

FY 2024-25 Capital

Capital

A Return to a Normal Colorado Budget

- After an influx of federal dollars during the pandemic, the Colorado budget is returning to normal levels. As shown in the table, the majority of GF goes to non-discretionary items. The remaining funds have to be used to address all of the state's needs.
- The Governor's **Capital/IT Capital** submission carefully balances the state's operating needs with critical **capital/IT** capital investments that will ensure the safety of Coloradans, improve government operations, and provide better services to residents.

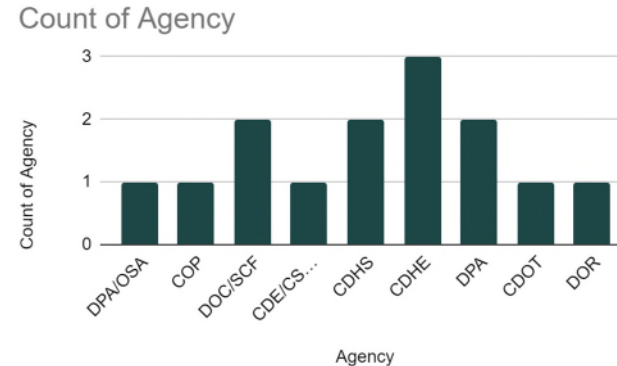
| The Path to Balancing: General Fund Available vs General Fund Expense | | |
|---|-----------------|-------------------|
| Description | Amount | % of GF Available |
| (+) Total General Fund Available | \$1,542,306,502 | |
| Non-Discretionary | | |
| Caseload | -\$542,230,140 | 61.17% |
| PERA Pre-pay Roll-off (Treasury) | -\$139,252,072 | |
| Common Policies | -\$261,981,199 | |
| Discretionary Expenditures | | |
| Capital | -\$219,452,881 | 28.46% |
| Non-Caseload Increases | -\$219,433,463 | |
| Placeholders | | |
| All Discretionary Placeholders | -\$432,010,611 | 28.01% |
| Balancing Proposals | | |
| Proposals | \$272,053,864 | -17.64% |
| Remaining General Fund | \$0 | 0.00% |

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Overview

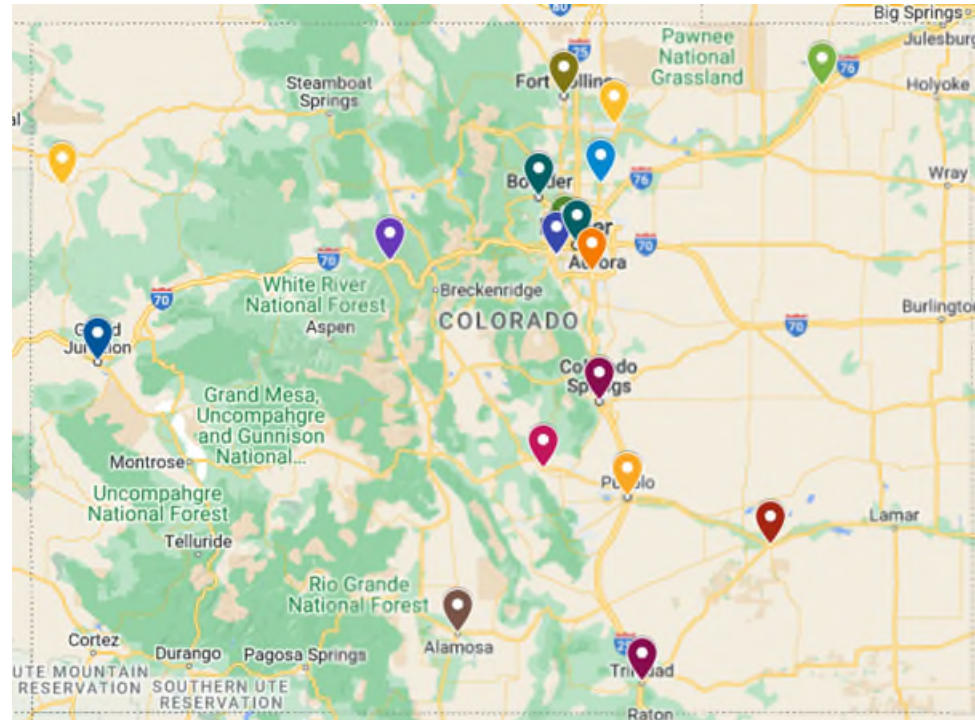
Governor's Recommendation

- The Governor's Capital recommendation includes **\$258.5M TF** for 14 projects, including **\$154M GF** and **\$104.5M CF**.
 - Recommendation includes:
 - Level 1 **Controlled Maintenance** and 1 **COP Payment**
 - 3 requests from **CDHE**,
 - 2 requests each from **CDHS**, **DOC**, and **DPA**, and
 - 1 request from **CDE**, **CDOT**, and **DOR**
 - 5 of these requests are **continuation projects**.



Capital

Capital Construction, Capital Renewal & Controlled Maintenance locations



Capital

FY 2024-25 Budget Recommendation Overview

| Project Type | Description | CCF/GF Amount |
|---|--|-----------------------------------|
| COP Payments & Controlled Maintenance | COP payments keep the state credit and borrowing power high and leave options open for future COPs and must be funded to continue. Funding for controlled maintenance is designed to reduce the number of projects which move into the crumbling assets category. | \$86.1M CF \$4.7M CCF |
| Life/Safety Capital Investments | This funding is targeted for capital projects that have significant impact on life and safety for employees, users, and/or Coloradans intrusted to state care. | \$80.6M CCF |
| ADA Capital Investments | This funding is targeted for capital projects that address significant ADA compliance issues. | \$21.5M CCF |
| Greening Government Capital Investments | These projects are prioritized as they will have the most significant impact at Achieving 100% Renewable Energy by 2040 (one of the Bold 5). | \$10.8M CCF |
| Workforce Capital Investments | These projects are prioritized to address workforce development issues. | \$36.2M CCF |
| Total | | \$154M CCF / \$82.1 CF |

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COP Payments & Controlled Maintenance

| COP Payments & Controlled Maintenance | | TF | CCF/GF | CF | FF |
|---------------------------------------|---|---------------------|--------------------|---------------------|------------|
| DPA/OSA | Controlled Maintenance Level 1 *(CM TF/PP) | \$86,812,643 | \$0 | \$86,812,643 | |
| COP | COP Payment for Health Sciences Center, Shepardson Building Renovation and Addition, and Anschutz Health Sciences | \$4,753,000 | \$4,753,000 | \$0 | \$0 |
| | Total COP & CM | \$91,565,643 | \$4,753,000 | \$86,812,643 | \$0 |

DPA/OSA Controlled Maintenance Level 1 - (\$82M CF)

Level 1 projects address life safety and/or loss of use (resulting from equipment/system failure and/or lack of compliance with codes, standards, and accreditation requirements) and includes the Emergency Fund for unanticipated circumstances. If Level 1 projects do not receive funding, the cost to the state will escalate over time, eventually requiring larger, system-wide repairs or full replacement. This will be paid out the Controlled Maintenance Trust Fund that is a Cash Fund expense from prepaids.

COP Payment for Health Sciences Center, Shepardson Building Renovation and Addition, and Anschutz Health Sciences - (\$4.7M GF)

Certificate of Participation (COP) are a type of funding through which investors can essentially purchase state assets and the state is able to use these funds. However, payments must be made every year to ensure the state's credit rating stays in good standing. These should be treated as priority payments to allow for the potential of using COPs in the future.

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Life/Safety Capital Investments

| Life/Safety Capital Investments | | TF | CCF/GF | CF | FF |
|---------------------------------|--|--------------|--------------|-----|-----|
| DOC/SCF | Sterling Correctional Facility (SCF) Access Controls | \$49,425,652 | \$49,425,652 | \$0 | \$0 |
| DOC/SCF | Sterling Correctional Facility (SCF) Steam Condensate Line Replacement | \$24,854,531 | \$24,854,531 | \$0 | \$0 |
| CDOT | Vail Pass Supporting Structures for Avalanche Defense on I-70 | \$6,400,000 | \$6,400,000 | \$0 | \$0 |
| Total Life/Safety | | \$80,680,183 | \$80,680,183 | \$0 | \$0 |

DOC/SCF Sterling Correctional Facility (SCF) Access Controls - (\$49.2M GF)

This project is a continuation project for critical security access controls. Phase 1 was funded last year through SB23-294. Phase 2 will complete the rest of the facility in updating necessary equipment for door controls and security.

DOC/SCF Sterling Correctional Facility (SCF) Steam Condensate Line Replacement - (\$24.8M GF)

This is a continuation project for Phase 2 of 2 for the SCF steam condensate line replacement. Phase 1 was funded in FY 2023-24 and will replace the line in half of the facility. This steam line has failed multiple times, the most recent being in April 2023 on the side of the facility this request would address.

CDOT Vail Pass Supporting Structures for Avalanche Defense on I-70 - (\$6.4M GF)

This is a single-phase project that was an administration priority last year. During avalanche season, I-70 can be closed for hours during controlled releases. This would mitigate the issue of closures by placing supporting structures along I-70 specifically for avalanches.

Capital

ADA Capital Investments

| ADA Capital Investments | | TF | CCF/GF | CF | FF |
|-------------------------|---|---------------------|---------------------|--------------------|------------|
| CDE/CSDB | West Hall Renovation & Addition* | \$10,154,046 | \$10,154,046 | \$8,313,937 | \$0 |
| CDHS | Regional Center Kitchens, Pools, and Parking Lot | \$1,483,534 | \$1,483,534 | \$0 | \$0 |
| CDHS | Kitchen Replacement at Mental Health Hospital at Pueblo | \$9,899,619 | \$9,899,619 | \$0 | \$0 |
| | Total ADA | \$21,537,199 | \$21,537,199 | \$8,313,937 | \$0 |

CDE/CSDB West Hall Renovation & Addition - (\$10.1M GF)

This is a two-phase project for the Colorado School Deaf and Blind. This project is to renovate the West Hall Building for the School of the Blind. Currently, blind students are spread out across campus for different needs and grades. This project will consolidate all blind students in one building through high school. The building and most playgrounds are not ADA compliant. The current phase TF is \$18.4M, and a total of \$37.5M over the two phases. This work will ensure the building is compliant for student needs and to be used as a learning environment. The remaining \$8.3M for each phase in funding (45%) will be pursued through BEST cash grants in legislation.

CDHS- Regional Center Kitchens, Pools, and Parking Lot- (\$1.4M GF)

This is a three-phase project. The current funding is for Phase 2, which will make improvements to the Wheat Ridge Regional Center's (WRRC) parking lot and training kitchen. Originally, Phase 2 included the therapy pool, but the pool was deemed inoperable. Due to this, WRRC will need to undertake a new design process for the pool and construction for Phase 3.

CDHS Kitchen Replacement at Mental Health Hospital at Pueblo - (\$9.8M GF)

This is a two-phase project. This request is for Phase 1. This project will address the need of the kitchen at CMHHIP. The current kitchen has failed multiple times, resulting in having to distribute cold sandwiches. This current kitchen is obligated to serve approximately 1.79M meals per year.

Capital

Greening Government Capital Investments

| Greening Government Capital Investments | | TF | CCF/GF | CF | FF |
|---|---|---------------------|---------------------|------------|------------|
| CDHE | Siding, Insulation, and Window Replacement - Rangely Campus | \$3,641,741 | \$3,641,741 | \$0 | \$0 |
| DPA | Kipling Campus Chiller Replacement | \$3,717,529 | \$3,717,529 | \$0 | \$0 |
| DOR | Space Planning Collocation and Consolidation | \$3,533,931 | \$3,533,931 | \$0 | \$0 |
| | Total Greening | \$10,893,201 | \$10,893,201 | \$0 | \$0 |

IHE/CNCC Siding, Insulation, and Window Replacement - Rangely Campus - (\$3.6M GF)

This is a single-phase project to replace all the outdated and original metal frame single-pane windows. We are currently seeking other funding sources to support the installation of the energy-efficient products.

DPA Kipling Campus Chiller Replacement - (\$3.7M GF)

This is a single-phase capital renewal project for chiller replacements that regulates cool temperatures for OIT's Data Center. The coolant used is R22 Refrigerant which is discontinued due to the environmental impacts once this runs out the chillers will not be operable.

DOR Space Planning Collocation and Consolidation - (\$3.5M GF)

This is a single-phase project for DOR to change their location to AHEC in order to better serve their clients. Their current parking lot at 1881 Pierce is in need of replacement. This project will allow for DOR to consolidate its main office into CDOT's building, and have it's public facing service center on the AHEC campus with better public transportation access.

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FY 2024-25 Budget Recommendation Overview

| Workforce Capital Investments | | TF | CCF/GF | CF | FF |
|-------------------------------|---|---------------------|---------------------|--------------------|------------|
| CDHE | CSU Clark Building Renovation and Additions | \$31,814,757 | \$23,814,757 | \$8,000,000 | \$0 |
| CDHE | Performing Arts Expansion & Renovation | \$13,780,261 | \$12,388,455 | \$1,391,806 | \$0 |
| | Total Workforce | \$45,595,018 | \$36,203,212 | \$9,391,806 | \$0 |

IHE/CSU CSU Clark Building Renovation and Additions - (\$23.8M GF)

This project is a continuation project for Phase 3 of 4. This project is making updates in the Clark Building for better efficiency and improved navigation for students.

IHE/CMU Performing Arts Expansion & Renovation - (\$12.3M GF)

This project is a continuation project for Phase 2 of 2. This project is updating their Performing Arts building where performances are held not only for the school, but for the community as well.

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FY 2024-25 OSPB Prioritized Capital Requests (page 1 of 3)

FY 2024-2025 Capital Requests, Recommended for Funding, in OSPB Prioritized Order

| Agency | Project Name | FY 2024-2025 | | | | Out Year Costs TF | Total Out Year Costs |
|---------------------------|--|--------------|--------------|--------------|-----|----------------------|-------------------------|
| | | TF | CCF/GF | CF | FF | FY 25-26 | |
| DPA/OSA | Controlled Maintenance Level 1 (*CM Trust fund) | \$82,169,097 | \$0 | \$86,812,643 | | \$0 | \$0 |
| IHE/COP FLC, CSU,UC | COP Payment for Health Sciences Center, Shepardson Building Renovation and Addition, and Anschutz Health Sciences | \$4,753,000 | \$4,753,000 | \$0 | \$0 | \$0 | \$0 |
| DOC/SCF | Sterling Correctional Facility (SCF) Access Controls | \$49,425,652 | \$49,425,652 | \$0 | \$0 | \$0 | \$0 |
| CDE/CSDB | West Hall Renovation & Addition (*BEST Grant) | \$10,154,046 | \$10,154,046 | \$8,313,937 | \$0 | \$10,482,726 | \$10,482,726 |
| CDHS | Kitchen Replacement at Mental Health Hospital at Pueblo | \$9,899,619 | \$9,899,619 | \$0 | \$0 | \$16,950,877 | \$16,950,877 |

Capital

FY 2024-25 OSPB Prioritized Capital Requests (page 2 of 3)

FY 2024-2025 Capital Requests, Recommended for Funding, in OSPB Prioritized Order

| Agency | Project Name | FY 2024-2025 | | | | Out Year Costs TF | Total Out Year Costs |
|----------|--|--------------|--------------|-------------|-----|----------------------|-------------------------|
| | | TF | CCF/GF | CF | FF | FY 25-26 | |
| CDHS | Regional Center Kitchens, Pools, and Parking Lot | \$1,483,534 | \$1,483,534 | \$0 | \$0 | \$7,075,286 | \$7,075,286 |
| DOC/SCF | Sterling Correctional Facility (SCF) Steam Condensate Line Replacement | \$24,854,531 | \$24,854,531 | \$0 | \$0 | \$0 | \$0 |
| IHE/CNCC | Siding, Insulation, and Window Replacement - Rangely Campus | \$3,641,741 | \$3,641,741 | \$0 | \$0 | \$0 | \$0 |
| IHE/CSU | CSU Clark Building Renovation and Additions | \$31,814,757 | \$23,814,757 | \$8,000,000 | \$0 | 33,798,175 | 33,798,175 |
| IHE/CMU | Performing Arts Expansion & Renovation | \$13,780,261 | \$12,388,455 | \$1,391,806 | \$0 | \$0 | \$0 |
| DPA | Kipling Campus Chiller Replacement | \$3,717,529 | \$3,717,529 | \$0 | \$0 | \$0 | \$0 |

Capital

FY 2024-25 OSPB Prioritized Capital Requests (page 3 of 3)

FY 2024-2025 Capital Requests, Recommended for Funding, in OSPB Prioritized Order

| Agency | Project Name | FY 2024-2025 | | | | Out Year Costs TF | Total Out Year Costs |
|---------------------------------|---|---------------|---------------|---------------|-----|----------------------|-------------------------|
| | | TF | CCF/GF | CF | FF | FY 25-26 | |
| CDOT | Vail Pass Supporting Structures for Avalanche Defense on I-70 | \$6,400,000 | \$6,400,000 | \$0 | \$0 | \$0 | \$0 |
| DOR | Space Planning Collocation and Consolidation | \$3,533,931 | 3,533,931 | \$0 | \$0 | \$0 | \$0 |
| Total OSPB Prioritized Projects | | \$258,593,107 | \$154,074,721 | \$104,518,386 | \$0 | \$68,307,064 | \$68,307,064 |

Capital

FY 2024-25 Fully Cash Funded Overview

FY 2024-2025 Capital Requests- Cash Funded Projects

| Agency | Project Name | FY 2024-2025 | | | |
|---------------------|---|--------------|--------|--------------|-----|
| | | TF | CCF/GF | CF | FF |
| HC | Regional Property Preservation Projects | \$700,000 | \$0 | \$700,000 | \$0 |
| CDHS | Depreciation Fund for Regional Center Group Homes | \$1,547,881 | \$0 | \$1,547,881 | \$0 |
| DPA | Capitol Complex Renovation & Footprint Reduction | \$17,300,000 | \$0 | \$17,300,000 | \$0 |
| DNR | Infrastructure and Property Maintenance | \$34,001,000 | \$0 | \$34,001,000 | \$0 |
| DNR | Property Acquisition and Improvements | \$25,000,000 | \$0 | \$25,000,000 | \$0 |
| Total Cash Projects | | \$78,548,881 | \$0 | \$78,548,881 | \$0 |

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FY 2024-25 Fully Cash Funded Summaries

HC/Regional Property Preservation Projects-(\$700K CF)

This is a continual CF request for general maintenance and preservation for History of Colorado. It is paid out of the Limited Stake Gaming Fund.

CDHS/Depreciation Fund for Regional Center Group Homes-(\$1.5M CF)

This is request to make improvements and upkeep of the Intermediate Care Facilities for Intellectually and Developmentally Disabled People (ICF/IDD), Home and Community-Based Services (HCBS) and the learning centers at three Regional Centers; Wheat Ridge, Pueblo, and Grand Junction. The cash funds are from the Regional Centers' Depreciation Fund sub-account.

DPA/Capitol Complex Renovation & Footprint Reduction- (\$17.3M CF)

This request is to reduce the overall State and private lease space by 1 million square feet over the next five years. This current phase will address the Annex Building that currency is at a 35.8% FCI score to a projected 89.4% FCI score. This project is funded through \$17,300,000 from Capitol Complex Renovation Cash Fund (Capitol Complex Master Plan (CCMP)-transferred funds (per SB 23-306) and \$14.8M Annual Depreciation-Lease Equivalent (ADLE) payments per SB 22-239).

DNR/Infrastructure and Property Maintenance-(\$34M CF)

This is a request to rehabilitate and improve infrastructure and facilities on state wildlife areas and CPW offices. It is paid through the Wildlife Cash Fund (\$31,201,000), the Parks and Outdoor Recreation Cash Fund (\$2,500,000), and the Highway Users Tax Fund (\$300,000).

DNR/Property Acquisition and Improvements-(\$25M CF)

This is a request to conserve or improve wildlife habitat and acquire land and water for wildlife purposes. It is funded from the Wildlife Cash Fund which primarily uses habitat stamp revenue.