

# JOINT BUDGET COMMITTEE



## STAFF BUDGET BALANCING FY 2019-20 & FY 2020-21

## CAPITAL CONSTRUCTION AND IT CAPITAL

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

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APRIL 14, 2020

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## HOW TO USE THIS DOCUMENT

The **first section** of this document includes a summary table showing:

- Committee action on Long Bill appropriations through March 16, 2020; and
- Staff recommended changes to Long Bill appropriations, assuming that General Fund appropriations in FY 2020-21 must be kept at approximately the same level as FY 2019-20 to bring the budget into balance. This recommendation is based on the Legislative Council Staff March 16, 2020, revenue forecast, assumes that the statutory General Fund reserve will be increased in FY 2020-21 as proposed by the Governor, and assumes that only the federal increase in the Medicaid matching funds rate will be available to help cover shortfalls.

The table is followed by descriptions of each change recommended by staff.

A **second section** of the document (if applicable) summarizes staff recommendations that require statutory changes. This may include appropriation reductions that cannot be implemented without a statutory change, changes that affect the amount of available General Fund (e.g., a transfer from a cash fund), or any other items that are not captured in the Long Bill appropriations table. The recommendations in the second section are also based on the assumption that General Fund appropriations in FY 2020-21 must be kept at approximately the level of FY 2019-20 to bring the budget into balance.

## SUMMARY OF STAFF BUDGET BALANCING RECOMMENDATIONS FOR LONG BILL

### → CAPITAL CONSTRUCTION APPROPRIATIONS

*JBC ACTION AS OF 3/16/20:* The Committee action on Capital Construction totals \$450.6 million including \$204.1 million Capital Construction Fund, \$210.7 million cash funds, and \$35.9 million federal funds. This includes:

- Building capital projects totaling \$404.6 million, including \$167.8 million Capital Construction Fund and \$236.7 million cash, reappropriated, and federal funds; and
- Information technology projects totaling \$46.1 million, including \$36.2 million Capital Construction Fund and \$9.8 million cash and federal funds.

*RECOMMENDATION:* Staff recommends that the Committee reverse its prior action on all capital construction appropriations and approve only the projects included in the following tables totaling \$2.5 million in state funds. This action saves \$201.6 million in state funds from prior action.

CAPITAL CONSTRUCTION BUDGET BALANCING									
STAFF RECOMMENDED BUILDING CAPITAL PROJECTS									
NAME	TYPE	CDC RANK	OSPB RANK	TOTAL FUNDS	CCF	CF	RF	FF	CUM. STATE FUNDS
Controlled Maintenance Emergency Account	CM	1	1	2,043,768	2,043,768	0	0	0	\$2,043,768
HED: CSU National Western Center Lease Purchase Payments	CE	cash-funded	cash-funded	18,696,574	0	18,696,574	0	0	2,043,768
CDPHE: Superfund-Colorado Smelter	Recap	cash-funded	cash-funded	35,000,000	0	3,507,544	0	31,492,456	2,043,768
<b>Total</b>				<b>\$55,740,342</b>	<b>\$2,043,768</b>	<b>\$22,204,118</b>	<b>\$0</b>	<b>\$31,492,456</b>	

CAPITAL CONSTRUCTION BUDGET BALANCING									
STAFF RECOMMENDED IT CAPITAL PROJECTS									
NAME	TYPE	JTC RANK	OSPB RANK	TOTAL FUNDS	CCF	CF	RF	FF	CUM. STATE FUNDS
GOV-OeHI: Health Information Technology Roadmap Projects	IT	2	2	4,450,000	445,000	0	0	4,005,000	\$445,000
CDPHE: Newborn Sreening Laboratory Information Management System	IT	cash-funded	cash-funded	1,575,000	0	1,575,000	0	0	445,000
DPS: Colorado Crime Information Center (CCIC) Migration	IT	cash-funded	cash-funded	2,110,795	0	2,110,795	0	0	445,000
<b>Total</b>				<b>\$8,135,795</b>	<b>\$445,000</b>	<b>\$3,685,795</b>	<b>\$0</b>	<b>\$4,005,000</b>	

*ANALYSIS:*

The following table outlines the JBC action as of 3/16/20 with projects listed in priority order.

**FY 2020-21 Capital Construction JBC Action as of 3/16/20**

CDC	OSP	CCHE		Total Funds	Capital Construction Fund	CF/RF/FF	Cumulative CCF
<b>State-funded, prioritized - JBC Action as of 3/16/20</b>							
1	1		Level I Controlled Maintenance (1-31)	29,977,955	29,977,955	0	29,977,955
2	14	1	HED: FLC Health Sciences Center, ph 2 of 2	29,524,323	26,571,891	2,952,432	56,549,846
3	15	2	HED: ASU Plachy Hall HVAC Upgrade and Replacement, ph 2 of 2 (capital renewal)	2,819,630	2,819,630	0	59,369,476
4	16	3	HED: UC-Denver CU Anschutz - Center for Personalized Medicine and Behavioral Health, ph 3 of 3	21,859,241	21,859,241	0	81,228,717
5	17	4	HED: CSU Shepardson Building Renov. and Add., ph 3 of 3	17,051,200	17,051,200	0	98,279,917
6	18	12	HED: UNC Boiler #3 Replacement (capital renewal)	3,826,172	3,779,372	46,800	102,059,289
7	33	7	HED: UCB Helms Building Renovation, ph 1 of 4	0	0	0	102,059,289
8	37	11	HED: CMU PA/PT/OT Center	10,695,107	9,732,546	962,561	111,791,835
9	2		DOC: SCF Steam Condensate Line Repl. (capital renewal)	7,560,645	7,560,645	0	119,352,480
10	5		DOC:AVCF Utility Water Lines Repl. (capital renewal)	7,789,547	7,789,547	0	127,142,027
11	13		PER: Centennial Building Renovation	28,595,728	7,000,000	21,595,728	134,142,027
12	9		Level II Controlled Maintenance (32-43)	13,745,565	13,745,565	0	147,887,592
			Staff technical adjustment - project 43	(1,432,580)	(1,432,580)	0	146,455,012
			Level II Controlled Maintenance (44-48)	2,861,175	2,482,635	378,540	148,937,647
13	40	-	PER: EV Charging Stations, Merrick Garage	0	0	0	148,937,647
14	11	-	PER: Infrastructure for State Fleet Electrification	0	0	0	148,937,647
15	NP	5	HED: CSM Subsurface Frontiers Building, ph 2 of 2	128,774,241	2,985,985	125,788,256	151,923,632
16	32	6	HED: CCA New Diesel Education and Support Services Building	9,236,927	6,029,487	3,207,440	157,953,119
17	40	15	HED: AHEC HVAC Infrastructure Replacement, North Chiller Plant (capital renewal)	2,476,760	2,451,466	25,294	160,404,585
18	3		AGR: Repair/Replace Water, Sanitary, and Stormwater Infrastructure, CSF (capital renewal)	3,299,747	3,299,747	0	163,704,332
13	10		PER: EV Charging Stations, Merrick Garage	840,252	840,252	0	164,544,584
14	11		PER: Infrastructure for State Fleet Electrification	1,997,792	1,997,792	0	166,542,376
<b>Subtotal - State-funded Prioritized</b>				<b>\$321,499,427</b>	<b>\$166,542,376</b>	<b>\$154,957,051</b>	

**Cash-funded (non-prioritized) - JBC Action as of 3/16/20**

			HED: CSU Lease Purch Paymts, National Western Center COP	18,696,574	0	18,696,574	
			CDPHE: Superfund-Colorado Smelter	3,507,544	0	3,507,544	
			staff technical adjust - add federal funds	31,492,456	0	31,492,456	
			HistCO: Regional Museum Preservation Projects	700,000	0	700,000	
			DOC: Program Annex Building Renovation, Sterling Correctional Facility	3,536,046	0	3,536,046	
			DHS: Regional Center Capital Improvements	745,110	0	745,110	
			DHS: Facility Upgrades, Fitzsimons VCLC	969,346	0	969,346	
			DHS: Facility Upgrades, McCandless VCLC	546,892	0	546,892	
			DHS: Facility Upgrades, Rifle VCLC	303,712	0	303,712	
			DHS: Facility Upgrades, Homelake VCLC	390,754	0	390,754	
			DNR: Property Acquisition and Improvements	11,000,000	0	11,000,000	
			DNR: Infrastructure and Real Property Maintenance	9,569,600	0	9,569,600	
			staff technical adjust - add HUTF funds	300,000	0	300,000	
<b>Subtotal - Cash-funded</b>				<b>81,758,034</b>	<b>0</b>	<b>81,758,034</b>	
<b>Non-prioritized Capital Construction Items (not prioritized by CDC or OSPB)</b>							
np	np		TRA: Highway Construction Projects	500,000	500,000	0	167,042,376
			PER: Repaint Interior Dome, State Capitol	800,000	800,000	0	167,842,376
<b>Total - Building Capital</b>				<b>404,557,461</b>	<b>167,842,376</b>	<b>236,715,085</b>	

FY 2020-21 IT Capital - JBC Action as of 3/16/20							
JTC	OSPB	CCHE		Total Funds	Capital Construction Fund	CF/RF/FF	Cumulative CCF
Priority	State-funded, prioritized - JBC Action as of 3/16/20						
1	1		PER: HRWorks	\$12,411,444	\$12,411,444	\$0	\$12,411,444
2	2		GOV: CO Health IT Roadmap Init., Off. of eHealth Innov.	4,450,000	445,000	4,005,000	12,856,444
3	3	2	HED: ASU/FLC/WSCU Digital Transformation Initiative for Rural Higher Education (ph. 1 of 2)	9,082,500	8,991,675	90,825	21,848,119
subtotal - state-funded JTC and OSPB recommended				\$25,943,944	\$21,848,119	\$4,095,825	
4	1		DNR: Parks and Wildlife Website Redesign and Platform Migration	\$924,000	\$0	\$924,000	\$21,848,119
5	2		DPS: Colorado Crime Information Center (CCIC) Migration	2,110,795	0	2,110,795	21,848,119
6	4		CDPHE: Newborn Sreening Laboratory Information Management System	1,575,000	0	1,575,000	21,848,119
subtotal - cash-funded JTC and OSPB recommended				\$4,609,795	\$0	\$4,609,795	
7	(4)	1	HED: CSU Upgrade Network Hardware	745,000	545,000	200,000	22,393,119
8	(9)	7	HED: OJC Technology and Equipment Upgrades	722,750	597,750	125,000	22,990,869
9	(8)	6	HED: MSU-D IT Infrastructure Modernization	3,675,000	3,305,000	370,000	26,295,869
10	(10)	8	HED: CCA Improving Student Access to Technology	527,845	475,061	52,784	26,770,930
11	(12)	10	HED: CNCC Computer/Network Upgrades	812,172	812,172	0	27,583,102
12	(5)	2	HED: UNC Next Generation Cyber Secure Network	1,387,867	1,373,988	13,879	28,957,090
13	(6)	4	HED: CMU Network Security and Resiliency Project	2,472,417	2,249,898	222,519	31,206,988
14	(11)	9	HED: TSJC Technology Infrastructure	636,846	636,846	0	31,843,834
15	(13)	11	HED: CSUP Communications System Upgrades	2,132,807	2,132,807	0	33,976,641
16	(7)	4	HED: CCD Classroom and Conference Room Technology	2,403,206	2,259,014	144,192	36,235,655
subtotal - state-funded JTC recommended				\$15,515,910	\$14,387,536	\$1,128,374	
<b>Total - IT Capital - JBC Action as of 3/16/20</b>				<b>\$46,069,649</b>	<b>\$36,235,655</b>	<b>\$9,833,994</b>	
<b>Total - Capital Construction - JBC Action</b>				<b>450,627,110</b>	<b>204,078,031</b>	<b>246,549,079</b>	

The following table outlines the JBC action as of 3/16/20 with projects listed in Long Bill order.

CAPITAL CONSTRUCTION					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
<b>FY 2020-21 Committee Action as of 3/16/20</b>					
<b>Controlled Maintenance</b>					
Level I Controlled Maintenance	\$29,977,955	\$29,977,955	\$0	\$0	\$0
Level II Controlled Maintenance	15,174,160	14,795,620	0	0	378,540
<b>Subtotal - Controlled Maintenance</b>	<b>\$45,152,115</b>	<b>\$44,773,575</b>	<b>\$0</b>	<b>\$0</b>	<b>\$378,540</b>
<b>Capital Renewal and Recapitalization</b>					
AGR: Repair/Replace Water, Sanitary, and Stormwater Infrastructure, CSF (capital renewal)	3,299,747	3,299,747	0	0	0
DOC:AVCF Utility Water Lines Replacement (capital renewal)	7,789,547	7,789,547	0	0	0
DOC: SCF Steam Condensate Line Repl. (capital renewal)	7,560,645	7,560,645	0	0	0
DOC: Program Annex Building Renovation, Sterling Correctional Facility	3,536,046	0	3,536,046	0	0

CAPITAL CONSTRUCTION					
	TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
HED: ASU Plachy Hall HVAC Upgrade and Replacement, ph 2 of 2 (capital renewal)	2,819,630	2,819,630	0	0	0
HED: AHEC HVAC Infrastructure Replacement, North Chiller Plant (capital renewal)	2,476,760	2,451,466	25,294	0	0
HED: CSU Shepardson Building Renov. and Add., ph 3 of 3	17,051,200	17,051,200	0	0	0
HistCO: Regional Museum Preservation Projects	700,000	0	700,000	0	0
HED: UNC Boiler #3 Replacement (capital renewal)	3,826,172	3,779,372	46,800	0	0
DHS: Facility Upgrades, Fitzsimons VCLC	969,346	0	969,346	0	0
DHS: Regional Center Capital Improvements	745,110	0	745,110	0	0
DHS: Facility Upgrades, McCandless VCLC	546,892	0	546,892	0	0
DHS: Facility Upgrades, Homelake VCLC	390,754	0	390,754	0	0
DHS: Facility Upgrades, Rifle VCLC	303,712	0	303,712	0	0
DNR: Infrastructure and Real Property Maintenance	9,869,600	0	9,869,600	0	0
PER: Centennial Building Renovation	28,595,728	7,000,000	21,595,728	0	0
PER: Repaint Interior Dome, State Capitol	800,000	800,000	0	0	0
CDPHE: Superfund-Colorado Smelter	35,000,000	0	3,507,544	0	31,492,456
CDOT: Highway Construction Projects	500,000	500,000	0	0	0
<b>Subtotal - Capital Renewal and Recapitalization</b>	<b>\$126,780,889</b>	<b>\$53,051,607</b>	<b>\$42,236,826</b>	<b>\$0</b>	<b>\$31,492,456</b>
<b>Capital Expansion</b>					
HED: CMU PA/PT/OT Center	10,695,107	9,732,546	962,561	0	0
HED: CSM Subsurface Frontiers Building, ph. 2 of 2	128,774,241	2,985,985	125,788,256	0	0
HED: CSU National Western Center Lease Purchase Payments	18,696,574	0	18,696,574	0	0
HED: CCA New Diesel Education and Support Services Bldg.	9,236,927	6,029,487	3,207,440	0	0
HED: FLC Health Sciences Center, ph 2 of 2	29,524,323	26,571,891	2,952,432	0	0
HED: UC-Denver Anschutz - Center for Personalized Medicine and Behavioral Health ph. 3 of 3	21,859,241	21,859,241	0	0	0
DNR: Property Acquisitions and Improvements	11,000,000	0	11,000,000	0	0
PER: Infrastructure for State Fleet Electrification - placeholder	1,997,792	1,997,792	0	0	0
PER: EV Charging Stations, Merrick Garage	840,252	840,252	0	0	0
<b>Subtotal - Capital Expansion</b>	<b>\$232,624,457</b>	<b>\$70,017,194</b>	<b>\$162,607,263</b>	<b>\$0</b>	<b>\$0</b>
<b>Information Technology Projects</b>					
GOV-OeHI: Health Information Technology Roadmap Projects	4,450,000	445,000	0	0	4,005,000
HED: ASU/FLC/WSCU Digital Transformation Initiative for Rural Higher Education (ph. 1 of 2)	9,082,500	8,991,675	90,825	0	0
HED: CMU Network Security and Resiliency Project	2,472,417	2,249,898	222,519	0	0
HED: CNCC Computer/Network Upgrades	812,172	812,172	0	0	0
HED: CSU Upgrade Network Hardware	745,000	545,000	200,000	0	0
HED: CSUP Communications System Upgrades	2,132,807	2,132,807	0	0	0
HED: CCA Improving Student Access to Technology	527,845	475,061	52,784	0	0
HED: CCD Classroom and Conference Room Technology	2,403,206	2,259,014	144,192	0	0
HED: MSU-D IT Infrastructure Modernization	3,675,000	3,305,000	370,000	0	0
HED: OJC Technology and Equipment Upgrades	722,750	597,750	125,000	0	0
HED: TSJC Technology Infrastructure	636,846	636,846	0	0	0
HED: UNC Next Generation Cyber Secure Network	1,387,867	1,373,988	13,879	0	0
DNR: Parks and Wildlife Website Redesign/Platform Migration	924,000	0	924,000	0	0
PER: HRWorks	12,411,444	12,411,444	0	0	0
CDPHE: Newborn Screening Laboratory Inf. Mgt. System	1,575,000	0	1,575,000	0	0
DPS: Colorado Crime Information Center (CCIC) Migration	2,110,795	0	2,110,795	0	0
<b>Subtotal - Information Technology Projects</b>	<b>\$46,069,649</b>	<b>\$36,235,655</b>	<b>\$5,828,994</b>	<b>\$0</b>	<b>\$4,005,000</b>
<b>TOTAL FY 2020-21 Committee Action as of 3/16/20</b>	<b>\$450,627,110</b>	<b>\$204,078,031</b>	<b>\$210,673,083</b>	<b>\$0</b>	<b>\$35,875,996</b>

## SUMMARY OF RECOMMENDATIONS REQUIRING STATUTORY CHANGE

REDUCE GENERAL FUND EXPENDITURE - STATUTORY CHANGE REQUIRED				
FY 2020-21 EXPENSE	NET GF IMPACT	OTHER FUNDS	TOTAL FUNDS	FTE
Suspend Annual Depreciation-Lease Equivalent Payments	(\$7,561,261)	\$0	(\$7,561,261)	0.0

INCREASE AVAILABLE GENERAL FUND - STATUTORY CHANGE REQUIRED			
FY 2019-20 REVENUE	NET GF IMPACT	OTHER FUNDS	TOTAL FUNDS
Transfers to balance the Capital Construction Fund			
Transfer from the IT Capital Account to the GF for FY 2019-20	\$21,134,709	(\$21,134,709)	\$0
Transfer from the GF to the CCF for FY 2019-20 for supplemental appropriations in H.B. 20-1259	(1,397,624)	1,397,624	0
Subtotal – Net transfers to balance the CCF and IT Capital Account	\$19,737,085	(\$19,737,085)	\$0
Postpone Indefinitely S.B. 20-003 State Parks Improvement Appropriation	6,000,000	0	6,000,000

### → SUSPEND ANNUAL DEPRECIATION-LEASE EQUIVALENT PAYMENTS

*JBC ACTION AS OF 3/16/20:* The Committee has approved the inclusion of \$7.6 million in Annual Depreciation-Lease Equivalent Payment appropriations in six departments.

*RECOMMENDATION:* Staff recommends that the Committee pursue legislation to suspend Annual Depreciation-Lease Equivalent Payment appropriations for FY 2020-21.

*ANALYSIS:*

The following table outlines Annual Depreciation-Lease Equivalent Payment appropriations currently included in department budgets.

ANNUAL DEPRECIATION-LEASE EQUIVALENT PAYMENT APPROPRIATIONS FY 2020-21	
DEPARTMENT	GENERAL FUND
Corrections	\$307,843
Higher Education	3,461,717
Human Services	3,103,396
Military and Veterans Affairs	87,994
Personnel	566,806
Public Health and Environment	33,505
<b>Total</b>	<b>\$7,561,261</b>

### → TRANSFERS FOR CCF BALANCING FOR FY 2019-20

*RECOMMENDATION:* Staff recommends that the Committee pursue legislation to transfer the available balance of \$21.1 million in the Information Technology Capital Account in the Capital Construction Fund (IT Capital Account) to the General Fund for FY 2019-20. Additionally, staff recommends that a transfer of \$1.4 million General Fund to the Capital Construction Fund be included to balance the

Capital Construction Fund for building capital projects included in supplemental appropriations in H.B. 20-1259.

*ANALYSIS:*

The following table outlines the balance in the IT Capital Account.

FY 2019-20 IT CAPITAL ACCOUNT OF THE CCF	
<b>IT Capital Account Beginning Balance - July 1, 2020</b>	<b>\$0</b>
ITCA Reversions - FY 2018-19	18,948,209
ITCA Interest - FY 2018-19 - actual, above estimated	2,186,500
H.B. 20-1259 Capital Construction Supplemental	(7,466,648)
H.B. 20-1261 General Fund Transfer to IT Capital Account	7,466,648
<b>ITCA Ending Balance - FY 2019-20</b>	<b>\$21,134,709</b>

Supplemental appropriations included in H.B. 20-1259 for building capital projects require a transfer of \$1,397,624 General Fund to the Capital Construction Fund for FY 2019-20. The following table outlines this balancing need.

FY 2020-21 CAPITAL CONSTRUCTION FUND BALANCE AND GENERAL FUND TRANSFERS	
CCF Beginning Balance - July 1, 2020	
CCF Reversions - FY 2018-19	\$6,579,641
CCF Interest - FY 2018-19 - actual, above estimated	462,453
CCF Interest - FY 2019-20 - estimated	2,300,000
H.B. 20-1259 Capital Construction Supplemental	(10,739,718)
<b>CCF Ending Balance - FY 2019-20</b>	<b>(\$1,397,624)</b>
<b>Recommended transfer for FY 2019-20</b>	
GF to CCF for supplemental appropriations	<u>\$1,397,624</u>
<b>Total CCF Available for FY 2020-21</b>	<b>\$0</b>

State-funded building capital projects included in H.B. 20-1259 include the following:

- \$4.1 million CCF (FY 2019-20) for the Capitol Annex Sewer Venting Repair project in the Department of Personnel;
- \$2.8 million CCF (FY 2019-20) for the Replace Mechanical System, Laboratory Building project for the Department of Public Health and Environment;
- \$2.2 million CCF (FY 2019-20) for fencing projects at three Division of Youth Services facilities for the Department of Human Services.
- \$1.6 million CCF (FY 2017-18) for the Hawkins Building L2 Unit at the Colorado Mental Health Institute at Pueblo for the Department of Human Services.

All projects funded in the supplemental are considered to be emergency or public health or safety projects. Staff does not recommend making adjustments to these appropriations.

Additional transfers from the General Fund to the Capital Construction Fund for FY 2020-21 would be required for any state-funded project appropriations approved by the Committee.

## → POSTPONE INDEFINITELY S.B. 20-003 STATE PARKS IMPROVEMENT APPROPRIATION

*RECOMMENDATION:* Staff recommends that S.B. 20-003 State Parks Improvement Appropriation be postponed indefinitely. The bill, currently in House Finance, will reduce General Fund by \$6.0 million in FY 2019-20.

### *ANALYSIS:*

Senate Bill 20-003 includes an appropriation of \$6.0 million Capital Construction Fund for FY 2019-20 for the Department of Natural Resources for Fishers Peak and other state park infrastructure. The bill includes a transfer of \$6.0 million from the General Fund to the Capital Construction Fund for FY 2019-20.

## → REQUIREMENTS FOR STATE-FUNDED CAPITAL CONSTRUCTION PROJECTS

*RECOMMENDATION:* Staff recommends that the Committee pursue legislation to require that state-funded building capital projects be front-loaded in the first year and not exceed three continuous years of state funding. Staff recommends a minimum of 50.0 percent of all state funds be required to be appropriated for any new project in the first year, and no more than 25.0 percent per year in either a second and third year of funding for projects requesting three years (or more) of state funding. Staff recommends a minimum of 66.7 percent of all state funds be required to be appropriated in the first year for projects requesting two years of state funding.

### *ANALYSIS:*

This policy recommendation is not necessary for budget balancing for FY 2020-21. However, this may be a good opportunity to effect a policy change for future years in which new projects will be funded.

In recent years, new capital construction projects are funded with a nominal appropriation of state funds in the first year with substantial out-year needs for state funds. In the 2019 Long Bill, two continuation projects from the prior year were not included for funding, as they were prioritized by the Capital Development Committee near the bottom of the prioritization list and were left out of funding in JBC balancing decisions.

This policy change has the effect of requiring that new projects be approved with at least half of state funding provided in the first year. For a two-year project, first-year funding would need to be at least two-thirds of total state funding requested. For a three-year project, first-year funding would need to be at least one-half, with one-quarter provided over each of the next two years.

Front-loading state funds support in the first year and limiting multi-year appropriations:

- Promotes a more rational prioritization process for the initiation of projects;
- Provides a fairer and more realistic comparison of total state funds needs across projects;
- Better aligns a given year's funding priorities with the magnitude of total cost;
- Reduces financial risk by reducing the state funds need in out years for continuation projects; and
- Ensures that state funds are not predominantly devoted to continuation projects in future budget years.

The following table outlines recent, multiple-year appropriations for capital construction projects.

<b>RECENT CONTINUATION PROJECTS</b>				
<b>FY 2020-21 Prioritized Requests</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
Fort Lewis College Health Sciences Center (cap expansion)	FY18-19	FY20-21 (?)		
	\$3,003,260	\$26,571,891		\$29,575,151
	10.2%	89.8%		
Adams State University Plachy Hall HVAC Upgrade Repl.(cap renewal)	FY18-19	FY20-21 (?)		
	\$3,252,559	\$2,819,630		\$6,072,189
	53.6%	46.4%		
UC-Denver CU Anschutz - Center for Personalized Medicine and Behavioral Health (cap expansion)	FY18-19	FY19-20	FY20-21 (?)	
	\$12,346,906	\$19,846,986	\$21,859,241	\$54,053,133
	22.8%	36.7%	40.4%	
CSU Shepardson Building Renovation and Addition (recapitalization)	FY18-19	FY19-20	FY20-21 (?)	
	\$4,527,223	\$13,482,700	\$17,051,200	\$35,061,123
	12.9%	38.5%	48.6%	
Colorado School of Mines Subsurface Frontiers Building (cap expansion)	FY19-20	FY20-21 (?)		
	\$1,856,741	\$2,985,985		\$4,842,726
	38.3%	61.7%		
<b>FY 2019-20 Additional Projects</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
Front Range CC Larimer Campus Health Care Career Ctr (cap expansion)	FY18-19	FY19-20		
	\$14,118,684	\$11,927,424		\$26,046,108
	54.2%	45.8%		
<b>FY 2018-19 Additional Projects</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
DHS-DYC, Adams County Youth Services Center Repl (cap expansion)	FY15-16	FY16-17	FY18-19	
	\$1,982,833	\$3,000,000	\$15,499,760	\$20,482,593
	9.7%	14.6%	75.7%	
Colorado School of Mines Green Center Roof Replacement (cap renewal)	FY17-18	FY18-19		
	\$1,908,207	\$6,591,793		\$8,500,000
	22.4%	77.6%		
<b>FY 2017-18 Additional Projects</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
Replace/Restore Roof, State Capitol Building (Recapitalization)	FY16-17	FY17-18		
	\$5,684,248	\$6,069,053		\$11,753,301
	48.4%	51.6%		
<b>Institution of Higher Education Projects</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
7 projects	\$41,013,580	\$84,226,409	\$38,910,441	\$164,150,430
	25.0%	51.3%	23.7%	
<b>State Agency</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
2 projects	\$7,667,081	\$9,069,053	\$15,499,760	\$32,235,894
	23.8%	28.1%	48.1%	
<b>Two-year Projects</b>	<b>First Year</b>	<b>Second Year</b>		<b>Total</b>
6 projects	\$29,823,699	\$56,965,776		\$86,789,475
	34.4%	65.6%		
<b>Three-year Projects</b>	<b>First Year</b>	<b>Second Year</b>	<b>Third Year</b>	<b>Total</b>
3 projects	\$18,856,962	\$36,329,686	\$54,410,201	\$109,596,849
	17.2%	33.1%	49.6%	