

Fiscal Year 2024-25 Capital Construction Request

Local Affairs

Decentralize Fort Lyon Building Heating (Capital Renewal)

PROGRAM PLAN STATUS

2025-011

Approved Program Plan

No

Date Approved:

PRIORITY NUMBERS

Prioritized By

Priority

DOLA

1 of 1

OSPB

35 of 62

Not recommended for funding.

PRIOR APPROPRIATIONS AND REQUEST INFORMATION

<u>Fund Source</u>	<u>Prior Approp.</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Future Requests</u>	<u>Total Costs</u>
CCF	\$0	\$13,494,113	\$0	\$0	\$13,494,113
Total	\$0	\$13,494,113	\$0	\$0	\$13,494,113

ITEMIZED COST INFORMATION

<u>Cost Item</u>	<u>Prior Approp.</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Future Requests</u>	<u>Total Cost</u>
Land Acquisition	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$815,672	\$0	\$0	\$815,672
Construction	\$0	\$8,809,002	\$0	\$0	\$8,809,002
Equipment	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$2,642,701	\$0	\$0	\$2,642,701
Contingency	\$0	\$1,226,738	\$0	\$0	\$1,226,738
Total	\$0	\$13,494,113	\$0	\$0	\$13,494,113

PROJECT STATUS

This is a new, never-before-requested project.

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PROJECT DESCRIPTION / SCOPE OF WORK

The Department of Local Affairs (DOLA) is requesting state funds to decentralize the heating system at the Fort Lyon Supportive Residential Community campus and install hot water boilers in each of the five main buildings. This is a capital renewal project. The capital renewal approach focuses on upgrading building systems, infrastructure, and the basic building components within existing academic buildings on a building-by-building basis, rather than project by project.

The project will allow Fort Lyon to eliminate their reliance on an old, inefficient heating system and move toward a more efficient and reliable system with separate boilers in each building. The project will install new hot water boilers for heating and domestic hot water in each of the five main buildings, which will allow the central steam plant and distribution lines to be decommissioned or repurposed for other uses. The project will use high efficiency natural gas hot water boilers unless the department can find heat pump options able to handle the capacity needed for the buildings.

Cost assumption. Project costs were developed using information included in the State Architect's Facility Condition Audits in 2019 and 2020. The project accounts for inflation. As a capital renewal request, the project is not required to meet the Art in Public Places Program or High Performance Certification Program requirements.

PROJECT JUSTIFICATION

The current system is energy inefficient and expensive to maintain. There is a risk of loss of use due to the possibility of water incursion during power outages. The five main buildings are currently on a central steam boiler system, which uses heat exchanges in each building to generate hot water for both heating and domestic hot water use. The steam boiler system is located in the steam plant and distributes the steam via underground steam lines over half a mile long. The steam lines require frequent maintenance due to their age and are nearing the end of their useful life. The impacted buildings were built between 1929-1944.

The steam boiler plant is located in a low-lying section of the campus and is vulnerable to water intrusion due to a nearby reservoir that was completed in 1948. The campus relies on electric powered pumps to remove water from the site, which are vulnerable during power outages. A portable generator is used during power outages to keep the pumps functioning, but water intrusion still occurs.

Project alternatives. If the project is not funded the campus will continue to use the central steam boilers and distribution system.

PROGRAM INFORMATION

The Fort Lyon Supportive Residential Community is a recovery-oriented transitional housing program for Coloradans experiencing homelessness and substance abuse disorders. The two-year program serves approximately 230 individuals and provides counseling, educational, vocational, and employment services. The funding for the program is provided by DOLA, which contracts with the Colorado Coalition for the Homeless to provide the program services and with Bent County, which manages the facility.

PROJECT SCHEDULE

	Start Date	Completion Date
Design	May 2024	June 2025
Construction	July 2025	June 2027
Equipment	January 2025	June 2027
Occupancy		June 2027

SOURCE OF CASH FUNDS

This project is not funded from cash sources.

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OPERATING BUDGET

The department says that the cost savings resulting from reduced energy consumption and lower maintenance costs will lower operating costs and allow those funds to instead be directed toward programmatic activities for Fort Lyon residents. The department explains that the annual utility costs for Fort Lyon are currently approximately \$770,000, of which \$225,000 are natural gas costs. A prior boiler upgrade project in FY 2016-17 discontinued one of the half-mile long steam branches and converted the buildings on that branch to independent heating and hot water systems. This project reduced natural gas consumption by 100,000 therms per year and led to \$75,000 in cost savings. The department expects this project to lead to similar reductions.

STAFF QUESTIONS AND ISSUES

None.