

Sen. Nick Hinrichsen, *Chair*
Sen. Kyle Mullica
Sen. Cleave Simpson

Rep. Tammy Story, *Vice Chair*
Rep. Marc Catlin
Rep. Mandy Lindsay



Capital Development Committee

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



March 21, 2024

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

Dear Representative Bird,

On March 21, 2024, the Capital Development Committee (CDC) considered one supplemental request submitted pursuant to Section 24-75-111.5, C.R.S. *The CDC approved the request on votes of 6-0.* Table 1 summarizes the request. A description of the approved request is attached.

Table 1
Capital Development Committee Recommendation
Regarding Supplemental Request

| Department Name | Project Title | Project Short Description | Cost |
|---------------------------|--|--|------|
| Department of Corrections | Critical Living Unit Shower Drain Replacement, Arkansas Valley Correctional Facility (Capital Renewal) | The capital renewal project upgrades all plumbing fixtures in the living units at the Arkansas Valley Correctional Facility. Due to project cost inflation, the department seeks to reduce the scope of the project for the FY 2022-23 appropriation, and will request additional funding during the next budget cycle to complete the project under a second phase. | \$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 Nick Hinrichsen
Chair, Capital Development Committee

c: Capital Development Committee Members
Joint Budget Committee Members
Adrian Leiter, Governor's Office of State Planning and Budgeting

Tammy Pacheco, Governor's Office of State Planning and Budgeting
Rhonda Boger-Linder, Department of Corrections
Andrea Uhl, Joint Budget Committee Staff
Capital Development Committee Staff

FY 2022-23 Supplemental Capital Construction Request

Corrections

Critical Living Unit Shower Drain Replacement, Arkansas Valley Correctional Facility (Capital Renewal)

MOTION Approve the supplemental request from the Department of Corrections for a reduced project scope for the Critical Living Unit Shower Drain Replacement, Arkansas Valley Correctional Facility (Capital Renewal) project.

GENERAL INFORMATION

2021-023

1. Which supplemental criterion does the request meet?

Unforeseen Contingency

Construction inflation caused the project costs to rise to the point that the department was unable to successfully get a bid on the project due to insufficient funding for the current scope.

2. Which projects will be restricted to fund the supplemental request?

No emergency restriction is required because no additional state funds are sought under the current request.

3. Has the request been approved by OSPB and CCHE?

Yes

PRIOR APPROPRIATION AND SUPPLEMENTAL REQUEST INFORMATION

The appropriation to be amended was authorized in the following bill: HB22-1329

| <u>Fund Source</u> | <u>Prior Appropriations</u> | <u>Supplemental Request</u> | <u>Future Requests</u> | <u>Total Costs</u> |
|--------------------|-----------------------------|-----------------------------|------------------------|--------------------|
| CCF | \$12,402,937 | \$0 | \$0 | \$12,402,937 |
| Totals | \$12,402,937 | \$0 | \$0 | \$12,402,937 |

REASON FOR SUPPLEMENTAL REQUEST

Due to high construction inflation, material supply chain shortages, and labor shortages the costs of the project have risen substantially since it was originally approved in 2022. The department was unable to get a successful bid on the project because the previously approved funding will no longer cover the original project scope. The department requests that the project scope be reduced to cover the shower, drain, and toilet reconfiguration and replacement in four living units instead of six. The remaining two units will be submitted during the FY 2025-26 capital cycle as Phase II of this request.

SUMMARY OF PROJECT

The Department of Corrections is requesting state funds to upgrade all plumbing fixtures in the living units at the Arkansas Valley Correctional Facility) near Ordway under the capital renewal approach.

QUESTIONS / OUTSTANDING ISSUES

None.