

# Fiscal Year 2023-24 Capital Construction Request

**Personnel and Administration**  
*Capitol Complex Renovation and Footprint Reduction*

## PROGRAM PLAN STATUS

2024-024

Approved Program Plan  Yes      Date Approved:

## PRIORITY NUMBERS

Prioritized By	Priority	
DPA	1 of 1	
OSPB	17 of 21	Recommended for funding.

## PRIOR APPROPRIATIONS AND REQUEST INFORMATION

Fund Source	Prior Approp.	FY 2023-24	FY 2024-25	Future Requests	Total Costs
CCF	\$0	\$0	\$3,203,000	\$50,150,881	\$53,353,881
CF	\$26,721,314	\$32,000,000	\$14,800,000	\$59,200,000	\$132,721,314
<b>Total</b>	<b>\$26,721,314</b>	<b>\$32,000,000</b>	<b>\$18,003,000</b>	<b>\$109,350,881</b>	<b>\$186,075,195</b>

## ITEMIZED COST INFORMATION

Cost Item	Prior Approp.	FY 2023-24	FY 2024-25	Future Requests	Total Cost
Land Acquisition	\$0	\$0	\$0	\$0	\$0
Professional Services	\$26,721,314	\$75,408	\$975,196	\$4,785,808	\$32,557,726
Construction	\$0	\$27,541,545	\$13,835,205	\$91,731,781	\$133,108,531
Equipment	\$0	\$1,188,540	\$1,369,209	\$2,233,941	\$4,791,690
Miscellaneous	\$0	\$285,416	\$186,754	\$2,749,271	\$3,221,441
Contingency	\$0	\$2,909,091	\$1,636,636	\$7,850,080	\$12,395,807
<b>Total</b>	<b>\$26,721,314</b>	<b>\$32,000,000</b>	<b>\$18,003,000</b>	<b>\$109,350,881</b>	<b>\$186,075,195</b>

## PROJECT STATUS

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

# Fiscal Year 2023-24 Capital Construction Request

## Personnel and Administration Capitol Complex Renovation and Footprint Reduction

### PROJECT DESCRIPTION / SCOPE OF WORK

The Department of Personnel and Administration (DPA) is requesting state funds and cash funds spending authority for the first phase of a four-phase project to renovate buildings in the Capitol Complex. The project will contribute to the Governor's initiative to reduce the state's footprint by one million square feet over the next five years by allowing state agencies to consolidate into renovated buildings and vacate leased space.

Phase I includes design services for the Capitol Annex, the 1570 Grant Building, and the Centennial Building. It renovates the Capitol Annex and makes security improvements to allow the Colorado State Patrol to occupy the space. Building interiors will be demolished to the core shell, except for historically protected areas. Specific improvements include:

- replacing windows;
- converting steam heat to hot water;
- remodeling elevator lobbies, hallways, and the seventh-floor hearing room;
- abating asbestos;
- replacing the electrical system; and
- replacing the remaining plumbing piping.

Phase II relocates the Department of Natural Resources into the Capitol Annex and renovates the 1570 Grant Building. Phase III sets aside resources for the General Assembly to renovate legislative spaces in the Capitol Complex, including the State Capitol, as required by Senate Bill 22-239. Phase IV renovates the Centennial Building.

Cost assumption. The Office of the State Architect's statewide planning consultant provided cost estimates, which account for inflation at 5 percent. The project complies with Art in Public Places and High Performance Certification Program requirements.

### PROJECT JUSTIFICATION

The project is consistent with the Governor's initiative to reduce the state's footprint and Senate Bill 22-239, which sets aside cash funds for Capitol Complex renovation projects. The renovations are expected to decrease operating costs from improved buildings systems (e.g. HVAC, windows), and allow the state to reduce leased space.

Regarding Phase I, the Capitol Annex is rated in poor condition, with a Facility Condition Index (FCI) of 36. The FCI is a measure of the cost of remedying building deficiencies compared to a building's current replacement value, and the state architect's target FCI for all buildings is 85. The project is expected to increase the building's FCI to 89.

### PROGRAM INFORMATION

The Capitol Complex comprises approximately 1.3 million square feet, mostly in Denver. DPA manages housekeeping, grounds maintenance, and property management on behalf of building users.

### PROJECT SCHEDULE

	Start Date	Completion Date
Design	October 2022	June 2023
Construction	July 2023	January 2025
Equipment		
Occupancy	December 2024	March 2025

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## SOURCE OF CASH FUNDS

The source of cash funds for this project is the Capitol Complex Renovation Fund, which was created by Senate Bill 22-239 and consists of annual depreciation-lease equivalent payments from existing, state-funded capital projects. The Office of State Planning and Budgeting recommends transferring \$17.2 million from the Indirect Cost Recovery Cash Fund to the Capitol Complex Renovation Fund to cover costs for Phase I.

## OPERATING BUDGET

Improvements to building systems are expected to reduce state operating costs. These savings have not been estimated.

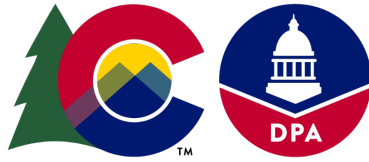
## STAFF QUESTIONS AND ISSUES

1. Senate Bill 22-239 appropriated approximately \$26.7 million for this project (which is included as the prior appropriation above). Can you please provide a brief description of how that funding is being used, and how it relates to the four phases of this project?

Funding from SB 22-239 is being used approximately for:

- \$11.9 million for the Annex Building renovation
- \$ 8.7 million for security upgrades
- \$ 5.4 million for professional services.

A memorandum containing additional details is attached.



# COLORADO

Department of Personnel  
& Administration

## SB22-239 - CONCERNING BUILDINGS IN THE CAPITOL COMPLEX

SB 22-239 established a funding mechanism for State Capitol Security upgrades and the renovation of three Capitol Complex buildings. The estimated cost of the full project is about \$190 million, but the actual cost will be verified through engineering and solicitation work during FY 2022-23.

Of the \$190 million, SB 22-239 appropriated \$26 million. DPA anticipates spending \$8.7 million on Capitol Security projects, \$5.4 million on engineering and solicitation, and the remaining \$11.9 million on the Annex. The additional \$161 million is anticipated to come from a combination of Annual Depreciation Lease Equivalent (ADLE) payments, Capital Construction Funds, and other funds.

The following table shows how the SB 22-239 appropriations and FY 23-24 budget request will be used.

**Budget Summary**

Item	Amount	Use	Available Until
SB 22-239 Appropriation	\$8.7 million \$5.4 million \$11.9 million	Security Upgrades Engineering/Solicitation Annex Building	FY 2025-26
FY 2023-24 Request	\$32.8 million*	Annex Building	FY 2026-27

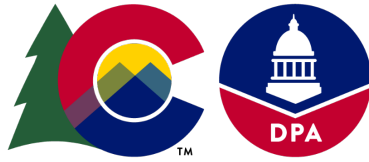
\*Includes inflation

### Capitol Security Projects - FY 2022-23

Based on final contract estimates, security costs will be \$8.7 million. The following table details our cost estimate.

**Current State Capitol Security Cost**

Item	Contract Amount	Start Construction	End Construction	Comments
1st Floor Improvements	\$327,000	May 2023	July 2023	<ul style="list-style-type: none"> <li>• \$114K Hirsch card readers on four doors</li> <li>• \$163k for bronze door hardware</li> <li>• \$50k for misc. repairs</li> </ul>
Wedge Barriers	\$1.5 million	May 2023	July 2023	<ul style="list-style-type: none"> <li>• Need Design Review by CBAC/GO</li> <li>• Cost will be a 50/50 split with the Legislature</li> </ul>
Bollards (K12)	\$2.8 million	January 2023	July 2023	<ul style="list-style-type: none"> <li>• Need Design Review by CBAC/GO</li> <li>• Cost will be a 50/50 split with the Legislature</li> </ul>
CSP Improvements	\$4.1 million	July 2023	Dec 2024	
<b>Total</b>	<b>\$8.7 million</b>			



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## SB22-239 - CONCERNING BUILDINGS IN THE CAPITOL COMPLEX

### Renovation Estimates - FY 2022-23 to FY 2026-27

SB 22-239 provides a funding mechanism to renovate three buildings: Annex, 1570 Grant, and Centennial. The implementation process started in FY 2022-23 with an engineering planning and construction solicitation. The table below contains total estimated project amounts that will be updated in March 2023 once the solicitation is complete.

**Estimated Renovation Costs**

Item	Est. Amount	Est. Start	Est. End	Comments
Engineering /Solicitation	\$5.4 million	Oct 2022	Apr 2023	
Annex	\$49.3 million	July 2023	July 2024	
1570 Grant	\$18 million	July 2024	Feb 2026	
Centennial Building	\$86 million	July 2026	Jan 2029	
Legislative Improvements	\$23 million	July 2025	Apr 2028	Includes \$2 million for capitol security
<b>Total</b>	<b>\$181.7 million</b>			