the facility.

ADDITIONAL STAFF RECOMMENDATION: Staff recommends the Committee pursue legislation for a General Fund transfer to the Capital Construction Fund of \$4,113,216 to support this previously approved request.

SUMMARY: Due to the potential revocation of licensure and accreditation, loss of federal funding, and inability to serve patients if the issues were not mitigated immediately, the CDC and JBC approved the request for emergency suicide mitigation funding. The CDC and JBC also approved a name and project scope change for the FY 2021-22 Capital Construction appropriation for *HVAC Replacement in Four Buildings, Colorado Mental Health Institute at Pueblo (Capital Renewal)* to include Emergency Suicide Mitigation.

Staff included the following in the interim supplemental staff write-up:

“In order to be compliant with the interim supplemental criteria in Section 24-75-111, C.R.S., the request must be for an expenditure “*in excess of the amount authorized by an item of appropriation for such fiscal year...*”. The request as originally submitted did not specify an existing appropriation that would be overexpended through this request. However, OSPB clarified to JBC staff that the request for a change in name and scope of *HVAC Replacement in Four Buildings, Colorado Mental Health Institute at Pueblo (Capital Renewal)* to *HVAC Replacement in Four Buildings and Emergency Suicide Mitigation, Colorado Mental Health Institute at Pueblo (Capital Renewal)*, if approved by both the CDC and JBC, is the existing appropriation that they are seeking an overexpenditure for.

In the letter to the Controller, staff will specify that the overexpenditure will be from General Fund and the identified line item project will include an expansion of scope to provide for this

request. For the supplemental bill to be prepared for the Committee in January, staff will recommend creating a separate line item for this project at that time and include funding from the Capital Construction Fund and a transfer from the General Fund to the Capital Construction Fund.”

COMMITTEE ACTION: Staff recommended, and the JBC approved, the interim supplemental request for FY 2021-22 in September 2021. Staff will include this item in the supplemental bill.

APPENDIX A: LETTERS TO THE JBC

Sen. Rhonda Fields, Chair
Sen. Jerry Sonnenberg
Sen. Tammy Story

Rep. Dylan Roberts, Vice-Chair
Rep. Janice Rich
Rep. Alex Valdez



Capital Development Committee
State Capitol Building, Room 029
Denver, Colorado 80203-1784
(303) 866-3521



September 17, 2021

Senator Dominick Moreno, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Moreno,

On September 17, 2021, the Capital Development Committee (CDC) considered an emergency supplemental request submitted pursuant to Section 24-75-111, C.R.S. and a supplemental request to expand the scope for the same project pursuant to Section 24-75-111.5, C.R.S. The CDC approved the request on a vote of 6-0. Table 1 summarizes the request. A description of the approved request is attached.

Table 1
Capital Development Committee Recommendation
Regarding Emergency Supplemental Request

Department Name	Project Title	Project Short Description	Cost
Human Services	HVAC Replacement, Four Buildings, and Emergency Suicide Mitigation, CMHI at Pueblo (Capital Renewal)	The request changes the scope of the project to include elements associated with suicide risk mitigation at the Colorado Mental Health Institute at Pueblo to avoid potential license revocation and facility closure. The request also changes the project title to reflect the expanded scope. Finally, the request seeks state funds to cover the costs of the expanded project scope.	\$4,113,216 CCF

If you have any questions or concerns about the CDC's recommendation, please call Bo Pogue, Legislative Council Staff, at 303-866-5390.

Sincerely,


Representative Edie Hooton
Chair, Capital Development Committee

- c: Capital Development Committee Members
- Joint Budget Committee Members
- Capital Development Committee Staff
- Meredith Moon, Office of State Planning and Budgeting
- Vanessa Reilly, Office of State Planning and Budgeting
- Emily Hanson, Department of Human Services
- Andrea Uhl, Joint Budget Committee Staff
- Jennifer Henry, Office of the State Controller

Sen. Tammy Story, *Chair*
Sen. Rhonda Fields
Sen. Jerry Sonnenberg

Rep. Edie Hooton, *Vice Chair*
Rep. Janice Rich
Rep. Donald Valdez



Capital Development Committee
State Capitol Building, Room 029
Denver, Colorado 80203-1784
(303) 866-3521



January 13, 2022

Representative Julie McCluskie, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Representative McCluskie,

On January 13, 2022, the Capital Development Committee (CDC) considered two regular supplemental requests submitted pursuant to Section 24-75-111, C.R.S. *The CDC approved the requests as submitted.* Table 1 summarizes the requests. Descriptions of the approved requests are attached.

Table 1
Capital Development Committee Recommendation
Regular Supplemental Requests

Department Name	Project Title	Project Short Description	Cost	Vote
Higher Education, Colorado School of Mines	Subsurface Frontiers Building	The project constructs a new research building in partnership with the U.S. Geological Survey.	(\$1,856,741) CCF, (\$120,000,000) CF	5-0, 1 excused
Higher Education, Colorado State University	Shepardson Building Renovation and Addition	The project renovates and adds to an existing building for the Departments of Horticulture and Landscape Architecture.	(\$3,100,000) CF	6-0

If you have any questions or concerns about the CDC's recommendation, please call Bo Pogue, Legislative Council Staff, at 303-866-5390.

Sincerely,

Senator Tammy Story
Chair, Capital Development Committee

- c: Capital Development Committee Members
- Joint Budget Committee Members
- Jeanni Stefanik, Governor's Office of State Planning and Budgeting
- Vanessa Reilly, Governor's Office of State Planning and Budgeting
- Kirsten Volpi, Colorado School of Mines
- Henry Sobanet, Colorado State University
- Michelle Carroll, Colorado State University
- Lauren Gilliland, Department of Higher Education
- Jason Schrock, Department of Higher Education
- Andrea Uhl, Joint Budget Committee Staff
- Amanda Bickel, Joint Budget Committee Staff
- Capital Development Committee Staff