

# STATE OF COLORADO

## OFFICE OF STATE PLANNING AND BUDGETING

111 State Capitol Building  
Denver, Colorado 80203  
(303) 866-3317



Bill Ritter Jr.  
Governor  
Todd Saliman  
Director

March 6, 2008

The Honorable Bernie Buescher  
Chairman, Joint Budget Committee  
Colorado General Assembly  
200 E. 14<sup>th</sup> Avenue, Third Floor  
Legislative Services Building  
Denver, CO 80203

RE: Capital Development Committee Priorities

Dear Representative Buescher:

The Capital Development Committee (CDC) forwarded to you on March 5, 2008 their prioritized list for FY 08-09 capital projects (Attachment 1). Most of the projects that were submitted to the CDC on November 1, 2007 jointly by the Office of State Planning and Budgeting (OSPB) and the Colorado Commission on Higher Education (CCHE) were fully-funded and approved by the CDC. There are, however, some exceptions addressed below. The final joint OSPB/CCHE list is provided as Attachment 2 and is dated February 26, 2008.

OSPB carefully considered the adjustments made by the CDC and the top needs of the agencies. Attachment 3 illustrates the original list by OSPB/CCHE (column F), the March 5, 2008 list by the CDC (Column G), and the final list of projects that OSPB would like to support with a transfer (column H) of \$118 million. The projects on this list would be funded by a transfer of \$118 million that is illustrated in the table below:

<b>Calculations for General Fund Transfer Request to Capital</b>	
FY 2006-07 HB 02-1310 Statutory Transfer to Capital	\$83,091,334
Capital Construction Fund Interest	\$14,910,597
Fitzsimons Trust Fund*	\$13,142,988
Unencumbered Capital Construction Fund balance	\$4,372,000
Unencumbered CERF balance	\$1,273,567
less approved supplementals	(\$1,735,000)
Total Available Revenue	\$115,055,486
Total CCFE Requests	\$233,069,401
<b>Total Transfer Needed</b>	<b>\$118,013,915</b>

OSPB understands that the CDC feels strongly that certain projects should be funded as requested (OSPB priority numbers 8, 9, 11, 12). In addition, the funding of the Brown Hall School of Mines was a very important project to the CDC. The final OSPB transfer in this letter supports these decisions. However, the entire amount necessary for the Capitol dome repair and the Ute Indian Museum Expansion are capital priorities OSPB feels need to be addressed. Please see the following information that supports these projects.

OSPB also believes several projects approved by the CDC, while worthy and important, cannot be supported with the \$118 million transfer. Therefore, in column H of Attachment 3, these items have been zeroed out.

### **Ute Indian Museum**

The item that is entirely missing from the CDC list but is on the February 26 list is the Colorado Historical Society's Ute Indian Museum. OSPB and the Historical Society have concerns about the existing ranking of the Ute Indian Museum project. The Colorado Historical Society (CHS) has worked with the Governor's office concerning the proposed expansion of the museum. As sovereign nations, the Society has consulted with the three tribes and has expressed the Governor's commitment to the project and willingness to strengthen the working relationship between the State of Colorado and the Ute tribes. The credibility of the Society and State are a concern.

The Ute project was approved and funded by the General Assembly in FY 2001-02, but funding was rescinded due to the recession. The FY 2007-08 appropriation of \$146,000 Capital Construction Funds Exempt (CCFE) included funding for the architectural and engineering services associated with the project. The FY 2008-09 continuation request includes funding to complete the project. As requested by the CDC, the Society has worked to bring a significant amount of private and federal funding to bear in support of the project. Since the project's funds were rescinded in 2002, the CHS has expended the supporting money to meet the community and tribal expectations concerning the property. This year an additional \$250,000 has been committed to the project. This has met the CDC desire to have other funds committed to capital projects.

The FY 2008-09 request will complete the redevelopment of the Ute Indian Museum in Montrose, the only Colorado Historical Society facility on the Western Slope. The original building was constructed in the 1950s and a wooden frame structure was added in 1996. The project will add 5,720 GSF and renovate 1,900 GSF in the existing museum to address inadequate education and exhibit space. On completion of the project, the museum space will include: two galleries, one for permanent exhibits and one for traveling exhibits; additional classroom space that can also be used for community meetings; an expanded visitor center; additional space for exhibit storage, retail space, education program materials, and office space, as well as updated interior and exterior security monitoring to protect the museum's collection.

The FY 2008-09 funding request is for \$2,098,598 CCFE to pay for construction of the facility, and will bring to fruition a project which has been seven years in the making and which has significance of far greater scope than a simple building project.

It is important to note that the Ute Indian Museum lies within traditional Ute territory. The Colorado Historical Society is doing well working with the Ute tribes to incorporate Ute perspective in all aspects of the museum. An expanded and improved museum will serve as a crucial gathering space outside of the three reservations and will enhance communication of Ute culture to a broader audience. Ute history is Colorado's history and must continue to be taught to future generations.

### **Capitol Dome**

The \$3 million proposed on the CDC list for the Capitol Dome repair is simply not enough to allow mobilization, scaffolding, and any meaningful amount of work to be accomplished. Additionally, if we encounter unknown adverse conditions, we would not have sufficient funds to proceed let alone complete. We feel it is only prudent for the State to have sufficient funds available for almost any situation that we could encounter once work commences. The \$8.6 million would accomplish this goal.

The purpose of this request is to fund the restoration and repairs of the enclosure of the capitol dome. The dome has numerous minor repairs over the last 100 years, as weather conditions caused the structure to gradually deteriorate over time. In the last year, the fasteners of a section of cast iron fell onto the unoccupied exterior observation level. The State Architect initiated an emergency project funded by the Controlled Maintenance Emergency Fund to determine the cause and extent of the damage. DPA contracted with Fentress Bradburn Architects (the same firm overseeing the Capitol life/safety upgrades) to assess the deterioration of the dome's supporting structure.

The analysis performance has led to the following renovation and repair recommendations: replace cast iron fasteners, repair cracks, holes, and other deteriorated portions of the cast iron enclosure and repair the balustrade; window restoration, copper repairs above the case iron, restore and repair dome gutters and downspouts, and removal and replacement of cast iron coatings. Regilding the dome is not anticipated not included in the cost. Interior dome repairs and renovations are included to address impacts on the interior walls and the balcony at the observation level.

The Office of State Planning reduced the CCFE portion of our FY 08-09 request of \$11,630,844 for the Capitol dome to \$8,630,844. To offset this reduction, the Department of Personnel and Administration will apply to the Colorado Historical Society's State Historical Fund for a grant of \$3 million. The request of \$8.6 million Capital Construction Funds will act as the match for this grant request. Grant applications are due April 1 and are part of a competitive process which includes review and scoring by preservationists from around the State, with a recommendation to a committee of the Society's Board of Directors. The Board will make a decision on July 26, 2008 and decisions will be announced August 1. The funds will be available for distribution as soon as

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they are received by the Society in August. The application will compete with applications from public entities, State agencies, and nonprofit organizations. OSPB will inform the Committee of the outcome of the grant process.

Thank you for your careful consideration of these matters. We hope that you find that the items under Column H of Attachment 3 meet the most needs as possible. Please do not hesitate to contact me if you have any questions or would like me to come discuss these concerns with the Committee.

Sincerely,



Todd Saliman  
Director

cc: Senator Moe Keller, Vice-Chairman, JBC  
Senator Steve Johnson, JBC  
Senator John Morse, JBC  
Representative Jack Pommer, JBC  
Representative Al White, JBC  
Mr. John Ziegler, JBC Staff Director  
Eric Kurtz, JBC Staff  
Senator Bob Bacon, Chairman, CDC  
Representative Jim Riesberg, Vice-Chairman, CDC  
Senator Josh Penry, CDC  
Representative Don Marostica, CDC  
Senator Sue Windels, CDC  
Representative Buffie McFadyen, CDC  
Jennifer Moe, Legislative Council Staff  
Lisa Esgar, Deputy Director, OSPB  
Larry Friedberg, State Architect  
Ryan Stubbs, CCHE