

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

**Department of Public Health and Environment**

Request Title

**R-01 Family Planning Purchase of Services Increase**

Dept. Approval By: <u><i>R. [Signature]</i></u> <u>10-26-15</u> <u>X</u>	Supplemental FY 2015-16
	Change Request FY 2016-17
	Base Reduction FY 2016-17
OSPB Approval By: <u><i>[Signature]</i></u> <u>10/30/15</u>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17		FY 2017-18
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,812,226	\$0	\$4,812,226	\$2,511,135	\$2,511,135
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,223,326	\$0	\$1,223,326	\$2,511,135	\$2,511,135
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$3,588,900	\$0	\$3,588,900	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17		FY 2017-18
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,812,226	\$0	\$4,812,226	\$2,511,135	\$2,511,135
	FTE	0.0	0.0	0.0	0.0	0.0
09. Prevention Services Division - Family Planning Purchase Of Services	GF	\$1,223,326	\$0	\$1,223,326	\$2,511,135	\$2,511,135
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$3,588,900	\$0	\$3,588,900	\$0	\$0

Letternote Text Revision Required? Yes _____ No <u>X</u>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name:	
Approval by OIT? Yes _____ No _____ Not Required: <u>X</u>	
Schedule 13s from Affected Departments:	
Other Information:	





# COLORADO

Department of Public Health and Environment

Priority: R-01  
Family Planning Purchase of Services Increase  
FY 2016-17 Decision Item Request

## *Cost and FTE*

- This request seeks \$2,511,135 in FY 2016-17 and on-going General Fund to expand the Family Planning Program and reduce unintended pregnancy.

## *Current Program*

- Since 1970, The Colorado Department of Public Health and Environment has been the Colorado grantee for the federal Title X, Family Planning Program (FPP).
- The FPP ensures the availability of quality and affordable family planning services, including the most effective contraceptive methods, to approximately 55,000 men and women each year.
- Both State General Fund and Federal Funds are awarded to Family planning Title X clinics to provide reproductive health services to low income and uninsured Coloradans.

## *Problem or Opportunity*

- Title X Clinics serve counties that are home to 95 percent of the state's low-income population.
- Nine out of ten Title X clients have incomes at or below 150 percent of the federal poverty level.
- Despite the introduction of the Affordable Care Act, 58 percent of clients in Title X clinics remained uninsured in 2014.

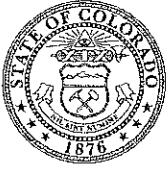
## *Consequences of Problem*

- Unintended pregnancies are linked to late entry into prenatal care, birth defects, low birth weight, induced termination, maternal depression, reduced rates of breastfeeding, and increased risk of physical violence during pregnancy.
- Children born as a result of an unintended pregnancy are more likely to experience child abuse, poor mental and physical health, lower educational attainment and behavioral problems.
- Nearly two-thirds of teen mothers receive some type of public assistance during the first year of their child's life; this includes Medicaid, food stamps, and other assistance.

## *Proposed Solution*

- With the requested \$2,511,135 on-going General Fund, approximately 6,216 clients will have access to contraception.
- A portion of the new funding will be used to outreach to new, non-Title X providers such as federally qualified health centers, public health agencies, community health and rural health providers to ensure they understand the benefits of family planning and are equipped to counsel and insert contraceptive devices.
- The requested funding will make a significant contribution to holding the teen birth rate, the induced termination rate, second order births and the unintended pregnancy rate at current, historic lows.





# COLORADO

Department of Public Health and  
Environment

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

FY 2016-17 Funding Request | November 1, 2015

**Department Priority: R-01**

**Request Detail: Family Planning Purchase of Services Increase**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Family Planning Purchase of Services Increase	\$2,511,135	\$2,511,135

**Problem or Opportunity:**

The Department requests \$2,511,135 in General Fund for FY 2016-17 and on-going funding to expand the Family Planning Program and maintain recent gains in reducing unintended pregnancy.

Since 1970, the Colorado Department of Public Health and Environment (CDPHE) has been the Colorado grantee for the federal Title X, Family Planning Program (FPP). FPP has spent the past 45 years steadily increasing its clinic reach throughout Colorado, training Title X providers in the most current clinical and business practices and continuously earning high marks on federal reviews for program stewardship.

A primary focus of the FPP is to reduce the frequency and rate of unintended pregnancy. Unintended pregnancy occurs when a woman becomes pregnant sooner than desired or when the pregnancy is not desired at any time. Such pregnancies are associated with poor health, and poor economic and social outcomes. In 2009, 39 percent of all Colorado mothers reported their pregnancies were unintended. The percentage is much higher among young women with low incomes and low educational attainment.

Unintended pregnancies are also linked to late entry into prenatal care, birth defects, low birth weight, induced termination, maternal depression, reduced rates of breastfeeding, and increased risk of physical violence during pregnancy. Children born as a result of an unintended pregnancy are more likely to experience child abuse, poor mental and physical health, lower educational attainment and behavioral problems.

For teen mothers who still lived with their parents, 34 percent lived below the poverty line; while the poverty rate for teen mothers that lived on their own is 63 percent. Nearly two-thirds of teen mothers receive some type of public assistance during the first year of their child's life; this includes Medicaid, food stamps, and other assistance (Dominique W. Brooks MD, MBA).

Nationally, one in five unintended pregnancies each year occurs among teens (The National Campaign to Reduce Teen and Unplanned Pregnancy 2012). Teen mothers:

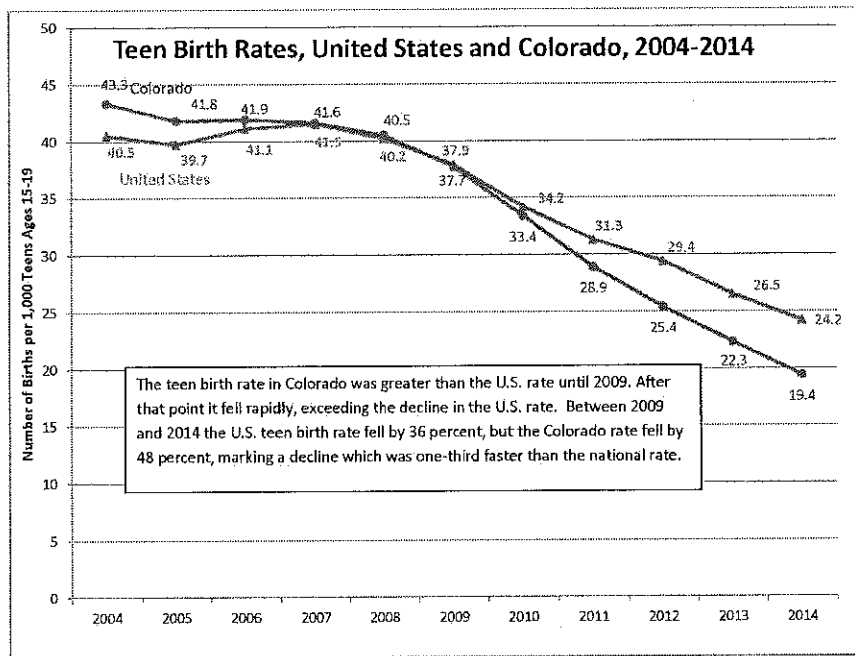
- o Are less likely to graduate from high school or attain a General Educational Development (GED) by the time they reach age 30;

- o Earn an average of approximately \$3,500 less per year, when compared with those who delay childbearing until their 20s;
- o Receive nearly twice as much federal aid for nearly twice as long. (Hoffman S, Maynard R, eds).

Given the high costs (personal and societal) associated with unintended pregnancies, it is not surprising that the public health benefits of family planning programs have been well documented via numerous scientific studies.

Colorado’s teen birth rate has declined significantly further than the national average since 2008 when the state received an influx of private funding for the Family Planning Program. Chart 1 illustrates the decrease in the national and Colorado teen birth rates. As the chart demonstrates, Colorado’s teen birth rate decreased at a much faster rate than the national rate during the period in which the anonymous funding was in place.

Chart 1



Sources: "National and State Patterns of Teen Births in the United States, 1940-2013," *National Vital Statistics Reports*, Vol. 63, No. 4, August 20, 2014, Table 5 for data 2004 through 2013. "Births: Preliminary Data for 2014," *National Vital Statistics Reports*, Vol. 64, No. 6, June 17, 2015, Table 1 for U.S. data for 2014. Health Statistics and Evaluation Branch, Colorado Department of Public Health and Environment for Colorado data for 2014.

In FY 2016-17 the anonymous support for the FPP will be coming to an end after several years of consistent funding. While the FPP has made great progress in the past few years, the needs are still great. Unintended pregnancy remains pervasive and barriers to paying for family planning services continue.

By investing additional General Fund dollars into the program, CDPHE and related state agencies can continue to avoid significant costs to Medicaid, and maintain a decrease in the abortion rate, teen birth rate and second order births.

Despite the passage of the Affordable Care Act, it is estimated that more than 83,000 Colorado females are in need of contraception, yet remain uninsured or otherwise in need of coverage despite continued efforts aimed at enrollment. Title X agencies continue to assist clients with insurance enrollment, and the FPP continues to service family planning clients without a payer source. Challenges to insurance enrollment include gaps between jobs or other life changes, cost for low income citizens or those in high cost areas and insurance not always covering best method for a particular patient.

Given continued barriers to insurance, FPP clinics continue to function as a significant stop-gap for those without anywhere else to turn for services. State and federal funding allocated to the clinics provides them with the ability to deliver services to those without insurance who cannot pay themselves.

***Proposed Solution:***

One of the most successful and proven solutions to the unintended pregnancy rate for uninsured citizens is to ensure the availability of quality and affordable family planning services, including the most effective contraceptive methods, to the men and women that want access to them.

This \$2,511,135 request is to increase the existing family planning purchase of services General Fund appropriation to enable the FPP to continue current successful reproductive health care, which includes providing contraceptives, provider training, education and outreach, and additional evaluation opportunities. By investing additional General Fund dollars into the program, CDPHE and related state agencies can continue to avoid significant costs to Medicaid, and maintain the decreases in the abortion rate, teen birth rate and second order births.

The Department's request of \$2,511,135 assumes that the average annual cost per FPP client is \$404, which will allow approximately 6,216 clients to be served. The average annual cost per FPP client was estimated using the Guttmacher Institute's cost savings estimate calculator, (Health Benefits and Cost Savings of Publicly Funded Family Planning A Tool to Generate Estimates for Individual Programs and Providers <http://www.guttmacher.org/broader-benefits/index.html>), which uses national and state data to estimate family planning clinic costs.

The Department's recently published research report, "Game Change in Colorado: Widespread Use Of Long-Acting Reversible Contraceptives and Rapid Decline in Births Among Young, Low-Income Women", by Sue Ricketts, Greta Klingler and Renee Schwalberg showcased the statewide impact of family planning program investments. This request continues the investment described in this study.

The FPP benefits primarily the federal Title X priority population of young, low-income men and women. Title X clinics in Colorado serve counties that are home to 95 percent of the State's low-income population. Nine out of ten Title X clients have incomes at or below 150 percent of the federal poverty level (\$17,655 annual income in 2015 for a single person) and seven out of ten are age 29 or younger.

The Department has made family planning a priority programmatically, legislatively and through the media. The Department's past investments in these solutions come with a proven record of success supported by compelling data and an undeniable impact. This request directly ties to current outcome measures within the Department's strategic plan.

If additional funds are not allocated to the family planning purchase of services line, the FPP will start to lose the gains made in the past seven years. Approximately 6,216 Coloradans in need of services will not

be able to receive full access to family planning services. This will potentially result in approximately 771 additional unintended births and the resulting direct and indirect costs to the state.

#### ***Anticipated Outcomes:***

The requested \$2,511,135 will be leveraged by the current Family Planning infrastructure to enable approximately 6,216 clients to be served across Colorado. The funds will augment those from private insurance, Medicaid, federal grants, local contributions and others to assist Coloradans in need of services. A primary focus will be to continue providing clients access to contraceptives and supporting the State's efforts of reducing the teen birth rate, the induced termination rate, second order births and the unintended pregnancy rate.

With this primary focus, it is anticipated that the gains listed below will continue to be realized:

- Intrauterine device (IUD) and implant use (the most effective forms of contraceptives) among Title X clients using contraception grew from 4.8 percent in 2007 to 24.2 percent in 2014.
- Between 2009 and 2014 the fertility rate dropped by 48 percent for women ages 15 to 19 significantly sharper declines than expected. While national trends are also declining, Colorado's rate of decrease outpaced national trends by more than 30 percent, strongly supporting the efficacy of this program (see Chart 1).
- Between 2009 and 2014 the abortion rate among young women ages 15 to 19 also dropped by 48 percent.

This data suggests that increasing the availability of expanded family planning methods specifically by removing the cost barrier, has a significant impact on population health and other social welfare programs.

The \$2,511,135 will help the Department's FPP maintain past gains in lowering teen birth and abortion rates and increase contraceptive use throughout Colorado. Moving forward, FPP believes it may see some more (modest) progress, but most of these data points will have plateau and will remain steady. The Department's FPP will continue to track and trend the data for the following:

- Birth / fertility rate
- Induced termination / Abortion rate
- Second order births
- Unintended pregnancy rate
- Contraceptive use in Title X population

#### ***Assumptions and Calculations:***

The request for \$2,511,135 is based on the actual private funding expended in 2014-15. Sustaining this level of funding will allow the program to maintain its gains in reducing unintended pregnancy and continue the associated Medicaid cost savings. The Program anticipates that the \$2,511,135 will be allocated to the family planning clinic network throughout the state.

The average cost per client served is assumed to be approximately \$404 (as estimated by the Guttmacher Institute.) The \$404 estimate is based on several contraceptive methods, such as pills.



Based on the assumption of \$404 per client, it is estimated that 6,216 clients will be served with the requested \$2,511,135.

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**Cost-benefit Analysis:**

- $\$2,511,135 / \$404$  annually per client = 6,216 clients served annually.

Using the Guttmacher calculator provides an estimate of 12.4 births averted for every 100 women seen. These results in approximately 771 births averted with the requested \$2,511,135.

For

- $\$2,511,135 / \$404$  per client = 6,216 clients served.
- $6,216 \text{ clients} \times 12.4\%$  (12.4 unintended births averted per 100 clients) = 771 births averted.

This represents an estimated number of people served and births averted. Actual expenditures will be based on patient and clinic needs and contraceptive choices as determined by the patient and the healthcare providers.

Using Colorado's 2010 data (the most complete year of data available to the state), it is projected that for every dollar invested into the CDPHE Family Planning program, it is anticipated that \$2.42 is avoided in Medicaid birth-related costs.

Additional detail on this cost benefit analysis can be found in Attachment A.

**Estimates of Pregnancies Averted**

***Expected Pregnancies by Contraceptive Method***

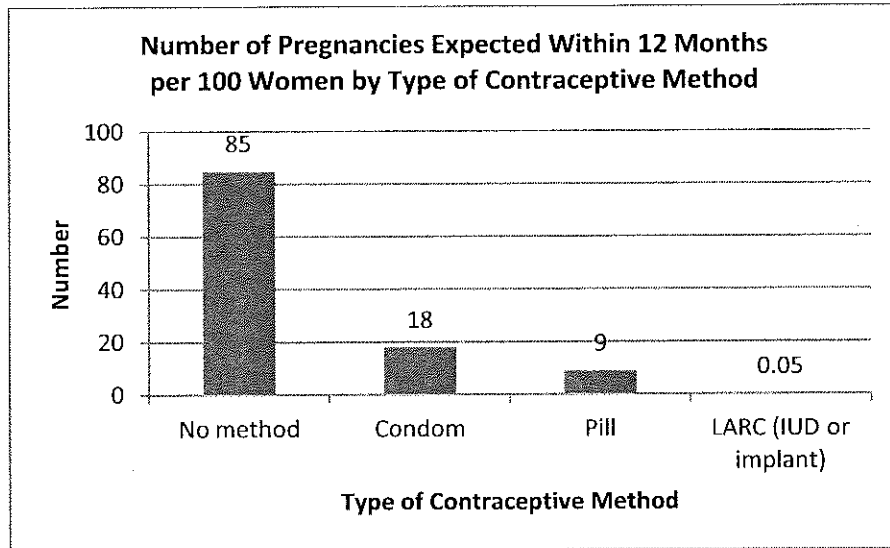
Table 1 and Figure 1 show the number of pregnancies expected within a year according to the contraceptive method used. If no method at all is used, 85 out of 100 women will become pregnant. If a LARC is used .05 out of every 100 women will become pregnant. If condoms are used as the primary contraceptive method, 18 out of 100 women will become pregnant. If women are using pills, nine will get pregnant, and if women are using a LARC method (IUD or implant), not even one will get pregnant. In fact, just five out of every 10,000 women using a LARC method will get pregnant within 12 months.

The average of 12.4 births averted for every 100 clients seen, used in this analysis, is a conservative estimate; the actual number of births averted is likely to be higher.

**Table 1. Number of Pregnancies Expected within 12 Months per 100 Women By Type of Contraceptive Method**

<b>Method</b>	<b>Out of 100 women using specified method, number who will get pregnant within 12 months</b>
No method	85
Condom	14
Pill	9
LARC (IUD and implant)	0.05

**Figure 1**



Note: Condoms must be used at each act of intercourse; pills must be taken daily, but LARC methods, once inserted or implanted, are effective for 3, 5, or 10 years, depending on the device. Estimates of the likelihood of pregnancy are based on typical method use.

Source: Trussell, J. "Contraceptive Failure in the United States," *Contraception*, 83.5 (2011), 397-404.

Estimates are based on user inputs and formulas from Frost JJ et al., Return on investment: A fuller assessment of the benefits and cost savings of the US publicly funded family planning program, *The Milbank Quarterly*, 2014, <<http://onlinelibrary.wiley.com/enhanced/doi/10.1111/1468-0009.12080/>>. Additional resources:

Media kit: [Publicly Funded Family Planning Services in the United States](#)

National fact sheet: [Facts on Publicly Funded Contraceptive Services in the United States](#)

Policy analysis: [Beyond Preventing Unplanned Pregnancy: The Broader Benefits of Publicly Funded Family Planning Services](#)

State fact sheets: [Facts on Publicly Funded Family Planning Services](#), [State Facts About Unintended Pregnancy](#) and [State Policies in Brief](#)

Video: [Publicly Supported Family Planning Services Are Essential](#)

Report: [Moving Forward: Family Planning in the Era of Health Reform](#)

Data and tables: [Guttmacher Institute Data Center](#) This tool, and the research on which it is based, were made possible by a grant from the JPB Foundation.

This tool enables users to estimate the impact of publicly funded family planning services in their state or service area, using data entered by the user about the number of contraceptive clients served, the number of specified tests performed and the state where services were provided. It may generate data on:  
cases of unintended pregnancies prevented and their outcomes and associated cost savings;  
cases of STIs prevented and associated cost savings;  
cases of precancer and cervical cancer prevented and associated cost savings

The formulas underlying this tool are based on analyses described in the report "[Return on Investment: A Fuller Assessment of the Benefits and Cost Savings of the US Publicly Funded Family Planning Program.](#)"

These formulas are the property of the Guttmacher Institute and were developed with the highest level of scientific rigor.

These estimates should be viewed as approximations, because of variability among programs in terms of the populations served, the mix of methods provided and the testing protocols used. Moreover, the results generated by this tool are subject to the accuracy and reliability of the data entered by the user.

Note: If no results are returned, the input numbers may be too small to generate reliable estimates of health benefits or cost savings. To estimate the total net savings of family planning services, you must input the number of contraceptive clients served.

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## *Attachment A*

### *Assumptions for Benefit-Cost Analysis*

If CDPHE's family planning program in 2010 equaled 42 percent of all funding sources, then only 42 percent of, or 22,992, women received contraceptive services. Please note: Other women in the state may have received services funded through sources other than federal Title X, state and private CFPI funds (for example, services through Medicaid)

*[54,743 (total number of women who received contraceptive services from all funding sources in 2010) \* .42 (percent of state funding for the Initiative) = 22,992 (number of women who received contraceptive services due to state's investment)]*

If the percent of prevented births due to Family Planning Initiatives is 12.4 percent (Guttmacher Institute statistic) and 22,992 women received contraceptive services due to the state's investment in the Colorado Family Planning Initiative, then 2,851 births were prevented in 2010 due to the state's investment in the Colorado Family Planning Initiative.

*[22,992 (number of women who received contraceptive services with state funds) \*.124 (percent of births that are prevented due to Family Planning Initiatives; Guttmacher Statistic) = 2,851 (births prevented)]*

If the percent of Medicaid eligible women who receive services at Title X clinics is 81.3 percent, then 2,318 Medicaid births were prevented in 2010 due to the state's investment in the Colorado Family Planning Initiative.

*[2,851 (births prevented) \*.813 (percent of women who are Medicaid eligible) = 2,317.86 (Medicaid births prevented)].*

If human gestation is approximately 9 months, then most women who could have become pregnant in 2010 most likely would have given birth in 2011, and if the average Medicaid claim for birth related expenses in 2011 was \$11,176, then \$25,905,968 was prevented in Medicaid birth related costs in 2011 due to the state's expenditure in the Colorado Family Planning Initiative.

*[2,318 (Medicaid births prevented)\*\$11,176 (average Medicaid claim) = \$25,905,968 (prevented Medicaid birth related costs)]*

If the benefit of the Colorado Family Planning Initiative is expressed as Medicaid birth related costs prevented in 2011 and the cost of the Colorado Family Planning Initiative is expressed as the state's investment in the Initiative in 2010, then the benefit to cost ratio (or Benefit-Cost Analysis (BCA)) is \$2.42 (read as: "for every dollar invested into the Colorado Family Planning Initiative, it is anticipated that \$2.42 is prevented in Medicaid birth related costs.)

*[\$25,905,968 (prevented Medicaid birth related costs/benefit)/\$10,709,766.04 (state's investment/cost) = \$2.42 (benefit-cost ratio)]*



FY	CDPHE Family Planning Program (Federal Title X, State and CFPI Funds)	Clients Served (Using # of Women to Calculate # of Births Prevented)			Reducing Number of Women Served by 42 % (State Expenditure Equalled 42 % of Total Initiative Funding)*	# of Births Prevented (Using Guttmacher 12.4% ratio)†	% of Births that Would Have Been Medicaid Eligible (Used statistic from CDPHE)	# of Births Prevented that Would Have Been Medicaid Eligible	Claim Amount (Using following year's claim amount to adjust for 9 month pregnancy)	Potential Medicaid Claim Amount Prevented (Benefit of Initiative)	Benefit to Cost Ratio
		Women	Men	Total							
FY 10	\$ 10,709,766.04	54,743	9,431	64,174	22,992	2,851.02	0.813	2,317.88	\$ 11,176.00	FY11 \$ 25,905,968.00	\$ 2.42

\*<https://www.guttmacher.org/statecenter/family-planning/CO.html#7>

(The Guttmacher Institute reports that Colorado funded Family Planning Services with 42 percent state funds in 2010.)

† <https://www.guttmacher.org/broader-benefits/index.html>

(The Guttmacher Institute reports that approximately 12.4 percent of births are prevented due to Family Planning Services)





**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**R-02 Continue General Fund Subsidy for Clean Water Sectors**

Dept. Approval By: <u><i>R. [Signature]</i> 10/26/15</u>	<u>    </u>	<u>    </u>	Supplemental FY 2015-16
	X	<u>    </u>	Change Request FY 2016-17
	<u>    </u>	<u>    </u>	Base Reduction FY 2016-17
OSPB Approval By: <u><i>Y. [Signature]</i> 10/28/15</u>	<u>    </u>	<u>    </u>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17		FY 2017-18
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	\$245,457	\$0	\$0	\$1,208,007	\$1,318,302
	FTE	4.0	0.0	4.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$245,457	\$0	0	\$1,208,007	\$1,318,302
	CF	\$0	\$0	0	\$0	\$0
	RF	\$0	\$0	0	\$0	\$0
	FF	\$0	\$0	0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17		FY 2017-18
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	\$245,457	\$0	\$0	\$1,208,007	\$1,318,302
	FTE	4.0	0.0	4.0	0.0	0.0
05. Water Quality Control Division - General Fund Subsidy	GF	\$245,457	\$0	\$0	\$1,208,007	\$1,318,302
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes <u>    </u> No <u>X</u>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name:	
Approval by OIT? Yes <u>    </u> No <u>    </u> Not Required: <u>X</u>	
Schedule 13s from Affected Departments:	
Other Information:	





# COLORADO

Department of Public Health and Environment

Priority: R-02  
Continue General Fund Subsidy for Clean Water  
Sectors  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- The Colorado Department of Public Health and Environment's Water Quality Control Division is seeking a \$1,208,007 General Fund appropriation in FY 2016-17, and a \$1,318,302 General Fund appropriation in FY 2017-18, in order to sustain the Clean Water Program through FY 2017-18 when the Department intends to seek a legislative change to increase fees for the Clean Water Program.

## ***Current Program***

- The Clean Water Program has delegated authority through the United States Environmental Protection Agency (EPA) to control pollution in state waters, through the issuance of water quality permits, inspections, technical/compliance assistance and fee collection.
- The Program provides technical/compliance assistance to stakeholders, in addition to the permitting and inspections, which fosters strong working relationships that are beneficial to public health.

## ***Problem or Opportunity***

- Without the ability to increase fees, the Department will be unable to cover the actual cost of its statutory obligations.
- Fees for the Clean Water Program are established in statute and cannot be modified by the Water Quality Control Commission.
- Without the funding the Program will be unable to continue its current level of operations leading to permitting and inspection delays as well as staff reductions, creating delays for stakeholders.
- House Bill 15-1249 revised the current fee structure by creating five sectors within the Clean Water Program to ensure that each sector is paying its own share and not subsidizing other sectors. However, HB 15-1249 did not raise the fees.

## ***Consequences of Problem***

- A reduction in resources will reduce the Department's ability to provide timely services, and may result in less protection of public health and the environment.
- The high-level of service provided by the Clean Water Program will be significantly reduced.
- There will be delays in permitting and inspections, and also a reduction to the technical/compliance assistance provided to stakeholders that is critical to maintaining collaborative work practices.

## ***Proposed Solution***

- The request for \$1,208,007 of General Fund in FY 2016-17 and \$1,318,302 General Fund in FY 2017-18 will provide the Department the ability to continue its current operations while providing the time for the Department to seek legislative changes to increase the fees.
- Granting the request will allow for the Program to continue its operations at its current level by eliminating the need for staff reductions, and a reduction to services provided.
- The Department is planning on seeking legislative changes to increase the fees.





# COLORADO

## Department of Public Health and Environment

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

FY 2016-17 Funding Request | November 1, 2015

**Department Priority: R-02**

**Request Detail: Continue General Fund Subsidy for Clean Water Sectors**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Continue GF Subsidy for Clean Water Sectors	\$1,208,007	\$1,208,007

### **Problem or Opportunity:**

The Colorado Department of Public Health and Environment's Water Quality Control Division is seeking a \$1,208,007 General Fund appropriation in FY 2016-17, and a \$1,318,302 General Fund appropriation in FY 2017-18, in order to sustain the Clean Water Program through FY 2017-18 when the Department intends to seek a legislative change to increase fees for the Clean Water Program.

The Division is in need of fee increases in order to generate sufficient revenues to support the current level of cash fund spending authority in the Long Bill related to the Clean Water Program. The Clean Water Program is established by statute in the Water Quality Control Act, and is delegated authority by the United States Environmental Protection Agency (EPA) to control pollution in state waters. One aspect of the Clean Water Program is the issuance of water quality permits and the collection of fees for these permits. However, fees for the Clean Water Program are established in statute and cannot be modified by the Water Quality Control Commission. Therefore, fees cannot be increased without changes in legislation. Over the last eight years, the Department has been unsuccessful in securing the required legislative changes necessary to cover the actual cost of fulfilling its statutory obligations. The last fee adjustment for the Department was in FY 2007-08. House Bill 07-1329 equalized fees and services and added 4.0 FTE to the Clean Water Program. (Please note that, although H.B. 15-1249, reorganized the fee structure to sectors and created two new fees, it did not adjust current fee levels - see below.)

During the 2014 Legislative Session, the Joint Budget Committee proposed S.B. 14-134 to modernize the Clean Water Program's outdated fee structure and to increase fees to sustain the Program over a three-year period. The bill was postponed indefinitely with direction from the Legislature to establish a fee stakeholder process between the Department and the regulated community. The stakeholder process began in July 2014, and included representatives from the regulatory community. After the introductory meetings, the Department worked with stakeholders and held individual meetings for distinct wastewater generating sectors in order to more thoroughly address specific concerns within each area and to improve financial transparency. As a result, six sector workgroups were formed: Commerce and Industry (C&I); Construction; Municipal Separate Storm Sewer System (MS4); Public and Private Utilities (PPU); Pesticides; and Water Quality Certification. Over a six-month period, the Department held 34 meetings totaling 56 hours of formal dialogue between the Department and its stakeholders.

At the conclusion of the stakeholder process, the Department requested each participant to complete a sector specific survey to gain feedback on the overall stakeholder process, modernization of the fee structure, and implementation of a fee increase to sustain the program for the next three years. At the end of the process, there was no consensus among stakeholders to support a bill to increase fees during the 2015 Legislative Session. However, H.B. 15-1249 was proposed and adopted in place of a comprehensive fee increase which revised the current fee structure to create five sectors: Commerce and Industry; Construction; Public and Private Utilities (includes MS4); Pesticides; and Water Quality Certification. Although the bill did not increase fees for any sector in FY 2015-16, new fees were created in FY 2016-17 for the Water Quality Certifications, Pesticides, and Construction sectors.

In addition to the changes provided by H.B. 15-1249, the Clean Water section of the Long Bill was expanded to include separate line items for each of the sectors identified above (with the addition of a Municipal Separate Storm Sewer System sector). With this new expanded structure, the Department will be able to collect and report both revenue and expenditure data for each new sector, which will improve financial transparency as well as assist in determining the proper fee structure needed for each sector moving forward. By tracking specific expenditures by sector, fees can be adjusted proportionally within each sector to ensure that sufficient revenues are collected to cover its own specific costs. In this way, varying fee adjustments can be made to ensure that each sector is paying its “fair share” by generating enough revenue to cover its own costs, thereby eliminating the need for one sector to subsidize another. This will have the ultimate effect of ensuring that the Clean Water Program is able to carry out the legislative intent as described in Section 25-8-102, C.R.S. and ensuring that the State is able to meet the minimum requirements necessary to remain an Environmental Protection Agency (EPA) delegated water quality control program.

#### ***Proposed Solution:***

The Department is requesting a \$1,208,007 General Fund appropriation in FY 2016-17, and a \$1,318,302 General Fund appropriation in FY 2017-18, in order to sustain the Clean Water Program through FY 2017-18. This request assumes that the Department will have the ability to complete a fee restructure in the future that will resolve the cash fund shortfall. Without the ability to increase fees in the short-term, the Department is seeking a General Fund subsidy to stabilize the Clean Water Program and ensure that the current level of service is maintained.

If this General Fund request is not approved, the Clean Water Program will not have sufficient funding to continue its current level of operations through FY 2016-17 and on-going. In order to stay within the Program’s estimated revenue projections, an equivalent reduction of 9.4 FTE in the Clean Water Program will be required in FY 2016-17.

A reduction of 9.4 FTE will reduce the Department’s ability to provide timely services and may result in less protection of public health and the environment. Stakeholders will experience: a notable decrease in compliance assistance activities; project delays because of an increasing backlog in processing permit and design review applications; a decline in stakeholder outreach for regulation and policy development; and, potential loss of public health and environmental protections because of fewer inspections of regulated facilities.

Current data indicates that the greatest disparity exists between revenue collected from the Commerce and Industry (C&I) and the Public and Private Utilities (PPU) sectors,. The revenue collected from these two sectors is simply insufficient to cover their associated costs. Forecasts of the impacts of these service reductions are summarized below under the following areas: Compliance Assistance and Assurance;

Timeliness of Service; and, Regulation, Policy, and Permit Development Services. Due to the disparity between revenues raised and services provided in the C&I and PPU sectors, most of the service reductions are specifically targeted within these sectors.

It is important to note that the Department has already initiated expenditure reductions and efficiency measures to ensure that the Clean Water Program manages to the anticipated level of revenue it expects to receive rather than the stated cash fund spending authority amount in the FY 2015-16 Long Bill. Because the Program recognizes that it cannot exceed the amount collected in the Water Quality Control Fund, regardless of the appropriation, it will manage within that limitation. Moreover, the Department intends to implement this plan so that it is as minimally impactful on its workforce as possible in order to avoid layoffs. This will be achieved through forced vacancy savings, reallocation of existing personnel to other positions to the extent possible, and cost savings measures associated with non-critical activities (such as meetings and travel).

**Stop Gap Measures:**

<b>Compliance Assistance and Assurance</b>	<b>\$ and FTE</b>
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department will reduce compliance oversight as follows:               <ul style="list-style-type: none"> <li>○ A 25% reduction in inspections related to water quality permits issued under the Colorado Discharger Permitting System (CDPS) from C&amp;I and PPU sector sewage system facility discharges. This equates to a reduction of 1,938 hours, based on an average of 34 hours per inspection and the elimination of a total of 57 inspections. <i>[34 hours x 57 inspections = 1,938 hours]</i></li> <li>○ Eliminate review of MS4 permit report. This equates to a reduction of 167 hours based on 2 hours per city and county permittee (59 permittees) and 1 hour for nonstandard permittees (49 permittees). Reduce coordination with EPA on EPA conducted direct oversight of MS4 permittees. This equates to a reduction of 120 hours. The result would be decreased oversight and assistance to MS4 permittees of 287 hours. <i>[2 hours x 59 permittees = 118 hours] + [1 hour x 49 permittees = 49 hours] + [120 hours of reduced coordination with EPA] for a total of 287 hours.</i></li> <li>○ Eliminate all inspections for PPU facilities associated with beneficial reuse of reclaimed domestic wastewater. This equates to an elimination of 22 inspections (8 hours per inspection) for facilities that use reclaimed water, and 1 inspection (34 hours per inspection) of a reclaimed wastewater treatment facility. The result would be a reduction of 210 hours. <i>[8 hours x 22 inspections = 176 hours] + [34 hours x 1 inspection = 34 hours] for a total of 210 hours.</i></li> <li>○ Reduce inspection follow-up for 86 CDPS permitted discharges from C&amp;I and PPU sector facilities. Rely instead on enforcement or requiring permittees to obtain third party certification. These inspection follow-ups average 9 hours per inspections. This equates to an elimination of oversight and assistance to C&amp;I and PPU permittees of 774 hours. <i>[9 hours x 86 follow-up activities = 774 hours]</i></li> </ul> </li> </ul>	<p>\$192,767 1.5 FTE</p>

<ul style="list-style-type: none"> <li>• <b>Impacts:</b> Increases potential for unresolved violations resulting in ongoing environmental and/or public health impacts and associated liabilities to permittees. The overall reduction in inspection resources would result in reduced ability to provide timely response to citizen complaints or spills. The reduced number of annual inspections of permitted sites will prevent the Department from meeting EPA oversight objectives for all permit types. Permitted sites would be subject to EPA inspections, and potential federal enforcement. Assistance provided to permittees during and following field inspection and report reviews would be reduced. Reduction in oversight for reclaimed domestic wastewater may result in uncertainty for prospective permittees, thus, resulting in decreased willingness for entities to utilize this resource. Inability to follow-up and work with facilities after inspections may increase number of enforcement actions and penalties. Facilities may incur increased costs related to documenting a return to compliance through third-party certifications.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department would no longer be able to provide compliance assistance services to the PPU and C&amp;I sectors, as follows: <ul style="list-style-type: none"> <li>○ Reduce assistance in resolving ongoing enforcement violations, engaging in stakeholder and industry group meetings, assisting in grants and loans processes, and developing and maintaining guidance materials. Over the past year (July 2014 - June 2015), there were approximately 760 hours of enforcement compliance assistance in the PPU sector and 400 hours of enforcement compliance assistance in the C&amp;I sector. Reducing these services would provide a projected savings of 1,160 hours per year.</li> <li>○ Reduce coordination with reclaimed domestic wastewater treatment facilities (PPU sector) through reduced involvement in the industry trade group. Reduced presentations and one-on-one assistance to these facilities. These activities are estimated at 200 hours per year.</li> <li>○ Reduce coordination with MS4 permittees through reduced involvement in the industry trade group. This will include a reduction in presentations, one-on-one assistance, developing new assistance materials and providing training for compliance with renewed permits. These activities are estimated at 400 hours per year.</li> </ul> </li> <li>• <b>Impacts:</b> Permittees would need to seek and pay for compliance assistance from third-party contractors and consultants. In addition, more water quality enforcement violations may occur due to extended periods of noncompliance, and elevated potential harm to human health and the environment from inadequate treatment.</li> </ul>	<p>\$102,809 0.8 FTE</p>
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department would no longer be able to perform protracted settlement negotiations to resolve civil penalties for violations. The Department is currently engaged in 128 active enforcement cases – 49 of those in the PPU sector and 32 in the C&amp;I sector. Over the past year (July 2014 - June 2015), the Department performed a total of 2,273 hours of settlement negotiations for an average of 18 hours per case. Reducing or forgoing these activities in the PPU and C&amp;I sectors would provide a projected savings of approximately 1,439 hours per year. <i>[18 hours x 49 PPU cases = 882 hours] + [18 hours x 32 C&amp;I cases = 576 hours] for a total of 1,458 hours.</i></li> <li>• <b>Impacts:</b> The result would be the imposition of unilateral penalties for violations, greater</li> </ul>	<p>\$89,958 0.7FTE</p>



<p>penalty amounts, and a likely increase in litigation. Additionally, this may result in a reduction in the incorporation of Supplemental Environmental Projects in settlements, or the opportunity for regulated entities to negotiate and agree to the terms, conditions and timelines for return to compliance activities. <i>(Note: Department policy allows for portions of settlement penalties to be utilized for Supplemental Environmental Projects, which are projects that benefit either the environment or public health in the community or watershed affected by the violations.)</i></p>	
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department would reduce or eliminate a variety of compliance assistance activities including reductions in: site visits, facility classifications, discharger variance requests, hydrologic opinions, technical assistance, regulation interpretation, written responses to requests for information, and public meetings. Savings from this service reduction for FY2016-17 would be 300 hours.</li> <li>• <b>Impacts:</b> Less assistance would reduce customer service, damage existing relationships, and reduce the level of understanding and compliance by the regulated community with the regulatory framework.</li> </ul>	<p>\$12,851 0.1 FTE</p>
<p><b>Timeliness of Service</b></p>	<p><b>\$ and FTE</b></p>
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department would reduce the number of permit actions completed per year for the PPU and C&amp;I sectors. This would include reductions in new, modification, and renewal actions. Reducing the services for the PPU and C&amp;I sectors is expected to save approximately 2,800 hours per year. The expected reduction is 12 individual permits per year at 200 hours per permit for 2,400 hours and one general permit per year at 400 hours. <i>[200 hours x 12 individual permits = 2,400 hours] + [400 hours x 1 general permit = 400 hours] for a total of 2,800 hours.</i></li> <li>• <b>Impacts:</b> This increases permit backlog. Permit backlog is inconsistent with direction provided in statute to process permit applications within an established timeframe. Permit backlog reduces the ability for permittees to obtain timely discharge authorizations. This reduces the ability for permittees to ensure that their permit coverage is adequate which may impede private businesses and municipalities from expanding needed wastewater infrastructure, jeopardizes environmental protection and compliance, and slows economic development.</li> </ul>	<p>\$179,916 1.4 FTE</p>
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department will reduce the number of engineering reviews per month for site locations and design review applications for PPU construction projects by 24.2%. The Department receives and completes about 31 clean water design reviews per month. A reduction of 24.2% will result in 7.5 reviews per month not being completed. Each review averages about 14.5 hours. Savings from this service reduction for FY16-17 would be 1,305 hours. <i>[14.5 hours x 7.5 reviews x 12 months = 1,305 hours]</i></li> <li>• <b>Impacts:</b> The site locations and design review backlog will increase by 7.5 projects per month. This delay would impede private businesses and municipalities from constructing needed wastewater infrastructure, jeopardizes environmental protection and compliance,</li> </ul>	<p>\$77,107 0.6 FTE</p>

and slows economic development.	
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department will reduce the support to information and business technology services for items such as improvements to the management of water quality data, implementation of new information systems, and representing the Division on various projects for OIT's project prioritization list. This position supports the entire division whereas the clean water sectors make up 40% of the Division's Long Bill allocation. <i>[2080 hours x 40% clean water sector allocation x 2 = 1,664 hours]</i></li> <li>• <b>Impacts:</b> Reductions in information and business technology services may impede the implementation of needed information technology upgrades, such as providing on-line permit applications or other public information services.</li> </ul>	\$102,810 0.8 FTE
<b>Regulation, Policy and Permit Development Services</b>	<b>\$ and FTE</b>
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> When completing restoration plans, also known as Total Maximum Daily Loads (TMDLs), for Colorado's impaired waters, the Department would not be able to provide outreach to permittees or local stakeholders. Savings from eliminating this service for FY2016-17 would be 0.1 FTE based on the assumption that outreach efforts are on average 32 hours per TMDL (assumes four meeting attendees, two hours of preparation time, four hours of meetings and two hours of post-meeting follow-up) and six TMDLs are planned to be completed during FY16-17. <i>[32 hours x 6 TMDLs = 192 hours]</i></li> <li>• <b>Impacts:</b> During outreach efforts, the Department explains the pollution reductions required and how these reductions may impact the permittees operations. Lack of outreach will result in less understanding of the TMDL by permittees and local stakeholders and may impact the success of implementing the TMDL and associated environmental improvement.</li> </ul>	\$12,851 0.1 FTE
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department would no longer be able to conduct sampling to support permit development. Savings from reducing this service for FY2016-17 would be 0.3 FTE based on the assumption that approximately 85 site visits are planned and each site visit requires an average of 7 hours. <i>[7 hours x 85 site visits = 595 hours]</i></li> <li>• <b>Impacts:</b> As a result of reduced sampling to support permit development, more restrictive approaches would be required when developing permits and this would result in more stringent limitations for permittees.</li> </ul>	\$38,553 0.3 FTE
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> For FY2016-17, the Department would not support the Listing Methodology Workgroup, the stakeholder effort that supports the development of Colorado's impaired waters list which impacts permitting and TMDL development. The Department would rely on the methodology developed during FY2014-15 and update this methodology without stakeholder input. Savings from eliminating this service would be 1,248 hours based on the assumption that monthly meetings require 32 hours per meeting (assumes four meeting attendees, two hours of preparation time, four hours of meeting and two hours of post-meeting follow-up) and streamlining the technical work associated with the methodology would require 72 hours per month less of technical support. <i>[8 hours x 4 attendees x 12 months = 384 hours] + [72 hours x 12 months = 864 hours] for a total of</i></li> </ul>	\$77,107 0.6 FTE

<p><i>1,248 hours.</i></p> <ul style="list-style-type: none"> <li>• <b>Impacts:</b> By not supporting the Listing Methodology Workgroup,, permittees, other state agencies, EPA, and environmental groups will not have input into how data is reviewed and listing decisions are determined for pollutants of interest such as temperature, selenium, and nutrients. By eliminating this collaborative effort, the Water Quality Control Commission processes associated with the impaired waters list will become more contentious and lengthy.</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> Colorado has one of the most flexible water quality standards setting processes in the United States. Water quality standards are the water quality goals for state waters. Routine review of these Water Quality Control Commission standards, regulations, and policies are required by statute. A funding reduction during FY 2016-17 would impact stakeholder input for the development of at least six water quality regulations and four Water Quality Commission policies including, but not limited to, the Nutrients Management Control Regulation, the Discharger Specific Variance Policy, the Site Location and Design Review Regulation, and the Onsite Wastewater Treatment System Regulation. Savings from eliminating this service would be 1.5 FTE, assuming 8 meetings per month are required to support outreach and each meeting requires an average of 32 hours per meeting (assumes four meeting attendees, two hours preparation time, four hours of meeting and two hours of post-meeting follow-up). <i>[32 hours x 8 meetings x 12 months = 3,072 hours]</i></li> <li>• <b>Impacts:</b> Less outreach would result in longer and more contentious Water Quality Control Commission rulemaking hearings, inconsistent results and a more restrictive approach to developing standards. More restrictive standards could result in more stringent limitations for permittees.</li> </ul>	<p>\$192,767 1.5 FTE</p>
<ul style="list-style-type: none"> <li>• <b>Consequences:</b> The Department would no longer provide enhanced outreach and communication during the permit development process and instead would limit the participation process to that required by statute and regulation for the PPU and C&amp;I sectors. The Department would limit participation in the Permit Issues Forum Workgroup and would not conduct discretionary public comment reviews to gain input regarding permit development methodologies and policies and would instead rely solely on the draft permit public input process. The Department would significantly reduce meetings and conference calls held with permittees to discuss permit development and would instead rely on the ability for an interested party to request a public meeting on a draft permit in accordance with the statute and regulations. The Department would no longer provide detailed responses to comments received and would instead consider the comments, make such modifications to the permit as are appropriate, and briefly indicate any significant changes which have been made from terms and conditions set forth in the draft permit. Over the past year (July 2014 – June 2015), the Department expended approximately 8,900 hours on public participation opportunities associated with the permit development process for all sectors, and cutting these additional services beyond those required by statute and regulation for the PPU and C&amp;I sectors is expected to save approximately 2,000 hours per</li> </ul>	<p>\$128,511 1.0 FTE</p>

year. About half of those savings are expected to come from reducing meetings and conference calls, by eliminating six meetings per month, each meeting requiring an average of 15 hours per meeting (assumes three meeting attendees, one hour preparation time, two hours of meeting and two hours of post-meeting follow-up). *[15 hours x 6 meetings x 12 months = 1,080 hours]* About half the savings are expected to come from eliminating the public comment processes on policy documents and detailed response to comments documents by reducing hours spent on average of 50 hours per permit or policy document for 20 permits or policy documents per year *[50 hours x 20 permits = 1,000 hours]*.

- **Impacts:** Less outreach would damage relationships with parties who participate in the permit development process, would reduce the level of understanding of the permit development process and why the final permit terms and conditions are appropriate, and may increase the number of formal appeals of permit actions.

**Anticipated Outcomes:**

If this General Fund request for \$1,208,007 in FY 2016-17, and \$1,318,302 in FY 2017-18, of sustaining funding is approved, the Department will be able to maintain the current high-level of service provided in the Clean Water Program. This means that permits will be processed, inspections will be conducted, technical/compliance assistance will be provided and stakeholder involvement in the standards process will be maintained, thereby continuing collaborative work practices and better protecting public health and the environment. This request also assumes that the Department will have the ability to complete a fee restructure in the future that will resolve the cash fund shortfall in the long-term.

**Assumptions and Calculations:**

This General Fund request for \$1,208,007 in FY 2016-17, and \$1,318,302 in FY 2017-18, will sustain the Clean Water Program in the short-term where the projected cash fund revenues cannot support the anticipated level of expenditures. This request is not seeking new FTE.

The table below shows the Water Quality Control Fund projected fund balance through the end of FY 2015-16, FY 2016-17, and FY 2017-18. Assuming all positions are filled, the Department is anticipating revenue shortfalls beginning in FY 2015-16 and on-going.

<b>Water Quality Control Fund - Clean Water Sectors &amp; Associated Administrative Cost</b>	<b>FY 15-16 Projected</b>	<b>FY 16-17 Projected</b>	<b>FY 17-18 Projected</b>
<b>Projected Beginning Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Projected Revenue</b>	<b>\$4,475,000</b>	<b>\$4,475,000</b>	<b>\$4,475,000</b>
<b>Projected Revenue-Construction Sector</b>		<b>\$720,000</b>	<b>\$720,000</b>
<b>Projected Revenue-Water Quality Certification Sector</b>		<b>\$220,000</b>	<b>\$220,000</b>
Clean Water Sectors Program Line (less Biosolids-\$175,000)	(\$3,148,064)	(\$3,898,836)	(\$3,946,531)
Administration Program Line (90% of total reflects CW support)	(\$359,803)	(\$359,803)	(\$366,859)
Projected POTS	(\$756,887)	(\$1,041,456)	(\$1,034,745)
Projected Indirect Costs	(\$1,078,983)	(\$1,349,912)	(\$1,385,167)
<b>Projected Total Projected Expenditures</b>	<b>(\$5,343,737)</b>	<b>(\$6,623,007)</b>	<b>(\$6,733,302)</b>
<b>Projected Ending Fund Balance</b>	<b>(\$868,737)</b>	<b>(\$1,208,007)</b>	<b>(\$1,318,302)</b>

## **Assumptions**

- It is assumed that FY 2016-17 and FY 2017-18 will have a beginning fund balance of \$0 since the cash fund cannot end with a deficit fund balance.
- It is assumed that the projected revenue will remain consistent with the same level of effort associated with permit writing.
- HB15-1249 established new fees for both the Construction sector and the Water Quality Certification sector. It is projected that a total of \$940,000 in additional revenue will be collected to cover the additional associated expenditures.
- The Clean Water Sector Program line item in the Long Bill includes Biosolids with an annotated amount of \$175,000; this amount is deducted from the total program line.
- The Administration Program line item for cash funds includes both the Clean Water Program and the Drinking Water Program. Clean Water cash fund spending authority makes up 90% of the overall cash funds.
- It is assumed that POTS will increase at a rate of 2.2% per year.
- For FY 2015-16, indirect costs were assumed at 25.3% (awaiting approval of the federal indirect cost proposal). It is assumed that indirect cost expenses will increase to 25.6% for FY 2016-17. The indirect cost rate for FY 2017-18 is calculated at 25.9% assuming increased indirect cost expenses.

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

**Department of Public Health and Environment**

Request Title

**R-03 Emergency Medical and Trauma Services Grant Program**

Dept. Approval By: *R. [Signature]* 16-26-15 X

Supplemental FY 2015-16

Change Request FY 2016-17

Base Reduction FY 2016-17

OSPB Approval By: *Gov. [Signature]* 10/24/15 ---

Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$6,693,896	\$0	\$6,693,896	\$1,750,000	\$1,750,000
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$6,693,896	\$0	\$6,693,896	\$1,750,000	\$1,750,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$6,693,896	\$0	\$6,693,896	\$1,750,000	\$1,750,000
	FTE	0.0	0.0	0.0	0.0	0.0
10. Health Facilities and Emergency Medical Services - Emergency Medical Services Provider Grants	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$6,693,896	\$0	\$6,693,896	\$1,750,000	\$1,750,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number: Emergency Medical Services Account, 4090	
Reappropriated Funds Source, by Department and Line Item Na	
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	





# COLORADO

Department of Public Health and Environment.

Priority: R-03  
Emergency Medical and Trauma Grants Program  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- This request seeks \$1,750,000 in Cash Fund spending authority to increase grants to local Emergency Medical Services (EMS) providers.
- The source of the funds is the Emergency Medical Services Cash Fund which is a statutory fee of \$2.00 for each vehicle registration in the State.
- This request does NOT necessitate a fee increase.

## ***Current Program***

- Grant funds are made available to organizations that have the provision of EMS and trauma services as their primary purpose. This includes EMS agencies, facilities, clinics, fire agencies, training centers, community colleges and other public and private providers of emergency medical and trauma services in Colorado.
- Currently, the program grants approximately \$6.7 million each year to EMS providers in Colorado.
- The grants address four categories of needs, including provider grants, education grants, system improvement and emergency grants for needs that fall outside the normal grant timelines.

## ***Problem or Opportunity***

- The EMS provider community in Colorado has consistently documented a need for grants that exceed the available funding of the program.
- In February 2015, EMS providers requested a total of \$9.45 million in grants.
- In that same year the grants program had spending authority of \$6,693,896.
- The fund balance at the end of FY 2013-14 was \$2,164,578.
- There is an average fund balance increase of \$522,000 per year.
- There is sufficient fund balance and on-going revenue to increase the amount of grant funding available to EMS providers.

## ***Consequences of Problem***

- Without adequate funding, equipment, training and personnel needed to protect lives is not available to emergency service providers.

## ***Proposed Solution***

- Increasing the spending authority for the grants program by \$1,750,000 will address some of the unmet needs of the Emergency Medical Service and Trauma provider community.
- Ultimately, the citizens and visitors of Colorado will benefit from this solution as the EMS provider community will be better equipped, staffed and trained to respond to medical and traumatic (i.e. car accidents) incidences across the State.
- With an additional \$1,750,000 the program could finance several more ambulances per year, provide funds for Emergency Medical Technician personnel in local communities, or provide funds to increase the systems and coordination between providers.







# COLORADO

## Department of Public Health and Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

**Department Priority: R-03**

**Request Detail: Emergency Medical and Trauma Services Grant Program**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Cash Funds
Emergency Medical And Trauma Services Grant Program	\$1,750,000	\$1,750,000

**Problem or Opportunity:**

This request seeks \$1,750,000 in on-going Cash Fund spending authority in FY 2016-17 to fund grants for emergency service providers across the State. No fee increase is needed for this request.

The Colorado Department of Public Health and Environment (CDPHE) manages a grant program that distributes funds to Colorado emergency medical and trauma service (EMTS) agencies that need resources to provide services to Colorado citizens and visitors. These resources include, but are not limited to, equipment (defibrillators, cardiac monitors, stretchers, extrication equipment, pagers, mobile radios, computers, servers, hardware and software, etc.); vehicles (ambulances, all terrain vehicles, quick response vehicles, and rescue trucks); training and continuing education, personnel, retention and recruitment programs, and systems improvement projects. The grant program requires a local match (unless waived by the program) and the match ensures that there is local buy-in and support for the purchases that are made.

This grant program is funded by a Cash Fund that is a sub-account of the Highway Users Tax Fund. The revenue for the fund is driven by a \$2.00 fee per year per vehicle registration in the State (fee is defined in statute). The revenue is based solely on the number of vehicles that are registered in Colorado each year. This fund also supports other aspects of the Emergency Medical and Trauma Services (EMTS) program at the Department including certification of more than 17,000 Emergency Medical Service (EMS) personnel in the State, the provision of technical assistance and systems improvement consultations (i.e. working with local providers to identify ways they can improve services to citizens and provide seamless services across jurisdictional boundaries), and funding the 11 Regional Emergency Medical and Trauma Advisory Councils (RETACs). Each RETAC consists of five or more counties that participate through a local advisory council. Each RETAC is responsible for creating a regional implementation plan for delivering emergency medical and trauma care. This includes helping the local agencies coordinate with each other across service boundaries, and between regions.

The emergency medical and trauma services (EMTS) provider community in Colorado has consistently demonstrated the need for funds via the grant program, with the total amount requested each year exceeding the amount that is available. The grant appropriation is limited to \$6,693,896 per year. The majority of grant requests are for ambulances and other equipment such as defibrillators, cardiac monitors

and stretchers. Significant grant funding is also requested for conferences and education. See Appendix A for a historical list of grant requests. For FY 2015-16 the providers requested \$2,500,000 more in grants than is available due to limitations in spending authority. While the Department cannot sustain an increase of \$2,500,000 each year, an increase of \$1,750,000 will address a large portion of the unmet need while ensuring that the fund remains solvent. Please see Appendix B and C for additional details. Furthermore, there is a typical reversion of funds each year of nearly \$200,000 caused by delays in projects, (i.e. ambulances not being completed on time and thus not being delivered by the end of the fiscal year as required).

The Cash Fund had a revenue stream of \$10,568,301 in FY 2013-14 and the revenues are projected to grow by approximately \$200,000 per year, based on the increase in vehicles in the state each year. Historical revenue and expenditure trends are shown in Appendix B. The fund balance in the Emergency Medical Services Account on June 30, 2014 was \$2,164,578, and is estimated to be \$2,929,500 at the end of FY 2014-15 and finally \$4,735,486 at the end of FY 2015-16. This request, if approved, would be effective July 1, 2016. Fiscal years 2011-12 through 2015-16 (as estimated November 1, 2014) show an average fund balance increase of \$522,000 per year. This would include the average revenue increase of \$200,000, average reversions of grant awards of \$200,000 and reversions from other long bill lines.

The grant program generates an average reversion each year of \$200,000. The reversion occurs not because the funds are not needed, but because the actual costs of the final purchases for the myriad of equipment, vehicles, etc. are sometimes lower than originally anticipated. In some cases large reversions may occur if there are difficulties with timely delivery (i.e. before June 30 of the fiscal year) of large purchases, such as ambulances. These reversions add to the increasing fund balance.

For perspective, a \$200,000 reversion from the current \$6.7 million grant line is approximately three percent. The Program already works with grantees on a regular basis to try to anticipate reversions. Once sufficient reversions are identified, contracts are modified to account for those prospective reversions and new contracts are issued for additional grants. The Division will work to decrease the time needed for issuing new grants by working on those contracts and purchase orders before funds are available so that the documents can be issued quickly.

Across the State, EMTS providers have documented a greater need for grant funding than the Department is able to provide with existing spending authority. The provider community has applied for at least \$1.7 million per year over what the Department has been able to grant based on the constraints of spending authority.

***Proposed Solution:***

The proposed solution is to increase the spending authority in the (10) Health Facilities and Emergency Medical Services Division, (C) Emergency Medical Services, Emergency Medical Services Provider Grants Line by \$1,750,000 per year. This will allow the Department to better meet the needs of the EMTS provider community by allowing the funding of additional grants to the communities. This will be accomplished without an increase in FTE to the Program. This request will increase spending authority for the grant program without necessitating a need for an increase in fees.

These funds will primarily be used to increase the funds available to EMTS agencies through the regular provider grant program but up to \$250,000 may be awarded to increase funding for the Regional Emergency Medical and Trauma Advisory Councils (RETACS). Each RETAC consists of five or more counties that participate through a local advisory council. Each RETAC is responsible for creating a

regional implementation plan for delivering emergency medical and trauma care. This includes helping the local agencies coordinate with each other across service boundaries and between regions. The RETACS have a base funding formula that is set in statute, and funded from the same Highway Users Tax Fund, but a different Long Bill appropriation. The Department has the authorization to provide more funding to the RETACS, but if done so, those funds must come from the grant line. This proposal will allow for a \$20,000 per year increase to each of the 11 RETACS in the state. The statutory funding formula has a base of \$75,000 per RETAC plus \$15,000 per county member in the RETAC. Adding \$20,000 per RETAC will increase this component of the base funding to \$95,000 and cost \$220,000 per year. The \$30,000 remaining after the base increase may be used over time to increase the per RETAC base funding each year to keep pace with ongoing increases in operating costs (i.e., consumer price index). This leaves an additional \$1,500,000 for the grant program. Items such as equipment (defibrillators, stretchers, cardiac monitors, extrication equipment, computers, pagers, mobile radios, etc.); vehicles (ambulances, all terrain vehicles, quick response vehicles, and rescue trucks); training and continuing education, personnel, retention and recruitment programs, and systems improvement projects are purchased through the grant program.

Based on projections for the next several years, the increase of spending authority of \$1,750,000 will gradually reduce the fund balance available in the fund. Over time, the increase in revenues each year (as more vehicles are registered) will gradually offset the use of fund balance to cover the increased expenditures. As the fee level is set in statute, and the revenue is available, this is the best solution for addressing the excess fund balance as it satisfies a need in the community and the funds are available. The only needed action is spending authority. This will increase grants awarded by the Division each year. It is difficult to predict how many additional grants will be provided on an annual basis as individual grants can range from thousands of dollars for a specific project to over a million dollars for a consolidated grant to purchase equipment for providers statewide. Authorizing additional spending authority will assist local EMS providers to meet their resource needs for equipment, training, personnel, etc. in order to provide better care for Colorado's residents and visitors who find themselves in an emergency situation. The Program will closely monitor revenue, expenditures and fund balance in order to ensure that there are sufficient funds to make awards. The Program will adjust the number and amount of awards as needed to ensure that it manages within existing funding.

#### ***Anticipated Outcomes:***

With an additional \$1,500,000 in grant funds, EMTS provider agencies will be able to purchase equipment, partially fund training or staffing for personnel, put additional support to recruitment and retention efforts and overall strengthen the provision of EMS and trauma services in the State. Ultimately, the citizens and visitors of Colorado will benefit from this solution as the EMTS provider community will be better equipped, staffed and trained to respond to medical and traumatic (i.e. vehicle crashes) incidents across the State. For example, a community provider requests funds to purchase an ambulance. This could be to replace an aging vehicle in their existing fleet that has become unreliable, or unusable, or it could be to add additional vehicles to the fleet to expand coverage in order to reduce response times to accidents and other emergency situations (such as heart attacks or strokes). Other funds can be requested to train more volunteers (or paid staff) to be Emergency Medical Service providers (basic to Paramedic levels), again to ensure adequate coverage of responders on a 24 hour, 7 day a week basis.

The additional funding for RETACS will enable these local councils to address the rising costs of doing business in the state. The statutory funding for RETAC operations is set at a fixed dollar amount and has not changed since the legislation was enacted in 2000. The proposed increase is consistent with the forthcoming recommendation from a statewide task force that has been studying the issue for several

months. While the base funding is in statute, these additional funds will come as a potential set aside in the grant funds, and thus does not require a statutory change to implement. The State Emergency and Trauma Advisory Council (SEMTAC) has the ability to recommend (to the Department) additional funding for the RETACS if they choose.

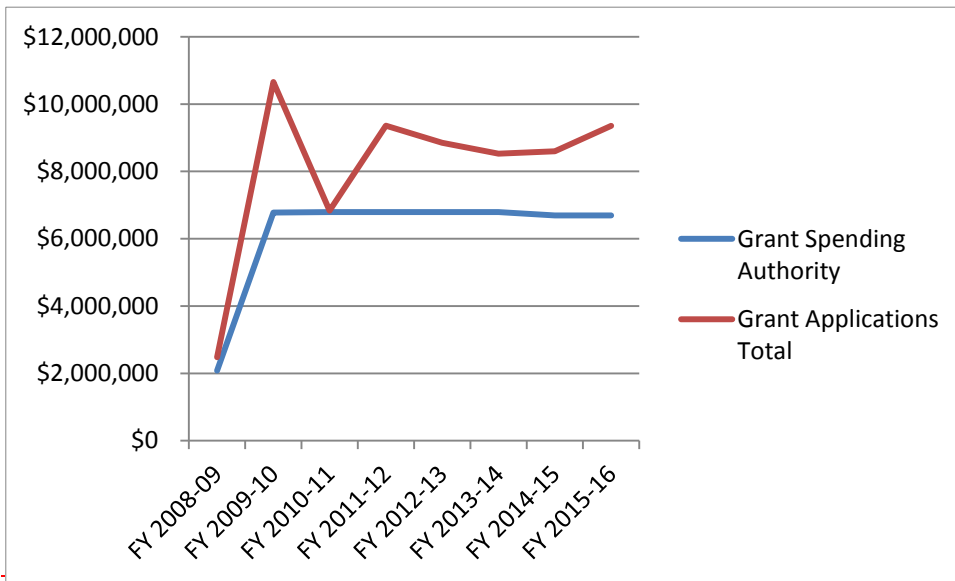
***Assumptions and Calculations:***

From FY 2005-06 through FY 2013-14 the Emergency Medical Services Fund has had approximately \$200,000 more in revenue each year as the number of vehicles in Colorado increases (see Appendix B for more detail.) This has contributed to the increasing fund balance that has been accumulating for several years. There is an expanded Schedule 9 (Appendix C) that shows historical data from FY 2011-12 to projected data through FY 2020-21. There are not specific calculations for the additional number of grants that can be provided – as there is a wide variance in the funding needed for each grant. See Appendix A for historical detail on grant requests. Appendix C shows the difference between expected revenues and expenditures for the grant fund as a whole. The request for \$1,750,000 in additional spending authority is based on the fund balance and revenue projections and the needs of emergency departments as demonstrated by the grant applications the program has received over the past several years. The program will closely monitor expenditures, revenue and fund balance and adjust award amounts to ensure the solvency of the fund.

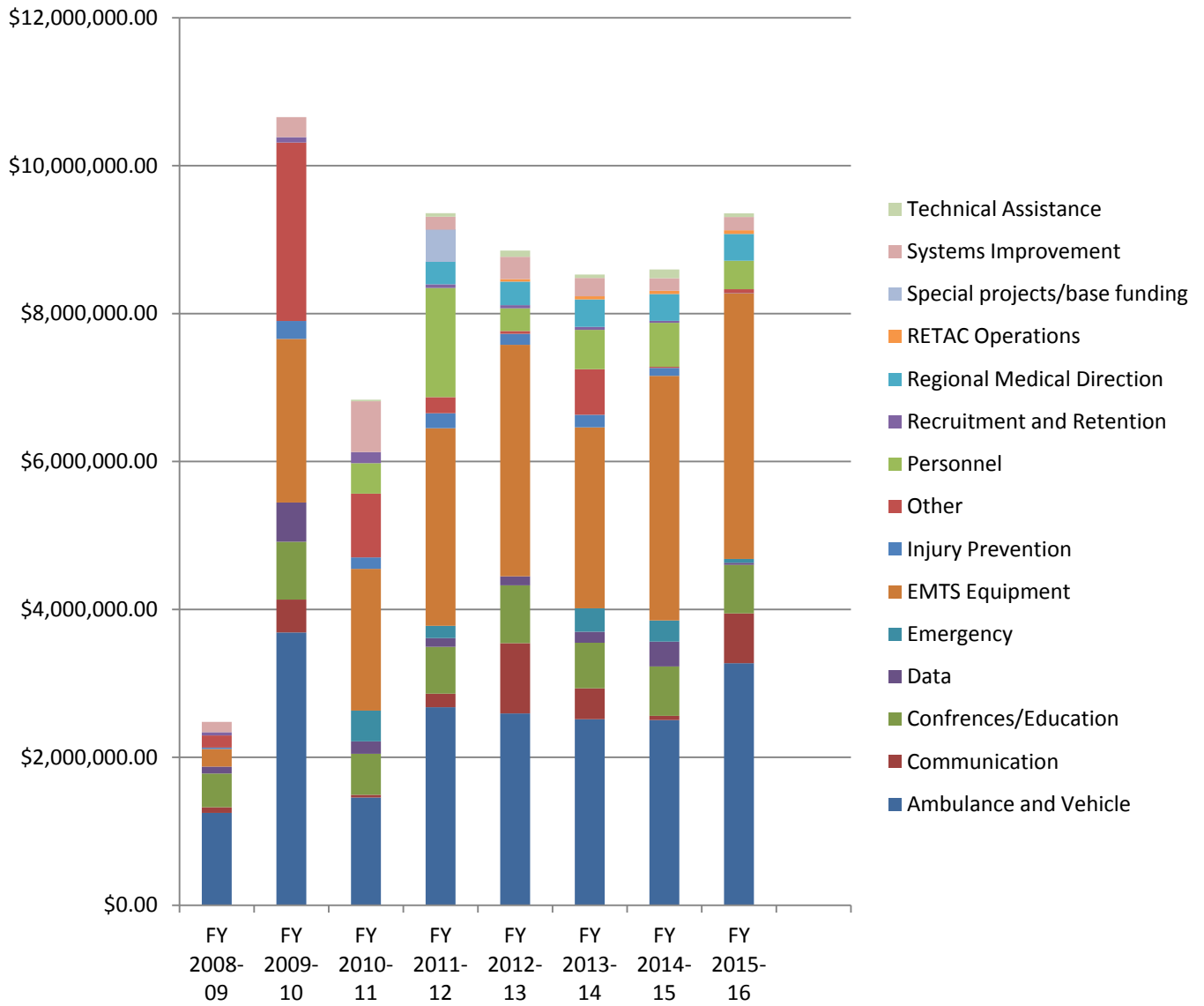
## Appendix A: Grant application history

	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Grant Spending Authority	\$2,078,793	\$6,776,982	\$6,793,896	\$6,793,896	\$6,793,896	\$6,793,896	\$6,693,896	\$6,693,896
<b>Difference between Applications and Spending Authority</b>	<b>(\$400,849)</b>	<b>(\$3,880,788)</b>	<b>(\$42,231)</b>	<b>(\$2,563,376)</b>	<b>(\$2,057,657)</b>	<b>(\$1,734,037)</b>	<b>(\$1,903,655)</b>	<b>(\$2,662,064)</b>
<b>Grant Applications Total</b>	<b>\$2,479,642</b>	<b>\$10,657,770</b>	<b>\$6,836,127</b>	<b>\$9,357,272</b>	<b>\$8,851,553</b>	<b>\$8,527,933</b>	<b>\$8,597,551</b>	<b>\$9,355,960</b>
Ambulance and Vehicle	\$1,249,208	\$3,688,710	\$1,456,967	\$2,676,883	\$2,593,205	\$2,514,631	\$2,504,098	\$3,272,412
Communication	\$76,382	\$444,850	\$35,083	\$184,469	\$950,337	\$417,665	\$57,741	\$674,572
Conferences/Education	\$455,488	\$781,446	\$556,500	\$632,550	\$782,433	\$617,171	\$667,797	\$655,600
Data	\$93,243	\$530,261	\$168,101	\$118,673	\$121,273	\$149,483	\$334,246	\$27,411
Emergency			\$415,112	\$165,629		\$315,706	\$286,954	\$53,222
EMTS Equipment	\$238,067	\$2,213,943	\$1,916,359	\$2,672,031	\$3,131,774	\$2,447,438	\$3,307,195	\$3,589,973
Injury Prevention	\$19,370	\$240,856	\$155,586	\$203,185	\$148,120	\$170,545	\$107,373	\$3,127
Other	\$164,807	\$2,413,252	\$861,002	\$216,846	\$37,546	\$616,380	\$15,600	\$53,143
Personnel	\$0	\$0	\$413,146	\$1,475,939	\$307,313	\$531,909	\$594,067	\$385,583
Recruitment and Retention	\$43,078	\$73,069	\$149,947	\$51,048	\$41,332	\$39,949	\$27,498	\$0
Regional Medical Direction	\$0	\$0	\$0	\$306,950	\$320,054	\$370,793	\$362,666	\$362,008
RETAC Operations	\$0	\$0	\$0	\$0	\$34,054	\$41,860	\$43,394	\$51,095
Special projects/base funding	\$0	\$0	\$0	\$430,573	\$0	\$0	\$0	\$0
Systems Improvement	\$140,000	\$271,383	\$687,590	\$175,915	\$300,229	\$248,038	\$170,301	\$178,431
Technical Assistance	\$0	\$0	\$20,735	\$46,580	\$83,883	\$46,366	\$118,623	\$49,384

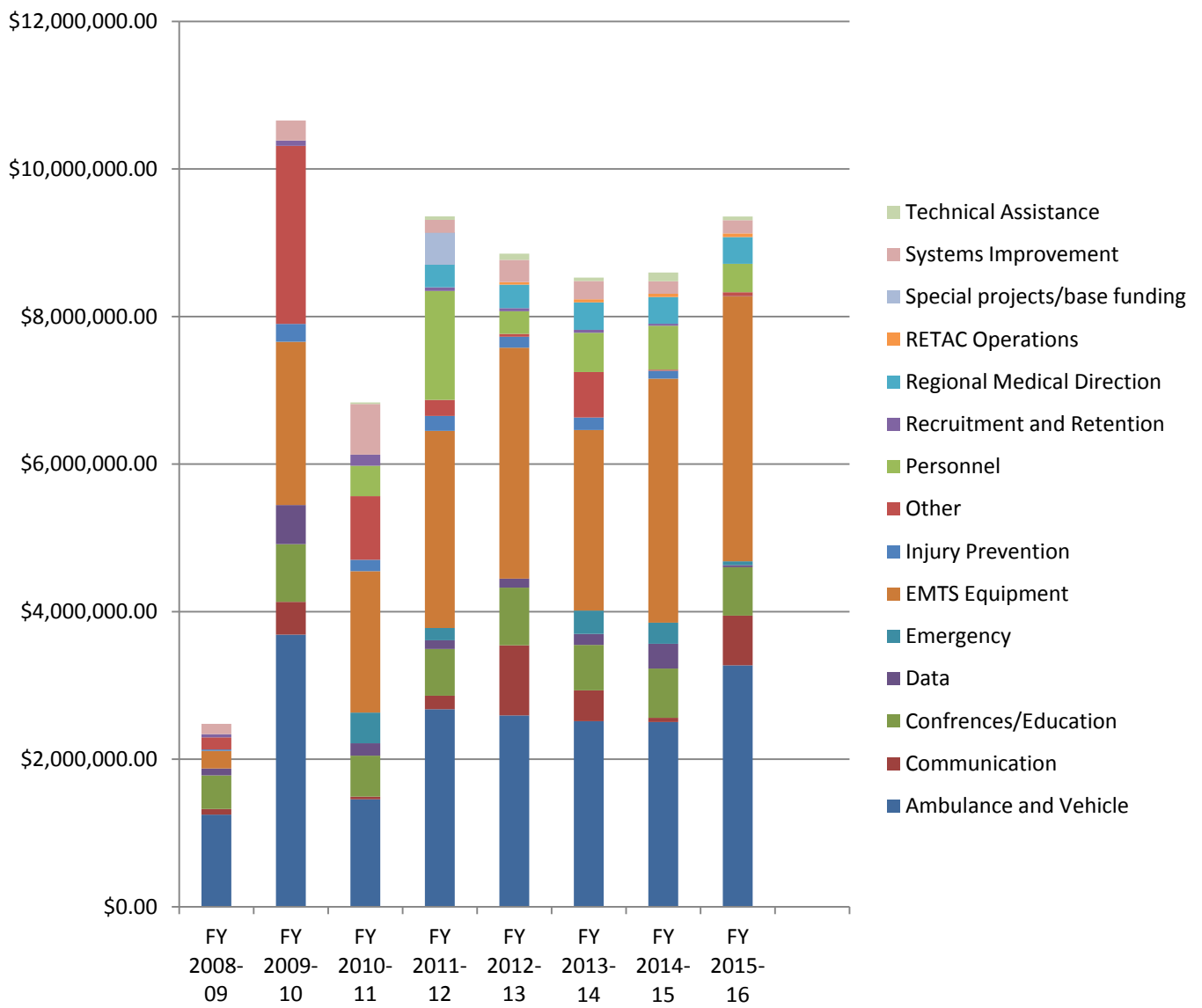
**Grant Applications received and total grant spending authority.**



**Grants by category:**





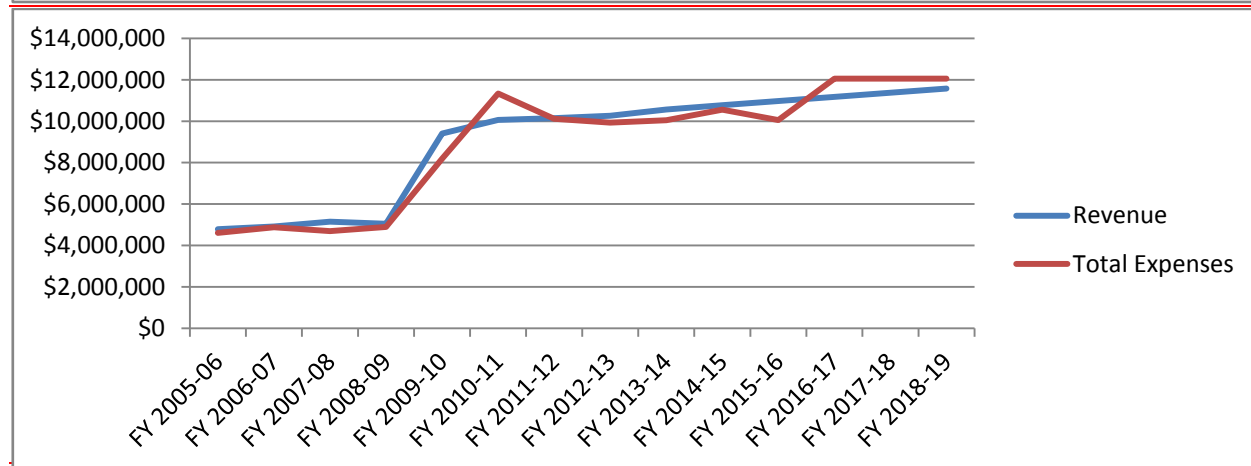
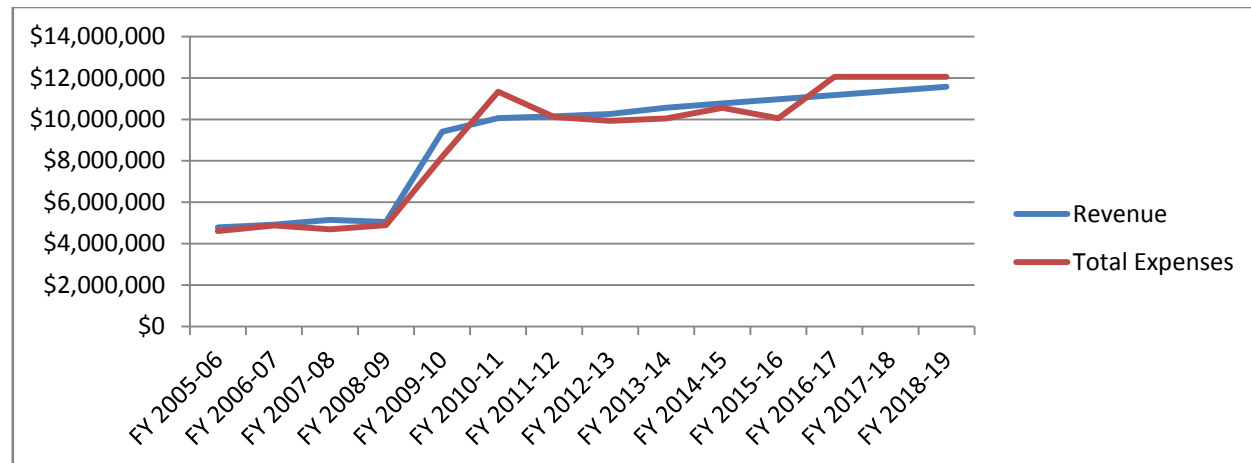


**Appendix B:  
Revenues and Expenditures**

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Revenue	\$4,786,333	\$4,919,782	\$5,147,075	\$5,044,195	\$9,408,537	\$10,061,578	\$10,148,436	\$10,267,165
Total Expenses	\$4,610,145	\$4,876,805	\$4,688,859	\$4,893,880	\$8,190,728	\$11,334,869	\$10,116,490	\$9,932,447
Difference (Revenue over Expenses)	\$176,188	\$42,977	\$458,216	\$150,315	\$1,217,809	(\$1,273,291)	\$31,946	\$334,718
Growth in revenue from prior year		\$133,449	\$227,293	(\$102,880)	\$4,364,342	\$653,041	\$86,858	\$118,729

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Revenue					
Total Expenses	\$10,777,392	\$10,977,392	\$11,177,392	\$11,377,392	\$11,577,392
Difference (Revenue over Expenses)	\$10,555,783	\$10,055,783	\$12,055,783	\$12,055,784	\$12,055,783
Growth in revenue from prior year	\$221,609	\$921,609	-\$878,391	-\$678,392	-\$478,391
	\$209,091	\$200,000	\$200,000	\$200,000	\$200,000

**Total revenue compared to total expenses**



In FY 2009-10 there was a bill (SB 09-002 Increase Motor Vehicle Fee Emergency Services) that passed the Legislature that increased the fee from \$1 to \$2 and put that extra funding to EMS grant programs.

**Appendix C-EMS ACCOUNT  
Revenues, Expenditures and Fund Balance**

	Actual FY 2011-12	Actual FY 2012-13	Actual FY 2013-14	Appropriated FY 2014-15	Requested FY 2015-16	Projected FY 2016-17	Projected FY 2017-18	Projected FY 2018-19	Projected FY 2019-20	Projected FY 2020-21
<b>Year Beginning Fund Balance (A)</b>	<b>\$1,282,230</b>	<b>\$1,314,177</b>	<b>\$1,647,507</b>	<b>\$2,164,578</b>	<b>\$2,929,500</b>	<b>\$4,735,486</b>	<b>\$3,780,870</b>	<b>\$3,026,254</b>	<b>\$2,471,638</b>	<b>\$2,117,022</b>
Changes in Cash Assets	\$717,362	\$155,790	\$1,016,809	\$1,459,723	\$621,634	-\$954,616	-\$754,616	-\$554,616	-\$354,616	-\$154,616
Changes in Non-Cash Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Changes in Long-Term Assets	-\$55,993	\$4,366	\$4,792	\$47,442	-\$54,798	\$0	\$0	\$0	\$0	\$0
Changes in Total Liabilities	-\$629,422	\$73,174	\$504,530	\$742,243	-\$1,239,150	\$0	\$0	\$0	\$0	\$0
<b>TOTAL CHANGES TO FUND BALANCE</b>	<b>\$31,947</b>	<b>\$333,330</b>	<b>\$1,526,131</b>	<b>\$2,249,408</b>	<b>-\$672,314</b>	<b>-\$954,616</b>	<b>-\$754,616</b>	<b>-\$554,616</b>	<b>-\$354,616</b>	<b>-\$154,616</b>
<b>Assets Total</b>	<b>\$2,979,728</b>	<b>\$3,139,884</b>	<b>\$4,161,485</b>	<b>\$5,668,650</b>	<b>\$6,235,486</b>	<b>\$5,280,870</b>	<b>\$4,526,254</b>	<b>\$3,971,638</b>	<b>\$3,617,022</b>	<b>\$3,462,406</b>
Cash (B)	\$2,106,530	\$2,262,320	\$3,279,129	\$4,738,852	\$5,369,486	\$4,405,870	\$3,651,254	\$3,106,638	\$2,742,022	\$2,587,406
Other Assets(Detail as necessary)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Receivables	\$873,198	\$877,564	\$882,356	\$929,798	\$875,000	\$875,000	\$875,000	\$875,000	\$875,000	\$875,000
<b>Liabilities Total</b>	<b>\$1,665,551</b>	<b>\$1,492,377</b>	<b>\$1,996,907</b>	<b>\$2,739,150</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>
Cash Liabilities (C)	\$1,665,551	\$1,492,377	\$1,996,907	\$2,739,150	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Long Term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ending Fund Balance (D)</b>	<b>\$1,314,177</b>	<b>\$1,647,507</b>	<b>\$2,164,507</b>	<b>\$2,929,500</b>	<b>\$4,735,486</b>	<b>\$3,780,870</b>	<b>\$3,026,254</b>	<b>\$2,471,638</b>	<b>\$2,117,022</b>	<b>\$1,962,406</b>
<b>Net Cash Assets - (B-C)</b>	<b>\$440,979</b>	<b>\$769,943</b>	<b>\$1,282,222</b>	<b>\$1,999,702</b>	<b>\$3,860,486</b>	<b>\$2,905,870</b>	<b>\$2,151,254</b>	<b>\$1,596,638</b>	<b>\$1,242,022</b>	<b>\$1,087,406</b>
<b>Change from Prior Year Fund Balance (D-A)</b>	<b>\$31,947</b>	<b>\$333,330</b>	<b>\$517,071</b>	<b>\$764,922</b>	<b>\$1,805,985</b>	<b>-\$954,616</b>	<b>-\$754,616</b>	<b>-\$554,616</b>	<b>-\$354,616</b>	<b>-\$154,616</b>
<b>Cash Flow Summary</b>										
Revenue Total	\$10,148,436	\$10,267,165	\$10,568,301	\$10,748,334	\$10,977,417	\$11,177,417	\$11,377,417	\$11,577,417	\$11,777,417	\$11,977,417
Fees	\$10,046,559	\$10,242,023	\$10,543,300	\$10,706,742	\$10,957,995	\$11,157,995	\$11,357,995	\$11,557,995	\$11,757,995	\$11,957,995
Interest	\$25,997	\$25,142	\$25,001	\$38,464	\$19,397	\$19,397	\$19,397	\$19,397	\$19,397	\$19,397
Provisionals	\$75,880	\$0	\$0	\$2,858	\$25	\$25	\$25	\$25	\$25	\$25
Reversion of prior year accounts payable										
Expenses Total	\$10,116,490	\$9,932,447	\$10,051,230	\$10,030,696	\$10,355,783	\$12,132,033	\$12,132,033	\$12,132,033	\$12,132,033	\$12,132,033
Cash Expenditures	\$10,116,490	\$9,932,447	\$10,051,230	\$10,030,696	\$10,555,783	\$10,582,033	\$12,332,033	\$12,332,033	\$12,332,033	\$12,332,033
Change Requests (If Applicable)   DI - Grant Funding	\$0	\$0	\$0	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$0
DI - RETAC Increase						\$250,000				
Typical Reversions					-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000
Potential FTE										
Net Cash Flow	\$31,946	\$334,718	\$517,071	\$771,638	\$621,634	-\$954,616	-\$754,616	-\$554,616	-\$354,616	-\$154,616

**DETAILED EXPENDITURES**

Provider Grants	\$5,046,487	\$4,962,764	\$5,259,390	\$5,259,390	\$7,009,390	\$7,009,390	\$7,009,390
Emergency Grants	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Special Projects	\$784,506	\$784,506	\$784,506	\$784,506	\$784,506	\$784,506	\$784,506
System Improvement	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
<b>TOTAL</b>	<b>\$6,480,993</b>	<b>\$6,397,270</b>	<b>\$6,693,896</b>	<b>\$6,693,896</b>	<b>\$8,443,896</b>	<b>\$8,443,896</b>	<b>\$8,443,896</b>

**INFORMATION - TOTAL AVAILABLE FOR ALL ABOVE GRANTS**

RETACS	\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000	\$1,785,000
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**PERSONAL SERVICES AND OPERATING**

EMS PROGRAM LONG BILL	\$1,469,915	\$1,397,038	\$1,257,746	\$1,257,746	\$1,257,746	\$1,257,746	\$1,257,746
EMS PROGRAM LONG BILL POTS		\$0	\$0	\$0	\$0	\$0	\$0
EMS PROGRAM TOTAL	\$1,469,915	\$1,397,038	\$1,257,746	\$1,257,746	\$1,257,746	\$1,257,746	\$1,257,746

**DIVISION ADMINISTRATION AND OPERATIONS**

INDIRECT, GRANTS	\$157,054	\$155,463	\$127,183	\$153,433	\$153,433	\$153,433	\$153,433
INDIRECT, PERSONAL SERVICES AND OPERATING	\$223,528	\$197,676	\$383,677	\$383,677	\$383,677	\$383,677	\$383,677

<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$10,116,490</b>	<b>\$9,932,447</b>	<b>\$10,555,783</b>	<b>\$10,582,033</b>	<b>\$12,332,033</b>	<b>\$12,332,033</b>	<b>\$12,332,033</b>
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# COLORADO

Department of Public Health and Environment

Priority: R-04  
Cervical Cancer Eligibility Expansion  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- This is a joint request between the Colorado Department of Public Health and Environment (CDPHE) and the Department of Health Care Policy and Financing (HCPF).
- This request is for authorization to make a policy change to expand the age eligibility of women being screened for cervical cancer from the current ages of 40 to 64 to include women 21 to 39.
- CDPHE has sufficient funding to expand the age eligibility without a funding increase.
- The eligibility change may impact the number of women treated through the Breast and Cervical Cancer Treatment Program (BCCP) Medicaid, driving an estimated \$291,528 budget impact for HCPF (\$107,119 Cash Funds and \$184,409 in matching Federal Funds.)

## ***Current Program***

- The CDPHE Women's Wellness Connection (WWC) program provides breast and cervical cancer screenings to women age 40 through 64 statewide through contractual agreements with at least 45 agencies operating over 130 clinics.

## ***Problem or Opportunity***

- Cervical cancer is one of the most preventable forms of cancer.
- Multiple medical organizations recommend cervical cancer screening (via Pap test) start at 21 years of age.
- As a result of the Affordable Care Act (ACA) and Medicaid expansion, fewer women ages 40 through 64 years now need WWC-funded breast and cervical cancer screening services.
- While WWC has the funding and statutory authority to expand age eligibility for cervical cancer screening, this policy change directly impacts HCPF's BCCP Medicaid costs, as an estimated 54 additional eligible women with pre-cancerous or cancerous diagnoses seek treatment, with an approximate on-going total cost to HCPF of \$252,757.
- HCPF has sufficient funds in its Breast and Cervical Cancer Prevention and Treatment Fund to cover the additional cost of treatment without a General Fund impact.

## ***Consequences of Problem***

- Without WWC's cervical cancer screening age expansion, an estimated 2,681 at-risk, low-income women ages 21 through 39 years will not access timely cervical cancer screening and diagnostic procedures to prevent late stage cervical cancer diagnoses, resulting in higher treatment costs and higher mortality rates.

## ***Proposed Solution***

- The proposed age eligibility expansion permits WWC and BCCP Medicaid to provide additional women with cervical cancer screening, diagnostics and treatment and will help avert future costs to women and health care systems because of a decreased incidence of late stage cancers.
- In addition to HCPF's projected \$252,757 in on-going treatment costs, the request includes \$38,771 to DHS for one-time system modifications (\$31,050 Cash Funds and \$7,719 Federal Funds.)







# COLORADO

Department of Public Health and  
Environment

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

FY 2016-17 Funding Request | November 1, 2015

**Department Priority: R-04**

**Request Detail: Cervical Cancer Eligibility Expansion**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Cervical Cancer Eligibility Expansion	\$0	\$0

### **Problem or Opportunity:**

This request seeks to make a policy change to eligibility for cervical cancer screening at the Colorado Department of Public Health and Environment (CDPHE) that will cause a short-term increase in Medicaid Expenditures at the Department of Health Care Policy and Financing (HCPF). The policy change would expand eligibility for breast and cervical cancer screening through the Women's Wellness Connection (WWC) from women age 40 to 64 to include women age 21 to 39. The estimated cost to HCPF is \$291,528 (\$107,119 Cash Funds and \$184,409 in matching Federal Funds,) in FY 2016-17 and \$252,757 (\$88,035 Cash funds and \$164,722 Federal funds) in on-going funding for treatment and system modification costs; however, the Departments believe that over the long- term, this policy change will result in savings to Medicaid.

Cervical cancer is one of the most preventable forms of cancer, due to the widespread use of the Papanicolaou (Pap) test, as well as the development of successful treatments of precancerous lesions that are likely to progress to invasive cancer. The expanded knowledge of the link of Human Papillomavirus (HPV) to cervical cancer and precancerous lesions has led to the development of new technologies that test for the presence of high-risk HPV, which help guide screening and treatment decisions. Despite this, cervical cancer incidence and mortality rates have persisted. The long-term goals of CDPHE and WWC are to: 1) reduce breast and cervical cancer morbidity and mortality rates; and 2) increase equity in screening, identification, and treatment of breast and cervical cancer. Currently, WWC provides breast and cervical cancer screenings only for women ages 40-64 years; however, the United States Prevention Services Task Force (USPSTF), American Cancer Society (ACS), American Society for Colposcopy and Cervical Pathology (ASCCP), American Society for Clinical pathology (ASCP), American Congress of Obstetricians and Gynecologists (ACOG), and Centers for Disease Control and Prevention (CDC) all recommend cervical cancer screening (via Pap test) to start at 21 years of age.

Women's Wellness Connection's federal funding source, the CDC's National Breast and Cervical Cancer Early Detection Program (NBCCEDP), also recommends funded programs screen women for cervical cancer beginning at age 21 years, particularly because estimates indicate that nationally only 6.5 percent of the NBCCEDP eligible population received Pap tests through the program. The biggest gain in reducing cervical cancer incidence and mortality is achieved by increasing screening rates among women rarely or

never screened. Approximately half of cervical cancers occur in women who have never been screened. An additional 10 percent occur in women not screened for the past five years. Cervical cancer screenings help detect both persistent HPV infections that can lead to invasive cancer and cancer in earlier stages when it is easier to treat and the success rate for curing is higher.

**Impact to Service Delivery**

While WWC has the funding and statutory authority to expand age eligibility for cervical cancer screening, this policy change directly impacts Medicaid’s Breast and Cervical Cancer Treatment Program (BCCP Medicaid) at HCPF, as BCCP Medicaid is required to treat eligible women that meet WWC age and income eligibility requirements. To qualify for BCCP Medicaid, women must meet Medicaid creditable coverage as well as WWC age and income eligibility criteria.

As such, HCPF needs an additional appropriation of \$291,528 (\$107,119 Cash Fund spending authority and \$184,409 Federal Fund spending authority) in FY 2016-17 and \$252,757 (\$88,035 Cash Funds and \$164,772 Federal Funds) in ongoing funding to cover new clients between 21 and 39 years of age who are estimated to need treatment under BCCP Medicaid. This Decision Item requests approval for HCPF to treat the expanded WWC screening population who has an eligible cervical cancer diagnosis. The request also funds changes to the Colorado Benefits Management System (CBMS) necessary to allow newly eligible women to receive treatment through BCCP Medicaid.

The programs CDPHE WWC provides are breast and cervical cancer screenings (including clinical breast exams, mammograms, pelvic exams, and Pap tests) and follow-up diagnostics to eligible women statewide through contractual agreements with at least 45 agencies with over 130 clinics, including federally qualified health centers, local health departments, rural hospitals, safety net clinics, private physicians, and nonprofit organizations. As part of these contracts, WWC also funds case management to provide a broader system of support to women with abnormal screening results, including enrollment in BCCP Medicaid, if a woman is diagnosed with breast or cervical cancer. Women’s Wellness Connection is continually broadening the program’s focus to respond to meet the long-term goal of reducing breast and cervical cancer morbidity and mortality. In addition, WWC is adding contractors, implementing new program guidelines, supporting care coordination and expanding outreach.

Women’s Wellness Connection’s current age range (40 to 64 years) policy for screenings has been based on the limited funding available for the program. Fewer Colorado women between ages 40 and 64 years now need WWC-funded breast and cervical cancer screening services because they have coverage through the Affordable Care Act (ACA) and Colorado Medicaid Expansion. The following tables detail recent changes in coverage.

**Table 1: Enrollment of Coloradoans due to Affordable Care Act (ACA) and Colorado Medicaid Expansion**

	Purchased commercial health insurance	Enrolled in Medicaid
Oct. 1 2013 – March 17, 2014 Open Enrollment	100,112	151,050
2015 Open Enrollment	139,652	76,194

**Table 2: Medicaid caseload (including all eligibility groups) changes**

	Medicaid Caseload
Pre-ACA (July 1, 2012 – June 20, 2013)	682,994
So far in FY 2015-16	1,153,911

**Table 3: Average WWC-funded women screened per month**

	Average number of women screened per month
Pre-ACA (June 30, 2012 – June 29, 2013)	1,317 women per month
So far in FY 2015-16 (June 30, 2015 – October 15, 2015)	411 women per month

During the first year of ACA implementation, WWC surveyed its clinics and confirmed that these women were still being served; however, they now have a different payer source for their care. Beginning in FY 2014-15, in order to try to reach women in need who may not be accessing the health care system, WWC implemented a project to fund organizations to provide targeted outreach to harder to reach women who may need screenings through WWC.

In addition, WWC has additional funding available due to House Bill 14-1045. This bill eliminated the transfer of approximately \$950,000 from CDPHE to HCPF. The \$950,000 is now available to support WWC.

The combination of these events creates an opportunity to allow CDPHE to provide cervical cancer screening to women between the ages of 21 and 64 years to fully meet the recommended screening guidelines. Throughout this process, CDPHE and HCPF have coordinated about expanding cervical screening and diagnostics to younger women, resulting in this Decision Item.

***Proposed Solution:***

The proposed policy change will cover additional women ages 21 to 39 years for cervical cancer screening, diagnostics, and treatment and will help avert future costs to women and health care systems because of a decreased incidence of late stage cancers. Low-income, uninsured/underinsured women in Colorado between the ages of 21 and 39 years will directly benefit from this solution. It is anticipated that as many as 2,681 additional uninsured women may be screened for cervical cancer through WWC each year by simply expanding the age eligibility.

Loop Electrosurgical Excision Procedure (LEEP) is a common diagnostic and treatment modality for precancerous lesions of the cervix, which involves removing the part of the cervix involved with the disease. LEEPs have been associated with an increased risk of preterm birth, low-birth weight, and premature rupture of membranes in pregnancies conceived subsequent to the procedure. If precancerous lesions can be detected earlier in young women who have not completed their families, fewer LEEPs may be needed, thus minimizing the risks to future pregnancies.

The Department does not require additional funding to expand cervical screening for at-risk women ages 21 to 39 years. While this policy change will require a temporary, short-term adjustment for staff as WWC implements one-time modifications to policies, procedures and data systems, and educates funded providers about the changes, this temporary increase in workload can be managed with existing staff. As

women with eligible cervical cancer diagnoses are identified, HCPF will require a slight increase in spending authority for treatment of cervical cancer and pre-cancerous conditions; \$82,001 in Cash Funds and \$154,244 in matching Federal Funds for a total increase of \$236,245. Using WWC's historical rate of cancer prevalence of approximately 2.0 percent, it is anticipated that this policy change could result in approximately 54 additional eligible pre-cancerous or cancerous diagnoses per year. After calculating the approximately 65 percent Federal match to HCPF, the projected costs to the state will be \$107,119 in FY 2016-17 (see Table 6 below). A portion of the CDPHE funding previously used for treatment purposes could be transferred to HCPF to cover the additional treatment costs, if necessary. However, HCPF does not anticipate needing this change at this point and believes it has sufficient funds in the Breast and Cervical Cancer Prevention and Treatment Fund to treat these additional women.

The request also includes one-time costs to modify the Colorado Benefits Management System (CBMS.) The CBMS system is not currently structured to allow 21 to 39 year old women to receive services under the Breast and Cervical Cancer program. In order for these newly eligible women to receive treatment through Medicaid, the system must be modified.

The expansion of cervical cancer screening to age 21 years will allow Colorado to align with national guidelines and best practices without requiring additional funds for CDPHE. This expansion also gives younger women an opportunity to visit their provider regularly and receive other preventive healthcare, such as HPV vaccination, contraception, sexually transmitted disease counseling and treatment, and assessment of many other health risks.

#### ***Anticipated Outcomes:***

The WWC uses its electronic cancer surveillance and tracking (eCaST) data system to collect client level data on each client served. Funded providers will be required to enter data on cervical cancer screening and diagnostic services provided to eligible women ages 21 through 64 years, and treatment data will be linked from the Colorado Central Cancer Registry.

The WWC will pull data from eCaST, including number of women served, demographics (age, race/ethnicity, income), as well as performance (and changes in performance) on the following key core indicators required by the CDC. These indicators could be pulled specific to women 21 through 39 years:

- Screening Indicator: At least 20 percent of all clients newly enrolled for cervical cancer screening should be clients who have never been screened for cervical cancer or who have not had a Pap test in the past five years (rarely screened).
- Complete Follow-up: The percentage of abnormal cases with complete follow-up should be at least 90 percent. Follow-up is complete when cases have a definitive diagnosis, cancer or not cancer.
- Time from Screening to Diagnosis: The interval between initial abnormal screening and the final diagnosis should be no greater than 60 days for at least 75 percent of cases.
- Treatment Started: Over 90 percent of clients with a cervical diagnosis of High-Grade Squamous Intraepithelial Lesion (HSIL), Cervical Intraepithelial Neoplasia (CIN) 2, CIN3, carcinoma in situ (CIS) or invasive cervical carcinoma will have started treatment.
- Time from Diagnosis to Treatment: The interval between cervical diagnosis and initiation of treatment for HSIL, CIN2, CIN3 and CIS should be 90 days or less for at least 75 percent of clients. The interval between diagnosis and initiation of treatment for invasive cervical cancer should be 60 days or less for at least 75 percent of clients.

The WWC will also track population-based status by reviewing changes to the Behavioral Risk Factor Surveillance System (BRFSS) data for cervical cancer screening. This request supports the flagship priority

of creating healthy people and places throughout Colorado (see flagship priority #3), by meeting the recommended screening guidelines for a disadvantaged population.

**Assumptions and Calculations:**

CDPHE has sufficient funding in the Prevention Detection and Treatment Fund to expand eligibility for screening to women 21 through 39 years. See Schedule 9 for detail. CDPHE does not require an increase in spending authority to implement this expansion.

The estimated cost to HCPF of treating the additional women identified through the expanded screening is \$291,528 (\$107,119 Cash Funds and \$184,409 in matching Federal Funds,) in FY 2016-17 and \$252,757 (\$88,035 Cash funds and \$164,722 Federal funds) in on-going funding. See the schedule 9 for a projection of how these additional expenditures will impact HCPF’s Breast and Cervical Cancer Prevention and Treatment Fund

Assumptions used to calculate request:

WWC estimates that there are 38,295<sup>1</sup> women in Colorado ages 21-39 who are between 138 and 250 percent of the Federal Poverty Level and are uninsured. Of the estimated 38,295 eligible women, WWC projects that 7 percent are likely to utilize a WWC clinic for services. This would result in an additional 2,681 women served per year.

Of those 2,681 women screened, WWC estimates the following distribution of BCCP-eligible diagnoses and costs to BCCP Medicaid. Based on data from Pap tests performed at a sample of family planning agencies and frequency distribution of WWC Pap test results and subsequent eligible cervical cancer diagnoses. Medicaid claims data from FY 2010-11 shows that the average cost for a cervical intraepithelial neoplasia (CIN) II diagnosis is \$3,390 per year, for a CIN III diagnosis is \$4,894 per year, and for Invasive Cervical Cancer is \$17,471 per year.

**Table 4: Estimated Distribution of BCCP-Eligible Cervical Cancer Diagnoses and Treatment Costs**

Cervical Cancer Diagnosis and Treatment	Women Age 21-39 Years		
	Estimated Volume	Cost per Patient	Estimated Total Annual Cost to BCCP Medicaid
<b>CIN II – moderate to marked dysplasia</b>	27	\$3,390	\$91,530
<b>CIN III – severe dysplasia to carcinoma in situ</b>	26	\$4,894	\$127,244
<b>Invasive C - Cervical Carcinoma</b>	1	\$17,471	\$17,471
<b>TOTAL</b>	<b>54</b>		<b>\$236,245</b>

After applying the approximately 65 percent Federal match, the projected costs to BCCP Medicaid for treatment will be \$82,001 (\$236,245 x 34.71 percent) per year.

<sup>1</sup> Small Area Health Insurance Estimates (SAHIE, 2012) with Department of Local Affairs (DoLA) data applied to get specific age group. [Assumes those below 138 percent will access Modified Adjusted Gross Income [MAGI] Medicaid for screening and treatment; Does not include those who are underinsured]

The request includes \$38,771 (\$19,386 Cash Funds and \$19,385 Federal Funds) to make modifications to the CBMS system. These system modifications are necessary for newly eligible women to be treated through BCCP Medicaid. System change costs were estimated by Deloitte, the CBMS vendor, to take 283 hours of work at a rate of \$137 per hour. System changes are required to change the system logic to allow for a younger age limit for individuals with a cervical cancer diagnosis, adjust reference tables, and perform system and user acceptance testing prior to implementation. Estimates from HCPF are that changes will be complete by January 1, 2017. Typically, financing for CBMS requires contributions from the Department of Human Services (CDHS) and the federal programs managed by CDHS; however, because this program change is specific to a Medicaid program, the Department(s) are requesting to finance the CDHS share of CBMS changes through the Breast and Cervical Cancer Prevention and Treatment Fund. Medicaid federal funds would be used in accordance with the current approved cost allocation process for CBMS.

The projected costs to HCPF also include \$16,512 for the Behavioral Health Community Programs line (BHCP); \$5,732 Cash Funds and \$10,780 Federal Funds. Every Medicaid client is mandatorily enrolled in a Behavioral Health Organization for their behavioral health care. Enrollment is a requirement, and cannot be waived. Costs are based on HCPF projections.

**Table 5: Summary of Cost by Department (FY 2016-17)**

Department	Total Costs	Cash Funds	Federal Funds
Public Health and Environment (CDPHE)	\$0	\$0	\$0
Health Care Policy and Finance (HCPF)	\$291,528	\$107,119	\$184,409

**Table 6: Summary of Cost to HCPF (FY 2016-17)**

	Total Costs	Cash Funds	Federal Funds
Diagnosis and Treatment	\$236,245	\$82,001	\$154,244
Colorado Benefits Management System	\$38,771	\$19,386	\$19,385
Behavioral Health Community Programs	\$16,512	\$5,732	\$10,780
	<b>\$291,528</b>	<b>\$107,119</b>	<b>\$184,409</b>

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**R-05 CDPHE Long Bill Adjustments**

Dept. Approval By: <u><i>R. [Signature]</i></u> <u>10-26-15</u> <u>X</u>	Supplemental FY 2015-16
	Change Request FY 2016-17
OSPB Approval By: <u><i>[Signature]</i></u> <u>10/29/15</u>	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	13,170,689	\$0	\$13,039,756	\$0	\$0
	FTE	98.6	0.0	98.4	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	1,645,540	\$0	\$1,667,853	\$0	\$0
	CF	6,192,213	\$0	\$6,038,967	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	5,332,936	\$0	\$5,332,936	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$0	\$0	\$0	\$300,000	\$300,000
	FTE	0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Necessary Document Assistance	GF	\$0	\$0	\$0	\$300,000	\$300,000
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$300,000	\$0	\$300,000	(\$300,000)	(\$300,000)
	FTE	0.0	0.0	0.0	0.0	0.0
02. Center for Health and Environmental Information - Necessary Document Expenses	GF	\$300,000	\$0	\$300,000	(\$300,000)	(\$300,000)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0



	<b>Total</b>	<b>\$2,667,479</b>	<b>\$0</b>	<b>\$2,502,055</b>	<b>\$180,000</b>	<b>\$180,000</b>
	FTE	20.2	0.0	20.2	2.0	2.0
06. Hazardous Materials and Waste Management	GF	\$0	\$0	\$0	\$0	\$0
Division - Program Costs	CF	\$2,667,479	\$0	\$2,502,055	\$180,000	\$180,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	<b>Total</b>	<b>\$5,159,294</b>	<b>\$0</b>	<b>\$5,159,294</b>	<b>(\$180,000)</b>	<b>(\$180,000)</b>
	FTE	20.8	0.0	20.8	(2.0)	(2.0)
06. Hazardous Materials and Waste Management	GF	\$0	\$0	\$0	\$0	\$0
Division - Personal Services	CF	\$1,442,950	\$0	\$1,442,950	(\$180,000)	(\$180,000)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$3,716,344	\$0	\$3,716,344	\$0	\$0

	<b>Total</b>	<b>\$2,768,722</b>	<b>\$0</b>	<b>\$2,788,558</b>	<b>\$75,000</b>	<b>\$75,000</b>
	FTE	33.1	0.0	32.9	1.0	1.0
08. Disease Control and Environmental Epidemiology	GF	\$1,208,226	\$0	\$1,228,062	\$75,000	\$75,000
Division - Program Costs	CF	\$7,008	\$0	\$7,008	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$1,553,488	\$0	\$1,553,488	\$0	\$0

	<b>Total</b>	<b>\$2,275,194</b>	<b>\$0</b>	<b>\$2,289,849</b>	<b>(\$75,000)</b>	<b>(\$75,000)</b>
	FTE	24.5	0.0	24.5	(1.0)	(1.0)
10. Health Facilities and Emergency Medical Services - Administration and Operations	GF	\$137,314	\$0	\$139,791	(\$75,000)	(\$75,000)
	CF	\$2,074,776	\$0	\$2,086,954	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$63,104	\$0	\$63,104	\$0	\$0

Letternote Text Revision Required?	Yes	No	<b>X</b>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	Hazardous Substance Response Fund 1160, Solid Waste Management Reserve Fund 1170			
Reappropriated Funds Source, by Department and Line Item Name:				
Approval by OIT?	Yes	No	<b>Not Required: X</b>	
Schedule 13s from Affected Departments:				
Other Information:				



# COLORADO

Department of Public Health and  
Environment

Priority: R-05  
CDPHE Long Bill Adjustments  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- The Colorado Department of Public Health and Environment (CDPHE) has identified a number of items in its FY 2015-16 Long Bill that it would like to adjust in order to have the FY 2016-17 Long Bill more accurately reflect the Department's statutory, financial and operational structure.
- This is a net \$0 request.

## ***Current Program***

- The Department is constantly evolving and changing in order to respond to needs and opportunities to become more efficient and effective in protecting public health and the environment.
- These changes can involve programmatic realignment and restructuring as well as blending and expanding the scope of programs.

## ***Problem or Opportunity***

- This request seeks a number of adjustments to the CDPHE Long Bill so that it will accurately reflect Department operations.
- The request includes various adjustments such as name changes, line item location changes, and FTE authority transfers.
- Authorizing these changes will eliminate confusion and improve transparency, accuracy, and efficiency for the Department's Long Bill appropriations.

## ***Consequences of Problem***

- If these adjustments are not made, the Department's Long Bill will not accurately represent the Department's funding and structure for the changes identified.
- In some cases, failure to authorize the requested adjustments could mean that programs do not operate as efficiently or effectively as they could, thus risking public health or environmental damage.

## ***Proposed Solution***

- In order to ensure that the Department's Long Bill accurately reflects the functions and current operational structure of the Department, adjustments, such as name changes and line item realignments, to the Long Bill are being requested.
- If the requested adjustments are authorized, the Department's Long Bill will more accurately reflect Department funding and structure.
- This will increase transparency and understanding of the Department's funding and functions.
- Some of the requested adjustments, such as the shift within the Hazardous Materials and Waste Management Division or the shifts between the Health Facilities Division and Disease Control Division, will result in more efficient and effective programs that are better able to positively impact public health and environmental quality.
- This request is net \$0.





# COLORADO

## Department of Public Health and Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

### **Department Priority: R-05**

### **Request Detail: CDPHE Long Bill Organizational Adjustments**

<b>Summary of Incremental Funding Change for FY 2016-17</b>	<b>Total Funds</b>	<b>General Fund</b>
CDPHE Long Bill Adjustments	\$0	\$0

### **Problem or Opportunity:**

The Colorado Department of Public Health and Environment (CDPHE) has identified a number of items in its FY 2015-16 Long Bill that it would like to adjust in order to have the FY 2016-17 Long Bill more accurately reflect the Department's financial and operational structure.

The Department is constantly evolving and changing in order to respond to needs and opportunities to become more efficient and effective in protecting public health and the environment. These changes can involve programmatic realignment and restructuring as well as blending and expanding the scope of programs. In order to ensure that the Department's Long Bill accurately reflects the functions and current operational structure of the Department, adjustments, such as name changes and line item realignments, to the Long Bill are necessary.

### **Proposed Solution:**

This request seeks a number of adjustments to CDPHE's Long Bill so that it will accurately reflect Department operations. The request includes various adjustments such as name changes, line item location changes, and FTE authority transfers. Authorizing these changes will eliminate confusion and improve accuracy and efficiency throughout the Department's Long Bill appropriations.

Following are the items the Department would like to adjust in its Long Bill:

#### **Name changes:**

- In the Division of (1) Administration and Support, change the name of (B) Office of Health Disparities to (B) Office of Health Equity. This program name was changed by HB 13-1088, and the Department is requesting this change in order to ensure that the Long Bill accurately reflects the statutory name of the program.
- In the Division of (1) Administration and Support, change the name of (C) Local Public Health Planning and Support to (C) Office of Planning, Partnerships and Improvement. This name change reflects recent changes in the Department that combines the Local Public Health Planning and Support program with the Department's lean and quality improvement efforts.

- For the Division of (2) Center for Health and Environmental Information, changes the current division title to (2) Center for Health and Environmental Data (CHED). This name change would accurately reflect the Division's new structure and focus.

### **Line Item Realignments**

- Move (2) Center for Environmental Health and Information, (B) Health Statistics and Vital Records, Necessary Document Assistance to (1) Administration and Support, (B) Office of Health Disparities. Senate Bill 15-234 (Long Bill,) provided \$300,000 General Fund to the Department of Public Health and Environment for a Necessary Document Assistance Grant Program. Because the discussion and documentation referred to vital records, the funding was placed in the Health Statistics and Vital Records section of the Long Bill. The funds are to be used to assist people in need to obtain various documents, such as driver's licenses and social security cards, not just the birth and death certificates distributed by CDPHE. The program is intended to assist individuals who are in need of documents because of natural disaster or other circumstances, such as low income, that make it difficult to obtain other important documents. Because of this focus, the Department believes it would be more appropriate for the program to reside in the Health Equity program. This program has experience serving disparate populations and awarding grants.
- In the (6) Hazardous Materials and Waste Management Division (HMWMD), move \$180,000 cash fund spending authority from the hazardous substance Response Fund to the Solid Waste Management Reserve Fund and 2.0 FTE from (D) Contaminated Site Cleanups and Remediation Programs - Personal Services line item to the (C) Solid Waste Control Program line item. The remediation program is not filling two vacancies due to several CERCLA sites transitioning from clean-up to operations and maintenance oversight. As a result of various process improvements, the Program does not require these vacancies to manage the existing sites that are in an operation and maintenance status. The solid waste program is experiencing an increase of approximately 25% - 30% in new permit requests and modifications, requiring an additional 3,800 hours of staff time for review. In addition, solid waste volumes have increased throughout the State increasing the demand for a greater inspection presence in the field of approximately 1,000 hours of staff time. Lastly, with these increases, the Solid Waste Program requires additional administrative staff time of approximately 500 hours related to the management of permits and inspection data. In total, the Solid Waste Program requires approximately 2.5 FTE. Program efficiencies will provide for the needed 0.5 FTE. The increase in solid waste volumes has resulted in several illegal dump sites throughout Colorado, which pose a public health risk in addition to potential groundwater contamination. The Division would like to transfer the existing 2.0 FTE in the remediation program to the solid waste program to meet the needs within solid waste. Due to the increase in volumes, the fund balance of the Solid Waste Cash Fund is sufficient to cover the additional expense of 2.0 FTE. Conversely, the vacancies within the remediation program will be a cost savings to the Hazardous Substance Response Fund, which will benefit the fund balance and provide resources for future years O&M costs of the various CERCLA sites throughout the State.
- Move \$75,000 General Fund and 1.0 FTE for the Hospital Acquired Infections Program from (10) Health Facilities and Emergency Medical Services, (A) Operations Management, Administration and Operations to (8) Disease Control and Environmental Epidemiology, (A) Administration, General Disease Control and Surveillance, Program Costs. Historically tracking the prevalence of infections that are acquired by patients in a health care setting has been the responsibility of the Health Facilities and Emergency Medical Services division (HFEMSD.) Given the role HFEMSD plays in licensing and overseeing health care facilities, having the Division monitor health care acquired infections made some sense. However, because tracking infection is a primary responsibility of DCEED, both divisions feel that locating the hospital acquired infection program

in DCEED would be beneficial. The Hospital Acquired Infection Program would have the support and expertise of the Infectious Disease Program and other related programs in DCEED.

If these adjustments are not made, the Department's Long Bill will not accurately represent the Department's funding and structure. In some cases, failure to authorize the requested adjustments could mean that programs do not operate as efficiently or effectively as they could, thus risking public health or environmental damage.

***Anticipated Outcomes:***

If the requested adjustments are authorized, the Department's Long Bill will more accurately reflect Department funding and structure. This will increase transparency and understanding of the Department's funding and functions. Additionally, some of the requested adjustments, such as the shift within the Hazardous Materials and Waste Management Division or the shifts between the Health Facilities Division and Disease Control Division, will result in more efficient and effective programs that are better able to positively impact public health and environmental quality. Additional staff in the Solid Waste Program will mean that the Department is better able to regulate the industry and ensure that waste is disposed of safely. The transfer of an FTE from Health Facilities to Disease Control will ensure that the hospital acquired infections program benefits from closer collaboration with the Infectious Disease Program.

***Assumptions and Calculations:***

Amounts for requested transfers are based on the dollars already included in program budgets. The remaining adjustments, such as name changes, are based on functional and operational changes already in place. See the attached Schedule 13 for detail of the proposed adjustments.


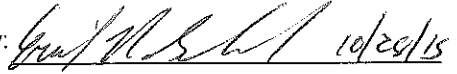
**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

**Department of Public Health and Environment**

Request Title

**R-06 Compliance and Reporting Accountant**

Dept. Approval By:		<input checked="" type="checkbox"/>	Supplemental FY 2015-16
			Change Request FY 2016-17
			Base Reduction FY 2016-17
OSPB Approval By:		<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	\$8,890,190	\$0	\$9,290,519	\$85,323	\$80,150
	FTE	77.2	0.0	77.2	1.1	1.1
Total of All Line Items Impacted by Change Request	GF	\$74,286	\$0	\$76,961	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$8,758,604	\$0	\$8,888,030	\$85,323	\$80,150
	FF	\$57,300	\$0	\$325,528	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	\$6,951,264	\$0	\$7,351,593	\$79,105	\$79,105
	FTE	77.2	0.0	77.2	1.1	1.1
01. Administration and Support - Personal Services	GF	\$74,286	\$0	\$76,961	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$6,819,678	\$0	\$6,949,104	\$79,105	\$79,105
	FF	\$57,300	\$0	\$325,528	\$0	\$0

	<b>Total</b>	\$1,938,926	\$0	\$1,938,926	\$6,218	\$1,045
	FTE	0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,938,926	\$0	\$1,938,926	\$6,218	\$1,045
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:					
Reappropriated Funds Source, by Department and Line Item Name: Departmental Indirect Cost Recoveries, 1000					
Approval by OIT?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Not Required: <input checked="" type="checkbox"/>
Schedule 13s from Affected Departments:					
Other Information:					





# COLORADO

Department of Public Health and  
Environment

Priority: R-6  
Compliance and Reporting Accountant  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- The Department is requesting \$85,323 and 1.1 FTE reappropriated funds from indirect costs in FY 2016-17 and \$80,150 and 1.1 FTE in on-going funding to support compliance and reporting functions in the Department.
- This request is to increase spending authority only as the Department will generate the revenue through indirect cost recoveries.

## ***Current Program***

- The Accounting Unit at CDPHE is responsible for tracking and accounting for approximately 300 federal grants and hundreds of millions of dollars in federal, state and private funds.
- The Department receives funding from approximately 300 different sources, all of which require set-up in the accounting system; monitoring and verification of expenditures; and reporting.
- Currently, two accountants and one supervisor in the Accounting unit are responsible for all the grant tracking and reporting functions.

## ***Problem or Opportunity***

- For more than ten years, the Department has experienced an increase in grant funding from \$198 million in FY 2004-05 to a projected \$294 million in FY 2015-16.
- This represents an increase of more than \$95 million, or roughly 33 percent.
- As a result of increasing complexity in federal reporting requirements, the burden on the Department staff has increased significantly.
- In an effort to streamline the compliance and reporting process, the Department has taken several steps to improve efficiency and productivity.
- Despite these efficiency efforts, the unit still does not have sufficient resources to perform its essential duties.

## ***Consequences of Problem***

- The Department will continue to struggle to meet federal reporting deadlines and complete billing processes on time.
- Systematic failure to meet federal deadlines can result in federal sanctions ranging from being designated as a high-risk agency to the loss of federal grant funds.
- The Department also may be subject to audit findings as they relate to failure to account for funding in an accurate and timely way.

## ***Proposed Solution***

- This request seeks to add \$85,323 in reappropriated funds spending authority from indirect cost recoveries and 1.1 FTE in FY 2016-17 and \$80,150 and 1.1 FTE to help address the growth in grant revenue over the past several years and the increased complexity of grant reporting requirements.





# COLORADO

## Department of Public Health and Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

**Department Priority: R-06**

**Request Detail: Compliance and Reporting Accountant**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Reappropriated Funds
Compliance and Reporting Accountant	\$85,323	\$85,323

### **Problem or Opportunity:**

This request seeks \$85,323 reappropriated funds from indirect cost recoveries and 1.1 FTE in FY 2016-17 to augment the Department's accounting staff in order to comply with state and federal reporting requirements. This request annualizes to \$80,150 reappropriated funds and 1.1 FTE in FY 2017-18.

In addition to receiving private and state funds that must be reported, the Colorado Department of Public Health and Environment (CDPHE) receives significant funding from federal sources. The Department anticipates receiving in excess of 300 separate grants and nearly \$300 million in FY 2015-16. In order to continue to receive these funds, the Department must comply with state and federal requirements for ensuring compliance and timely reporting. Regardless of dollar amount, all funds received by CDPHE require reconciling and reporting of revenue and expenditures. The CDPHE accounting unit has not received new staff to assist with reporting and compliance in many years despite steady increases in workload and complexity of reporting regulations. The growing workload is due to systematic increases in funds associated with expansion in areas such as homeland security, disease outbreaks, chronic disease prevention and disasters that have impacted the State in recent years.

There has been no increase in staff to assist with added work created by Federal Funding Accountability and Transparency Act (FFATA) reporting, which has complex reporting requirements.

Currently, the unit supervisor is performing accounting and close-out duties leaving little time for quality control and staff development needed to train staff and fine tune processes. Additionally, both the controller and deputy controller spend 10 to 15 hours per week helping bridge the gap in resources to ensure that the most basic and critical compliance and reporting functions are completed by the required deadlines. This level of overtime is not sustainable in the long term.

For example, the federal reporting requirement for FFATA entails reporting on all encumbered amounts that total over \$25,000 per vendor. This is a time consuming process due to the thousands of encumbrance documents processed and the level of research needed to accurately report applicable data. The Department has already had one audit finding related to FFATA reporting. The Department has also received warning from at least one federal cognizant agency that funding is in jeopardy and that the Department could be considered a high-risk agency if reporting is not complete by the federally established

deadlines. For FY 2015-16, the Department is continuing to struggle in its efforts to comply with FFATA reporting requirements due to the increased workload and complexity. Given previous history, the likelihood for federal sanctions is increasing.

The FFATA reporting takes approximately 80 hours per month for staff to prepare and submit funding on key federal programs. Additionally, accounting has struggled to meet federal reporting deadlines and complete billings for the past several years due to a consistent increase in the amount of federal state and private grants. Federal funding has increased from \$198 million in FY 2004-05 to a projected \$294 million in FY 2015-16. This represents an increase of more than \$95 million or roughly 33 percent. The increase in federal revenue is shown below.

Change in Federal Grant Funding from Fiscal Year 2004-05 Through Fiscal Year 2015-16		
Fiscal Year	Federal Award Expenditures	Percent Change
2004-05 Actual	198,335,067	
2005-06 Actual	207,737,595	4.53%
2006-07 Actual	208,903,757	0.56%
2007-08 Actual	224,393,799	6.90%
2008-09 Actual	226,673,078	1.01%
2009-10 Actual	252,971,726	10.40%
2010-11 Actual	238,180,924	-6.21%
2011-12 Actual	291,751,271	18.36%
2012-13 Actual	290,752,409	-0.34%
2013-14 Actual	285,977,561	-1.67%
2014-15 Appropriated	291,317,631	1.83%
2015-16 Appropriated	294,153,882	0.96%
<b>Total Change over 11 years</b>	<b>85,250,125</b>	<b>28.98%</b>

The steady increase in state and federal dollars means that more funding is subject to complex reporting requirements. The increase in award amounts also means that there are more transactions to review and process within each grant. Each grant has a unique setup within the CORE financial system and is reconciled to the system for drawing funds and issuing reports. Each time a new grant is awarded the same draw, review and reporting processes occur at the individual grant level. Current staff spends all their time setting up new state and federal grants, drawing funds, and posting revenue. This leaves little time to review data and reconcile at sufficient intervals. The program estimates that in order to bring reconciliation

and billing processes back into a regular monthly process, an additional 50 hours of staff time is needed per month.

There also have been significant increases in the complexity and level of detail required for reporting. The Department has several grants from the Centers for Disease Control and Prevention (CDC). Specifically the Ryan White Aids funding that requires tracking the expenditures over approximately 60 different activities and categories. This significantly increases the workload to setup, manage, reconcile and report on these grants. This complexity has nearly doubled the time required to complete the grant reporting process. The Department estimates that an additional 60 hours per month is needed to get federal reporting back on schedule and free the supervisor to perform needed supervisory, quality control and staff development duties.

The Department has worked to streamline the compliance and reporting process and restructured the timing of grant processing. For example, the Department is billing and drawing funds monthly rather than weekly. Division financial staff are now assisting with data verification for FFATA reporting. However, central accounting still needs to perform the final review and entry into the federal site. The accounting unit has taken an inventory of the duties of all other accounting staff to see if any activities from other duties can be reassigned such as accounts receivable and payroll. The analysis indicates that these staff are working to their full limit on their current duties and do not have any capacity to absorb additional work. Despite efforts to streamline processes and reallocate staff, the accounting unit still does not have adequate resources to complete all reporting and compliance work.

***Proposed Solution:***

This request seeks to add \$85,323 and 1.1 FTE in reappropriated funds from indirect cost recoveries in FY 2016-17 and \$80,150 and 1.1 FTE in on-going spending authority to respond to federal, state and private grant requirements. Since all 11 of the Department's divisions have state and federal funds and since grant unit staff work on all grants, using indirect cost recoveries to fund this request is an appropriate source to support this position. Adding an additional 1.1 FTE will allow the Department to bill and draw federal funds in a more timely way, and also permit the accounting unit to help the programs verify compliance with state grant reporting requirements. The addition of an additional staff person to focus on compliance and reporting will allow proper analysis and reconciliation of each grant more frequently throughout each month in accordance with accounting best practices and a preference indicated by auditors. More timely reconciliation will assist the Department in efforts to avoid additional audit comments for noncompliance on federal reporting and absence of sufficient internal control processes on state and federal funds.

The additional 1.1 FTE will also allow the unit supervisor to provide additional training to staff, fine tune processes and procedures and perform quality control reviews. The requested FTE will also allow the compliance unit to provide a higher level of customer service to department staff. The ability of the staff to perform more substantive work to ensure that state and federal requirements are handled properly will free program staff to focus on administering the programs.

The beneficiaries of the requested additional FTE are accounting unit staff, the public who benefit from Department activities and the programs that implement federal, state and private grant programs. Meeting federal and private grant reporting deadlines means the Department will remain in good standing and therefore is positioned to receive more funds to perform more health and environmental safety services for the citizens of Colorado. This request is directly in alignment with the Department's Performance plan because it supports the infrastructure that undergirds the important work performed by the department.

Without the requested FTE the accounting unit will fall further behind in federal and state reporting duties. Ultimately this could mean receiving audit comments for non-compliance with FFATA and timely reporting. The Department is also at risk for sanctions from federal partners. The Department has already received warnings that the Department is at risk for higher levels of scrutiny and loss of federal funds. Given the difficulty the unit is already having in meeting reporting requirements, more stringent requirements would only exacerbate the problem.

The Department's funds provide nutrition to low income women and children; provide treatment to individuals with AIDS, support chronic disease prevention initiatives; regulate air and water quality, to name only a few. If these funds are lost, the health and wellbeing of Colorado citizens will be negatively impacted.

#### ***Anticipated Outcomes:***

The outcomes of adding an additional 1.1 FTE will be increased compliance and timely reporting, which will reduce the risk of audit findings and secure federal, state and private funds necessary to protect public health and the environment. Adding an additional 1.1 FTE will allow the unit to assist the department in meeting all reporting deadlines such as FFATA. Without additional staff to help with the increasing workload and complexity of federal requirements, the State is at serious risk of non-compliance which could ultimately result in a reduction or loss of funds.

#### ***Assumptions and Calculations:***

This request is for an additional \$85,323 and 1.1 FTE in reappropriated funds indirect cost recoveries spending authority in FY 2016-17 and \$80,150 and 1.1 FTE in on-going spending authority.

As described below, the requested 1.1 FTE is based on 190 hours per month or 2,280 per year. This translates into an FTE need of 1.1 FTE. The following estimates are based on the number of hours that existing staff are currently spending on these activities. Because several of the staff performing the work are non-exempt, there are not savings in overtime, but staff cannot continue with such significant overtime indefinitely.

- 80 hours for FFATA and encumbrance reporting per month. This includes;
  - pulling the raw report data, 3 hours,
  - structuring it in a manner to extract possible, applicable, encumbrances, 15 hours,
  - distributing to division staff for review and completion of detailed information needed for the report and to research and answer questions about the data, 10 hours,
  - assembling and reconciling all returned data and entering on the federal reporting site, 52 hours.
- 50 hours for monthly billing and grant draw and funds collection processes per month. This includes;
  - pulling the expenditure data, 5 hours,
  - analyzing the data for accuracy and completeness, 15 hours,
  - preparing the federal draw reconciliation, 15 hours,
  - drawing the funds, 5 hours,
  - preparing any private grant billings, 5 hours,
  - recording in CORE and monitoring collections, 5 hours.
- 60 hours for grant reconciliations, data analysis, and grant close out processes. This includes;

- pulling all grant data from COFRS (if applicable for multi-year awards) and CORE and comparing/reconciling the data with the federal grant draw system for funds received, 30 hours,
- monitoring grant budgets and grant setups, 10 hours,
- preparing all reporting required for interim and final reporting on grants, 15 hours,
- correspondence and submission to the funding source. 5 hours.

This request also includes standard on-going operating costs and funds for one-time costs such as a computer and cubicle.

Detailed costs are shown on the FTE calculation template.

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**FTE Calculation Assumptions:**

**Operating Expenses** -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual telephone costs assume base charges of \$450 per year.

**Standard Capital Purchases** -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite Software (\$330), and office furniture (\$3,473).

**General Fund FTE** -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail	FY 2016-17		FY 2017-18		
<i>Personal Services:</i>					
	Monthly	FTE		FTE	
Accountant II	\$3,949	1.1	\$52,127	1.1	\$52,127
PERA			\$5,291		\$5,291
AED			\$2,502		\$2,502
SAED			\$2,476		\$2,476
Medicare			\$756		\$756
STD			\$99		\$99
Health-Life-Dental			\$15,854		\$15,854
<b>Subtotal Position 1, ## FTE</b>		<b>1.1</b>	<b>\$79,105</b>	<b>1.1</b>	<b>\$79,105</b>
<b>Subtotal Personal Services</b>		<b>1.1</b>	<b>\$79,105</b>	<b>1.1</b>	<b>\$79,105</b>
<i>Operating Expenses:</i>					
		FTE		FTE	
Regular FTE Operating	\$500	1.1	\$550	1.1	\$550
Telephone Expenses	\$450	1.1	\$495	1.1	\$495
PC, One-Time	\$1,230	1.1	\$1,353		
Office Furniture, One-Time	\$3,473	1.1	\$3,820		
<b>Subtotal Operating Expenses</b>			<b>\$6,218</b>		<b>\$1,045</b>
<b>TOTAL REQUEST</b>		<b>1.1</b>	<b>\$85,323</b>	<b>1.1</b>	<b>\$80,150</b>
<i>General Fund:</i>					
<i>Cash funds:</i>					
<i>Reappropriated Funds:</i>		<i>1.1</i>	<i>\$85,323</i>	<i>1.1</i>	<i>\$80,150</i>
<i>Federal Funds:</i>					



**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

**Department of Public Health and Environment**

Request Title

**R-07 Lab Building Maintenance and Repair**

Dept. Approval By: <u><i>R. Smith 10/26/15</i></u>	<input checked="" type="checkbox"/>	Supplemental FY 2015-16
	<input type="checkbox"/>	Change Request FY 2016-17
	<input type="checkbox"/>	Base Reduction FY 2016-17
OSPB Approval By: <u><i>Erin White 10/28/15</i></u>	<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$271,858	\$0	\$271,858	\$419,957	\$81,450
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$271,858	\$0	\$271,858	\$419,957	\$81,450
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$271,858	\$0	\$271,858	\$419,957	\$81,450
	FTE	0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Building Maintenance and Repair	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$271,858	\$0	\$271,858	\$419,957	\$81,450
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name:	Departmental Indirect Cost Recoveries, 1000
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	





# COLORADO

Department of Public Health and Environment

Priority: R-7  
Lab Building Maintenance and Repair  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- CDPHE is requesting a one-time increase of \$338,507 and an on-going request of \$81,450 of Reappropriated Funds spending authority for the Building Maintenance Long Bill line in the Administration and Support Division, to provide for ongoing maintenance and repair at the State Laboratory Building.
- This request is to increase spending authority only as the Department will generate the revenue through indirect cost recoveries.

## ***Current Program***

- The Colorado Department of Public Health and Environment (CDPHE) owns the State Laboratory Building, which is located at the Lowry campus in Denver.
- The people of Colorado depend upon the State Laboratory to ensure the accuracy of tests for tuberculosis and other infectious diseases; genetic newborn disorders; all breath alcohol tests given in the state; drinking water; radiation exposure; and many other tests performed to protect public health.

## ***Problem or Opportunity***

- Since acquiring the building nearly two decades ago, the department has had \$271,858 in spending authority for general maintenance and repair of the 87,000 square foot facility.
- In May 2015, the department contracted for an audit to assess the condition of the building.
- The report details numerous repairs required to keep the building and equipment running properly.

## ***Consequences of Problem***

- If any equipment used to ensure the validity and accuracy of lab tests is compromised as a result of poor building maintenance, e.g. temperatures above or below optimal levels, the public may be at risk for serious illness and disease.
- If environmental control systems do not maintain specified conditions, down time could result in the suspension of critical testing and services.

## ***Proposed Solution***

- The requested \$81,450 on-going increase to the building maintenance and repair line will allow the Department to respond to increasing costs in services such as custodial, trash and snow removal.
- The requested one-time increase of \$338,507 in FY16-17 will allow one-time repairs to windows, floors and mechanical systems necessary to ensure the lab is operational.
- If the requested funding is authorized, the State Laboratory will be maintained at a level required by federal, state and industry standards.
- The State Laboratory will be able to continue performing analyses necessary to protect public health and the environment.





# COLORADO

Department of Public Health and  
Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk  
Executive Director

**Department Priority: R-7**

**Request Detail: Lab Building Maintenance and Repair**

Summary of Incremental Funding Change for FY 2015-16	Total Funds	Reappropriated Funds
Lab Building Maintenance and Repair	\$419,957	\$419,957

**Problem or Opportunity:**

CDPHE is requesting a one-time increase of \$338,507 and an on-going request of \$81,450 of Reappropriated Funds spending authority for the Building Maintenance Long Bill line in the Administration and Support Division, to provide for ongoing maintenance and repair at the State Laboratory Building. This request is to increase spending authority only as the Department will generate the revenue through indirect cost recoveries.

The Colorado Department of Public Health and Environment (CDPHE) owns the State Laboratory Building, which is located at the Lowry campus in Denver. In 1996, the building was completely refurbished from a military training facility after the Department took possession from the U.S. Air Force to create the current laboratory and office space. The Laboratory, now 17 years old, requires additional maintenance and repair funding to maintain the building to federal and state lab requirements. Since acquiring the building nearly two decades ago, the department has had \$271,858 in spending authority for general maintenance and repair of the 87,000 square foot Laboratory Services Building. This request will respond to the rising costs required to maintain the building that houses critical public health testing functions for the state.

The people of Colorado depend upon the State Laboratory to ensure the accuracy of tests for tuberculosis and other infectious diseases; genetic newborn disorders; all breath alcohol tests given in the state; drinking water; radiation exposure; and many other tests performed to protect public health. If any equipment used to ensure the validity and accuracy of these tests is compromised as a result of poor building maintenance, e.g. temperatures above or below optimal levels, the public may be at risk for serious illness and disease.

As part of the federal laboratory regulations, CDPHE is required to report on the operation and maintenance of the building and land to the US Department of Health and Human Services annually. The Laboratory Service Building is also required to maintain the highest levels of operation, physical integrity and cleanliness to maintain the state's select agent certification through the US Department of Homeland Security.

Over the years, the Department has completed repairs and maintenance to the State Laboratory building, equipment, and systems using the existing resources available in the Building Maintenance line. However, the situation/problem as it exists now includes:

- 1) The general building maintenance and repair costs will exceed the spending authority in the building maintenance line. This is due to:
  - The general maintenance and repair needs are increasing as the building ages;
  - The general maintenance and repair costs have significantly increased. For example, the janitorial cost in FY16 will be \$70,000. This means that custodial services represent approximately 26% of the total \$271,858 budget.
- 2) Standard operating procedures for State owned buildings include conducting a building/facility audit every 5-7 years. This audit identifies the current age and useful life expectancy of the interior and exterior building systems including:
  - Architectural – Foundation, exterior, roof, windows, floor, windows, doors, parking lot and site;
  - Mechanical – Cooling and ventilation, plumbing, electrical and life safety systems.

In May 2015, the department contracted with RMH Group for the audit which details the condition of the building and necessary repairs. The report details numerous repairs required to keep the State Laboratory Building and equipment running properly. Due to the current limited budget, many of these repairs cannot be made without an increase in spending authority. The funds included in this request are based on the audit report. The Department is considering the capital construction and controlled maintenance processes for the more costly items, such as roof replacement, identified in the report.

- 3) The major mechanical systems and equipment need on-going general maintenance and repairs. The Department cannot perform preventive maintenance services that are expensive, but necessary, for efficient operation and life extension of the systems. The Heating, Ventilation and Air Conditioning (HVAC) system at the Laboratory is a custom system, designed specifically for a laboratory setting. The system is complex because temperature controls must be regulated to ensure critical specimens and tests are kept viable, and proper ventilation of potentially harmful chemicals and samples is achieved. For example, in order to prevent the spread of tuberculosis, the laboratory that processes specimens of this communicable disease does not share the same ventilation system with the rest of the building. Proper temperature control at the Laboratory is essential for testing results. Many of the Department's testing procedures are reliant on consistent testing conditions. If the building temperature fluctuates tests can be compromised, which negatively affects the laboratory staff's ability to ensure medical and environmental tests are performed accurately.
- 4) Certain major mechanical systems and equipment are nearing the end of their life cycle. The facilities manager has been repairing the systems within the existing spending authority, but these repairs are mainly temporary and replacing the systems will soon need to be considered. The department will be consulting with an energy management contractor to complete a full assessment of the mechanical systems, replacement costs including rebates and payback period.

***Proposed Solution:***

The department is requesting an on-going increase of \$81,450 to the building maintenance and repair line to continue maintaining the building to minimum requirements. See table #1 in the assumptions and calculations section for more detail on how the additional funds will be utilized.

Because of inflationary increases for services such as custodial services, the Department needs additional on-going funding to continue to maintain and operate the Laboratory Services Building. The Department has done its best to negotiate favorable contracts and minimize expenditures, however as the building ages and costs increase, it needs additional funding to maintain the facility. The recent building audit has also identified a number of relatively minor one-time items that need to be addressed. Without additional funding the State Laboratory's ability to meet certification requirements necessary to protect samples and staff will be compromised. Again, larger and more costly items will be handled through the capital construction and controlled maintenance processes.

Based on the facility audit report, the Department is requesting a one-time increase of \$338,507 in FY16-17 to the building maintenance and repair line to repair the one-time items in table #2 in the assumptions and calculations section below.

In recent years, the State Laboratory has been instrumental in identifying the source of foodborne illness. Rapid identification of the pathogen means that tainted food can be removed from stores more quickly thus reducing the number of, sometimes fatal, illnesses.

Because of the specialized nature of the substances contained in the Laboratory, failure to maintain lab systems could result in significant negative consequences.

- The Laboratory has controlled agents such as anthrax and other biologicals that could not be stored safely.
- The Laboratory has diseases and viruses such as Ebola, rabies and tuberculosis that need to be handled in a safe, negative pressure environment.
- The Laboratory houses toxins, explosives, flammables, and acids that require certain conditions for safe storage.

Without sufficient funding to conduct necessary maintenance, the State Laboratory risks a catastrophic failure and the downtime and cost associated with such a failure. If environmental control systems do not maintain specified conditions, downtime could result in the suspension of the following testing and services:

- Testing of newborn babies for 30+ genetic disorders for all of Colorado and all of Wyoming.
- Environmental radiation exposure testing.
- Calibration and training of all Colorado law enforcement on the proper use and certification of breathalyzers.
- Milk testing.
- Molecular science and EIP and ELC testing for HIV, rabies, FoodNet, pertussis, flu and West Nile virus.
- Air and water quality testing.

Downtime in the newborn screening program can mean serious illness and even death for infants. The State Laboratory is responsible for the newborn screening program, which tests infants in the first few hours of life for a variety of serious conditions. In many cases, early identification of a condition is the difference between health and serious disability or even death. An equipment failure that causes even a few hours of delay in analyzing a newborn blood sample can literally be the difference between life and death.

As part of the federal laboratory regulations, CDPHE is required to report on the operation and maintenance of the building and land to the US Department of Health and Human Services annually. The Laboratory Service Building is also required to maintain the highest levels of operation, physical integrity and cleanliness to maintain the state's select agent certification through the US Department of Homeland Security.

In order to ensure that the State Laboratory can run efficiently and effectively, in compliance with federal, state and industry guidelines, adequate funding is needed for operation and maintenance costs.

***Anticipated Outcomes:***

If the requested funding is authorized, the State Laboratory will be maintained at a level required by federal, state and industry standards. The Laboratory will be able to continue performing analyses necessary to protect public health and the environment. In addition, adequate funding means that routine maintenance is performed avoiding downtime and costly emergency repairs. In the case of newborns, preventing just a few hours of downtime can be the difference between life and death for an infant.



*Assumptions and Calculations:*

**Table #1 – On-going increase of \$81,450 in FY16-17 and beyond**

CDPHE 3 Year Overview - Bldg Maintenance and Repair Line						
	FY2013	FY2014	FY2015		FY2017	
<b>Services</b>	Expenditures	Expenditures	Expenditures		Request	Assumption
Cleaning Services	\$77,710	\$69,611	\$67,806	25%	\$71,196	5% contractual increase
Waste Disposal Services	\$19,664	\$14,476	\$15,262	6%	\$16,025	5% contractual increase
Exterior Grounds Maintenance\Snow Removal	\$4,366	\$2,302	\$2,949	1%	\$3,206	3 year average
Building Maintenance/Repair Services	\$28,848	\$44,948	\$56,435	21%	\$65,115	3 year average x a 50% increase
Equipment Maintenance/Repair Services	\$63,457	\$36,398	\$59,556	22%	\$79,705	3 year average x a 50% increase
Other Purchased Services	\$21,246	\$7,230	\$9,926	4%	\$19,201	3 year average x a 50% increase
<b>Sub-Total Services</b>	<b>\$215,291</b>	<b>\$174,964</b>	<b>\$211,934</b>	<b>78%</b>	<b>\$254,449</b>	
<b>Supplies</b>						
Other Supplies and Materials	\$16,025	\$35,002	\$9,909	4%	\$30,468	3 year average x a 50% increase
Repair and Maintenance Supplies	\$34,340	\$32,699	\$38,414	14%	\$52,726	3 year average x a 50% increase
Computers\Supplies\Software (required to run the building automation systems, security and building access systems)	\$6,202	\$29,193	\$11,601	4%	\$15,665	3 year average
<b>Sub-Total Supplies</b>	<b>\$56,567</b>	<b>\$96,894</b>	<b>\$59,924</b>	<b>22%</b>	<b>\$98,860</b>	

<b>Total Expenses</b>	\$271,858	\$271,858	\$271,858		\$353,308
<b>Appropriation</b>	\$271,858	\$271,858	\$271,858		\$271,858
<b>Balance</b>	\$0	\$0	\$0		(\$81,450)

**Table #2 - One-time increase of \$338,507 in FY16-17**

<b>Colorado Department of Public Health and Environment</b>					
<b>State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015</b>					
<b>Description</b>	<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>		<b>One-Time Maintenance Request</b>	<b>Capital Request</b>
<b>Architectural</b>					
1 Foundation	\$0	\$0		\$0	\$0
2 Columns and Exterior Walls	\$73,705	\$75,916		\$75,916	\$0
3 Flooring Systems	\$56,298	\$57,987		\$57,987	\$0
4 Roof System	\$656,800	\$676,504		\$37,904	\$638,600
5 Ceiling System	\$17,300	\$17,819		\$17,819	\$0
6 Interior Walls and Partitions	\$61,342	\$63,183		\$63,183	\$0
7 Window Systems	\$9,888	\$10,185		\$10,185	\$0
8 Doors	\$11,995	\$12,355		\$12,355	\$0
9 Parking Lot and Site	\$5,905	\$6,083		\$6,083	\$0
<b>Total Architectural</b>	<b>\$893,235</b>	<b>\$920,032</b>		<b>\$281,432</b>	<b>\$638,600</b>
<b>Mechanical Systems</b>					
1 Cooling and Ventilation System	\$115,000	\$118,450		\$10,300	\$108,150
2 Heating System	\$12,600	\$12,978		\$12,978	\$0
3 Plumbing System	\$33,450	\$34,454		\$13,854	\$20,600
4 Electrical System	\$5,543	\$5,709		\$5,709	\$0
5 Life Safety System	\$13,820	\$14,235		\$14,235	\$0
<b>Total Mechanical</b>	<b>\$180,413</b>	<b>\$185,825</b>		<b>\$57,075</b>	<b>\$128,750</b>
<b>Total Need</b>	<b>\$1,073,648</b>	<b>\$1,105,857</b>		<b>\$338,507</b>	<b>\$767,350</b>

<b>Appendix A</b>					
<b>State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015</b>					
<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>Architectural</b>					
<b>Architectural Deficiencies - 1 Foundation</b>					
N/A		\$0	\$0	\$0	\$0
	<b>Subtotal - Foundation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Architectural Deficiencies - 2 Columns and Exterior Walls</b>					
Sealant damage at underside of metal fascia		\$650	\$670	\$670	
Water damaged exterior ceiling panels at entry		\$1,250	\$1,288	\$1,288	
Oxidation on column and base plates @ entry	\$150.00 per column	\$300	\$309	\$309	
Oxidation on exterior structure @ entry		\$1,200	\$1,236	\$1,236	
Oxidation on columns and base plates @ outdoor area	(\$125.00 per column	\$2,000	\$2,060	\$2,060	
Oxidation at exterior steel		\$2,500	\$2,575	\$2,575	
Brick and mortar damage	(\$200 per location)	\$1,200	\$1,236	\$1,236	
Fascia panel damage (replace damaged panel)		\$1,350	\$1,391	\$1,391	
Replace worn out secure drop box makes use difficult (Replace)		\$1,100	\$1,133	\$1,133	
Damage to bricks due to trucks		\$500	\$515	\$515	
Negative drainage at louver due to sinking soil		\$625	\$644	\$644	
Sealant damage where exterior structure penetrates stone veneer		\$900	\$927	\$927	
Mortar damage at stone veneer (remove and replace at all stone wall locations)		\$30,500	\$31,415	\$31,415	
Stucco, backer rod, and insulation damage	(\$12 linear ft)	\$2,880	\$2,966	\$2,966	
Stucco cracking, Expansion joints lacking on stucco finish, Stucco discoloration, Hail damage on stucco finish, Stucco cracking, Stucco damage	(\$3.10 sf for expansion joint installs, hail repair, and paint of entire wall.)	\$15,500	\$15,965	\$15,965	
Remove organics growing out of concrete cracks, fill with backer rod and sealant, provide polyurethane joint at wall slab connection East wall		\$1,250	\$1,288	\$1,288	
Debris buildup at building corner Insect next at light fixture		\$250	\$258	\$258	
Paint discoloration on CMU wall, metal panel walls, and steel structure in outdoor utility area		\$7,250	\$7,468	\$7,468	
Brick damage at dumpster storage location (plate steel repair)		\$2,500	\$2,575	\$2,575	
	<b>Subtotal - Columns and Exterior Walls</b>	<b>\$73,705</b>	<b>\$75,916</b>	<b>\$75,916</b>	<b>\$0</b>

<b>Appendix A</b>					
<b>State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015</b>					
<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>Architectural Deficiencies - 3 Flooring Systems</b>					
Floor imperfection/ridge causing damage to floor tiles.	\$10/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)	\$5,000	\$5,150	\$5,150	
Floor tiles stained and damaged Large gaps in floor tiles, potential for future damage	\$12/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)	\$26,492	\$27,287	\$27,287	
Repair epoxy floor		\$5,132	\$5,286	\$5,286	
Non-matching carpet tiles	(\$20/sf to remove and replace)	\$200	\$206	\$206	
Carpet tiles improperly installed (not glued) 150 sf	remove and replace base, prep floor glue down existing carpet	\$1,200	\$1,236	\$1,236	
Floor tile and concrete below damaged	\$12/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)	\$8,214	\$8,460	\$8,460	
Concrete floor cracked and stained	\$4.00 linear foot for joint sealant.	\$3,560	\$3,667	\$3,667	
Sealant damaged at concrete floor	\$4.00 linear foot for joint sealant sealant remove and repair		\$0	\$0	
Access floor panels warped		\$6,500	\$6,695	\$6,695	
	<b>Subtotal - Floor System</b>	<b>\$56,298</b>	<b>\$57,987</b>	<b>\$57,987</b>	<b>\$0</b>
<b>4 Deficiencies - Roof System</b>					
Parapet flashing sealant deteriorated	@ (\$11/lf) prep, paint, repair sealant Possible replacement during future roof replacement	\$9,900	\$10,197	\$10,197	
Tree and cleaning maintenance required		\$850	\$876	\$876	
Roof drains needs to be painted	\$150 (each)	\$2,400	\$2,472	\$2,472	
Roof membrane damage	(based on full roof replacement and flashing upgrades at \$450	\$620,000	\$638,600		\$638,600
Cleaning required		\$250	\$258	\$258	
Paint touch up on metal roof	(\$1,700.00 per skylight doghouse @ 12 total locations. Each doghouse 450-500 sf or prep and paint area)	\$20,400	\$21,012	\$21,012	
Steam vent needs solution		\$1,500	\$1,545	\$1,545	
Bridge at parapet cap needs solution		\$1,500	\$1,545	\$1,545	
	<b>Subtotal - Roof System</b>	<b>\$656,800</b>	<b>\$676,504</b>	<b>\$37,904</b>	<b>\$638,600</b>

<b>Appendix A</b>					
<b>State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015</b>					
<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>5 Deficiencies - Ceiling System</b>					
Ceiling tile damage due to roof leakage (indicative of entire building). Estimate is based on 10% of acoustical ceiling areas needed repair / replacement work.	(based on \$3.50 /sf for acoustical ceiling tile repair and replacement)	\$8,750	\$9,013	\$9,013	
Debris in ceiling space		\$50	\$52	\$52	
Gypsum ceiling damage Estimate is based on 500 sf of repair / replacement work. Minor gyp repair at locations primary patch and paint)	(\$5/sf)	\$2,500	\$2,575	\$2,575	
Sound dampening water damage (Estimate is based on 300 sf of acoustical spray areas needing repair / replacement work.)	(\$20/sf)	\$6,000	\$6,180	\$6,180	
	<b>Subtotal - Ceiling System</b>	<b>\$17,300</b>	<b>\$17,819</b>	<b>\$17,819</b>	<b>\$0</b>
<b>6 Deficiencies - Interior Walls and Partitions</b>					
Wall finish damage	(\$12/sf of damage)	\$38,800	\$39,964	\$39,964	
Sound dampening water damage		\$187	\$192	\$192	
Countertop finish damage	\$8/sf to polish	\$10,032	\$10,333	\$10,333	
Rubber base damage	(\$2.30/lf)	\$7,360	\$7,581	\$7,581	
Tile missing		\$250	\$258	\$258	
Veneer on railing chipped off, Casework veneer peeling off, Casework damage		\$1,500	\$1,545	\$1,545	
Expansion joint missing, wall and ceiling finish damage		\$2,598	\$2,675	\$2,675	
Abandoned penetrations in CMU wall		\$304	\$313	\$313	
Countertop needs caulk	\$3/lf	\$20	\$21	\$21	
Wood trim damage		\$151	\$155	\$155	
Sound dampening water damage		\$141	\$145	\$145	
	<b>Subtotal - Interior Walls and Partitions</b>	<b>\$61,342</b>	<b>\$63,183</b>	<b>\$63,183</b>	<b>\$0</b>
<b>7 Deficiencies - Window Systems</b>					
Window frame dented		\$417	\$430	\$430	
Caulk deteriorating	\$477.20 per window (scaffold, remove existing sealant, replace w/ new sealant)	\$8,121	\$8,365	\$8,365	
Frame needs paint	\$195.00 per window (scaffold, acid wash)	\$975	\$1,004	\$1,004	
Cleaning required		\$375	\$386	\$386	
	<b>Subtotal - Window Systems</b>	<b>\$9,888</b>	<b>\$10,185</b>	<b>\$10,185</b>	<b>\$0</b>

<b>Appendix A</b>						
<b>State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015</b>						
<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>		<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>8 Deficiencies - Doors</b>						
Door damage due to improper alignment		\$357	\$368		\$368	
Frame damage due to improper alignment		\$60	\$62		\$62	
Door panel and hardware damage		\$1,438	\$1,481		\$1,481	
Door panel damage		\$357	\$368		\$368	
Door panel damage		\$357	\$368		\$368	
Door panel damage		\$357	\$368		\$368	
Door hardware issue		\$365	\$376		\$376	
Door damage due to improper alignment		\$357	\$368		\$368	
Frame damage due to improper alignment		\$60	\$62		\$62	
Door frame needs paint touch up		\$60	\$62		\$62	
Weather strip damage		\$75	\$77		\$77	
Door frame damage		\$332	\$341		\$341	
Door damage and oxidation		\$758	\$781		\$781	
Door damage and oxidation		\$758	\$781		\$781	
Strike plate missing		\$36	\$37		\$37	
Door hardware issue		\$365	\$376		\$376	
Damage at hinges		\$365	\$376		\$376	
Door damage due to improper alignment		\$60	\$62		\$62	
Door closer damage		\$183	\$188		\$188	
Door damage at hinges		\$365	\$376		\$376	
Door threshold damage		\$75	\$77		\$77	
Door does not latch correctly		\$365	\$376		\$376	
Door closer damage		\$183	\$188		\$188	
Weather stripping damage		\$75	\$77		\$77	
Panic hardware damage		\$1,081	\$1,113		\$1,113	
Louver needs touch-up		\$315	\$324		\$324	
Gate misaligned		\$657	\$677		\$677	
Sealant damage above door		\$140	\$144		\$144	
Door damage due to improper alignment		\$60	\$62		\$62	
Door panel and panic hardware damage		\$1,438	\$1,481		\$1,481	
Freezer door does not latch automatically		\$500	\$515		\$515	
Door stop damaged		\$40	\$41		\$41	
		<b>Subtotal - Doors</b>	<b>\$11,995</b>	<b>\$12,355</b>	<b>\$12,355</b>	<b>\$0</b>

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<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>9 Deficiencies - Parking Lot and Site</b>					
Landscape edging maintenance required		\$120	\$124	\$124	
Concrete pad sinking at point of entry	(\$935 per location; 6 locations)	\$5,610	\$5,778	\$5,778	
Asphalt surface cracking; parking lines need to be repainted	\$781.41 per 1000 sf		\$0	\$0	
Sign post oxidizing; paint touch-up needed		\$175	\$180	\$180	
Concrete flatwork cracked	\$6.52 per sf		\$0	\$0	
Parking stop damaged	\$20.85 per lf		\$0	\$0	
	<b>Subtotal - Parking Lot and Site</b>	<b>\$5,905</b>	<b>\$6,083</b>	<b>\$6,083</b>	<b>\$0</b>
	<b>Total Architectural</b>	<b>\$893,235</b>	<b>\$920,032</b>	<b>\$281,432</b>	<b>\$638,600</b>
<b>Mechanical Systems</b>					
<b>Mechanical Systems Deficiencies - 1 Cooling and Ventilation System</b>					
Cooling Tower - Access on all sides not available; Review with safety personnel	includes steel platform.	\$5,000	\$5,150		\$5,150
Cooling Tower Fill Material - Scaling on fill material; tower performance affected; Clean or replace fill material	per tower	\$2,000	\$2,060	\$2,060	
Tower Piping and Support - Rusting; Replace or paint support/pipe	for replacement	\$500	\$515	\$515	
Tower Piping - Rusted; Paint piping	for painting	\$750	\$773	\$773	
Tower Motor - Wooden plank support for belt guard; Secure belt guard properly and remove wooden plank		\$600	\$618	\$618	
Tower Inlet Pipe - Gasket damaged; Replace the gasket		\$100	\$103	\$103	
Chiller - R-22 refrigerent; Plan for replacing the chillers	\$50,000 per chiller	\$100,000	\$103,000		\$103,000
Chiller - Insulation damaged; Repair insulation		\$500	\$515	\$515	
Condenser Water Pump - Condition ok		\$0	\$0	\$0	
1Chemical Treatment Plan - Condition ok		\$0	\$0	\$0	
Chilled Water Supply Pumps with VFD -Condition ok		\$0	\$0	\$0	
Office Air Distribution - Condition ok		\$0	\$0	\$0	
Office Air Distribution - Deflector at the grille; Rebalancing required		\$250	\$258	\$258	
Fire Curtain - Condition ok; Verify operation		\$0	\$0	\$0	
Lab Exhaust Fan - No identification tags; Provide tags		\$500	\$515	\$515	
Lab Exhaust Fan - Flexible connector damaged; Replace flexible connector	\$300 per fan	\$4,800	\$4,944	\$4,944	
OA Intake Louver - Close to boiler vent; verify outside air requirement in the mechanical room and block off portion of louver close to boiler vent - ***Per CDPHE they don't have any problem with this arrangement		\$0	\$0	\$0	
	<b>Subtotal - 1 Cooling and Ventilation System</b>	<b>\$115,000</b>	<b>\$118,450</b>	<b>\$10,300</b>	<b>\$108,150</b>

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<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>Mechanical Systems Deficiencies - 2 Heating System</b>					
Hot Water Boilers - Condition ok		\$0	\$0	\$0	
Steam Boiler - Condition ok		\$0	\$0	\$0	
Steam De-aerator and Boiler Feed System - Condition ok		\$0	\$0	\$0	
Hot Water Pump - Condition ok		\$0	\$0	\$0	
DDC Control Pan - Condition ok		\$0	\$0	\$0	
RTU-1 Supply fan flexible ripped		\$300	\$309	\$309	
RTU-1 Water marks and dirt on floor	for cleaning	\$200	\$206	\$206	
RTU-1 coil fins damaged	for combing the fins	\$250	\$258	\$258	
RTU-4 Grease dripping on the floor	for cleaning	\$250	\$258	\$258	
RTU-4 Non Stainless steel portion rusted	for epoxy painting	\$400	\$412	\$412	
RTU-5 Fan Section Rusted	for epoxy painting	\$400	\$412	\$412	
Evaporative cooling section decommissioned		\$0	\$0	\$0	
RTU-2 Grease dripping on motor and belt drive	for cleaning	\$250	\$258	\$258	
RTU-2 Grease oil on the fan section floor	for cleaning	\$250	\$258	\$258	
RTU-1 Roof leakage water marks	for cleaning	\$200	\$206	\$206	
RTU-3 Grease in the drain pan	for cleaning	\$500	\$515	\$515	
RTU-2 Water marks on floor	for cleaning	\$200	\$206	\$206	
RTU-3 Leaking hydraulic jack	for replacement of jack	\$1,000	\$1,030	\$1,030	
2.13.19 RTU-5 Rusted gas piping	for painting	\$200	\$206	\$206	
2.13.20 Supply diffuser needs maintenance	\$100 per diffuser	\$100	\$103	\$103	
2.13.23 RTU intake filter needs maintenance	for repairing filter frame	\$1,000	\$1,030	\$1,030	
RTU intake filter needs maintenance	for repairing filter frame	\$1,000	\$1,030	\$1,030	
RTU intake filter needs maintenance	for repairing filter frame	\$1,000	\$1,030	\$1,030	
RTU intake filter needs maintenance	for repairing filter frame	\$1,000	\$1,030	\$1,030	
All RTU Units needs touch-up paint	\$3.00 per SF	\$3,000	\$3,090	\$3,090	
Catwalk needs touch-up paint	\$5.00 per SF		\$0	\$0	
Catwalk needs touch-up paint	\$5.00 per SF		\$0	\$0	
Catwalk needs touch-up paint	\$5.00 per SF		\$0	\$0	
Catwalk needs touch-up paint	\$5.00 per SF		\$0	\$0	
Catwalk needs touch-up paint	\$5.00 per SF		\$0	\$0	
Remove wood blocking/debris	for removal and fixing the belt guard	\$200	\$206	\$206	
Louver closing mechanism loose		\$200	\$206	\$206	
Louver closing mechanism loose		\$200	\$206	\$206	
Supply diffuser needs maintenance	\$100 per diffuser	\$100	\$103	\$103	
Supply diffuser needs maintenance	\$100 per diffuser	\$100	\$103	\$103	
Diffuser cover missing	for new diffuser	\$150	\$155	\$155	
Diffuser needs maintenance	for new diffuser	\$150	\$155	\$155	
<b>Subtotal - 2 Heating System</b>		<b>\$12,600</b>	<b>\$12,978</b>	<b>\$12,978</b>	<b>\$0</b>



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<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>Mechanical systems Deficiencies - 3 Plumbing System</b>					
Cylinder Storage Room - Inadequate ventilation; Verify ventilation provided and modify to meet current requirements	for new fan and controls	\$3,500	\$3,605	\$3,605	
Storage Room - Combustible material; Verify quantity of combustible material stored is in line with fire suppression provided		\$0	\$0	\$0	
Domestic Water Back Flow Preventer -Condition ok	Replacement cost 1.5 per sf	\$3,000	\$3,090	\$3,090	
Hot Water Heaters - Not high efficiency; Investigate the possibility of replacing hot water heaters with high efficiency water heaters	\$10000 for each heater	\$20,000	\$20,600		\$20,600
Lab Vacuum - Condition ok however system is old	Replacement cost \$ 3 per sf		\$0	\$0	
House Vacuum - Condition ok however system is old	Replacement cost \$ 2 per sf		\$0	\$0	
Controls Air Compressor - Condition ok; Investigate the possibility of using all DDC electric control and eliminate pneumatics and use of air compressor. This will save energy used in generating compressed air.	Replacement cost \$ 0.5 per sf		\$0	\$0	
DI Water System - Condition ok	Replacement cost \$ 1 per sf		\$0	\$0	
Mechanical Room Exhaust Fan - Did not operate and appears to be undersized;Verify exhaust fan operation and amount of exhaust required	for new fan and controls	\$3,500	\$3,605	\$3,605	
Utility sink maintenance required	for new sink	\$2,000	\$2,060	\$2,060	
Condensate drain solution in question		\$0	\$0	\$0	
Heavy build-up on faucet	to replace faucet	\$100	\$103	\$103	
Heavy staining on sink	for cleaning sink	\$50	\$52	\$52	
Fixtures heavily tarnished	for cleaning sink fixtures	\$100	\$103	\$103	
Sealant required at sink basin	for sealant	\$100	\$103	\$103	
Fixtures deteriorating; broken metal	to replace fixtures	\$250	\$258	\$258	
Fixtures deteriorating; broken metal	to replace fixtures	\$250	\$258	\$258	
Lamb's tongue missing	to replace lamb tongue	\$100	\$103	\$103	
Drainage solution needed	Replacement cost \$2.25 per sf	\$400	\$412	\$412	
Lamb's tongue missing	to replace lamb tongue	\$100	\$103	\$103	
<b>Subtotal - 3 Plumbing System</b>		<b>\$33,450</b>	<b>\$34,454</b>	<b>\$13,854</b>	<b>\$20,600</b>

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<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>Mechanical Systems Deficiencies - 4 Electrical System</b>					
RTU Service Receptacle - Non-GFCI type, no weatherproof cover; Replace with GFCI and weatherproof cover	\$97 per receptacle	\$388	\$400	\$400	
Exhaust Fan Controllers - Controllers are not secure; Properly secure	\$65 per controller	\$65	\$67	\$67	
Flexible Conduit on Roof - PVC coating is failing; Replace or repair conduit	\$235 per repair	\$65	\$67	\$67	
Open J-box in RTU - Open j-box with exposed wiring; Provide cover	\$12 per j-box cover	\$72	\$74	\$74	
Main Electrical Gear - Good Condition		\$0	\$0	\$0	
Motor Control Center - Good Condition; Replace burned out indicator lights	\$136 per pilot light	\$136	\$140	\$140	
Main Electrical Room - Good Condition		\$0	\$0	\$0	
Typical Panel - Good Condition		\$0	\$0	\$0	
J-box at Ceiling - J-box has proper labeling		\$0	\$0	\$0	
Exhaust Fan Convenience Receptacle - Receptacle was removed; Provide new GFCI type receptacle	\$97 per receptacle	\$97	\$100	\$100	
Office Receptacle - Use of power strips; Add additional power in future renovations		\$0	\$0	\$0	
Corridor Lighting - Typical lighting. Levels appear to be adequate		\$0	\$0	\$0	
Office Lighting - Typical lighting. Levels appear to be adequate		\$0	\$0	\$0	
Office Lighting - Use of daylight harvesting		\$0	\$0	\$0	
Lab Lighting - Use of parabolic fixtures; Retrofit with LED or lensed troffer	\$415 per fixture	\$2,905	\$2,992	\$2,992	
Exterior Lighting - Fixtures have been retrofitted with LED		\$0	\$0	\$0	
Emergency Lighting - Exit signs and emergency heads have been updated		\$0	\$0	\$0	
Emergency Generator - Generator is in good condition, some surface rust present; Clean and paint		\$580	\$597	\$597	
Cover plate missing	\$12 per j-box cover	\$12	\$12	\$12	
Potential water damage on light fixtures due to roof leak	\$318 per fixture assuming an LED replacement	\$0	\$0	\$0	
Cover plate missing	\$12 per j-box cover	\$12	\$12	\$12	
Cover plate missing	\$12 per j-box cover	\$12	\$12	\$12	
Cover plate missing	\$12 per j-box cover	\$12	\$12	\$12	
Door alarm wiring deteriorating		\$175	\$180	\$180	
Light fixture wiring issue	\$500 per fixture assuming an LED replacement	\$500	\$515	\$515	
Cover plate missing	\$12 per j-box cover	\$12	\$12	\$12	
Typical ceiling light mounting clip broken	\$120 per fixture assuming replacing broken clips only.	\$500	\$515	\$515	
<b>Subtotal - 4 Electrical System</b>		<b>\$5,543</b>	<b>\$5,709</b>	<b>\$5,709</b>	<b>\$0</b>

<b>Appendix A</b>					
<b>State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015</b>					
<b>Description</b>		<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>	<b>One-Time Maintenance need</b>	<b>Capital Need</b>
<b>Mechanical systems Deficiencies - 5 Life Safety System</b>					
Sprinkler Main - Back flow preventer is inspected and ok		\$0	\$0	\$0	
Upright Sprinkler Heads in Office Area - Condition ok		\$0	\$0	\$0	
Smoke Curtain in RA Opening - Condition ok		\$0	\$0	\$0	
Sprinkler in Conference Room - Ceiling drop over 6" near sprinkler head; Verify sprinkler coverage with ceiling drop near the head	includes draining and refilling the system.	\$1,200	\$1,236	\$1,236	
Emergency Lighting - Exit signs have been updated		\$0	\$0	\$0	
Emergency Lighting – Emergency lights have been updated		\$0	\$0	\$0	
Panelboards do not contain arc flash labels	for arc flash calculations and labels.	\$12,000	\$12,360	\$12,360	
Ceiling level appears to affect sprinkler functionality. Sprinkler head needs adjusted.	\$250 per sprinkler head	\$250	\$258	\$258	
Glass missing on fire extinguisher cabinet		\$100	\$103	\$103	
Exit sign appears to be missing		\$270	\$278	\$278	
Fire alarm appears to be missing	\$400 per fire alarm device		\$0	\$0	
Exit sign appears to be missing	\$270 per exit sign		\$0	\$0	
Fire caulk missing	\$25 per penetration		\$0	\$0	
Fire caulk missing	\$25 per penetration		\$0	\$0	
Door stop on fire rated door		\$0	\$0	\$0	
Auto door bottom on fire rated door missing	\$175 each		\$0	\$0	
	<b>Subtotal - 5 Life Safety System</b>	<b>\$13,820</b>	<b>\$14,235</b>	<b>\$14,235</b>	<b>\$0</b>
	<b>Total Mechanical</b>	<b>\$180,413</b>	<b>\$185,825</b>	<b>\$57,075</b>	<b>\$128,750</b>
	<b>Total Need</b>	<b>\$1,073,648</b>	<b>\$1,105,857</b>	<b>\$338,507</b>	<b>\$767,350</b>

**Colorado Department of Public Health and Environment**

**State Lab Building - Deficiencies Report provided by RMH Group 05/22/2015**

<b>Description</b>	<b>Current Cost Estimate</b>	<b>3% Inflationary Markup</b>		<b>One-Time Maintenance Request</b>	<b>Capital Request</b>
<b>Architectural</b>					
1 Foundation	\$0	\$0		\$0	\$0
2 Columns and Exterior Walls	\$73,705	\$75,916		\$75,916	\$0
3 Flooring Systems	\$56,298	\$57,987		\$57,987	\$0
4 Roof System	\$656,800	\$676,504		\$37,904	\$638,600
5 Ceiling System	\$17,300	\$17,819		\$17,819	\$0
6 Interior Walls and Partitions	\$61,342	\$63,183		\$63,183	\$0
7 Window Systems	\$9,888	\$10,185		\$10,185	\$0
8 Doors	\$11,995	\$12,355		\$12,355	\$0
9 Parking Lot and Site	\$5,905	\$6,083		\$6,083	\$0
<b>Total Architectural</b>	<b>\$893,235</b>	<b>\$920,032</b>		<b>\$281,432</b>	<b>\$638,600</b>
<b>Mechanical Systems</b>					
1 Cooling and Ventilation System	\$115,000	\$118,450		\$10,300	\$108,150
2 Heating System	\$12,600	\$12,978		\$12,978	\$0
3 Plumbing System	\$33,450	\$34,454		\$13,854	\$20,600
4 Electrical System	\$5,543	\$5,709		\$5,709	\$0
5 Life Safety System	\$13,820	\$14,235		\$14,235	\$0
<b>Total Mechanical</b>	<b>\$180,413</b>	<b>\$185,825</b>		<b>\$57,075</b>	<b>\$128,750</b>
<b>Total Need</b>	<b>\$1,073,648</b>	<b>\$1,105,857</b>		<b>\$338,507</b>	<b>\$767,350</b>

# CDPHE STATE HEALTH BUILDING DEFICIENCIES FOUND SUMMARY REPORT

8100 Lowry Blvd Denver, CO 80230



May 22, 2015

## Table of Contents

- 1.0 Index
- 2.0 Architectural Findings
  - Building Summary
  - Foundation System
  - Column & Exterior Wall System
  - Floor System
  - Roofing System
  - Ceiling System
  - Interior Walls & Partitions System
  - Window System
  - Door System
  - Parking Lot and Site
- 3.0 Mechanical Systems Findings
  - Cooling / Ventilation System
  - Heating System
  - Plumbing System
- 4.0 Electrical Systems Findings
  - Electrical System
- 5.0 Life Safety Systems Findings
  - Life Safety System

## **Architectural Findings**

### 1.0 Systems Evaluated

1. Foundation
2. Columns and Exterior Walls
3. Floor System
4. Roofing System
5. Ceiling System
6. Interior Walls and Partitions
7. Windows
8. Door System
9. Parking Lot and Site

### Foundation

#### 1.1 Systems Evaluated

- Concrete Foundation Walls

#### 1.2 System Evaluation Summary

The foundation of the building appeared to be in good condition based on visual inspection. There are clearly issues with minor differential settlement that are creating issues with the interior floor finish. Cracked walls were not observed, indicating that the foundation walls are not being subjected to the settlement issues. The slab and site flatwork are the only components being adversely affected.

#### 1.3 Cracked Walls

No deficiencies were observed

#### 1.4 Foundation Settlement

The flatwork on the site and the floor finishes near the perimeter of the interior of the building are showing clear signs of differential settlement. The staff has taken steps to mitigate the issues by grinding the sidewalk as necessary. The interior issues should be addressed, as they affect the maintainability of the floor finishes in the vicinity. Refer to the floor and site summaries for more detailed analysis of those issues.

#### 1.5 Foundation Deterioration

No deficiencies were observed

**1.6 Design Load**

No deficiencies were observed

**1.7 Surface Condition**

No deficiencies were observed.

**1.8 Maintainability**

Proper drainage of rainwater away from the building should be established and maintained in order to prevent future issues with the building foundation. Plantings that directly contact the building either above or below ground should be avoided and controlled.

**1.9 Drainage/Infiltration**

Proper drainage of rainwater away from the building should be established and maintained.

**1.10 Deficiency Construction Cost Opinions: Foundation**

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer’s historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

**1.11 Deficiency Index Form: Foundation**

Photograph No.	Description	ROM Cost Opinion
N/A	N/A	-



## Columns and Exterior Walls

### 2.1 Systems Evaluated

- Exterior Steel Columns and Beams
- Exterior Brick Walls
- Exterior Stone Veneer Walls
- Exterior Stucco Walls

### 2.2 System Evaluation Summary

The exterior wall and column materials are in generally good condition. The primary need for maintenance is on the mortar, caulking, and paint. The stucco finish does show evidence of cracking and hail damage, which will likely contribute to issues of water infiltration. Our opinion is that the number of control and expansion joints is not adequate to maintain the surface of the stucco finish.

### 2.3 Physical Condition

With the exception of the stucco and a few specific locations the exterior finish materials appear to be in generally good condition. There is staining, cracking and hail damage on some portions of the stucco. Some evidence of water damage exists near the bottom of stucco fields. The stucco finish appears to be missing control joints in some areas, especially on spine mass at the roof. The area above the loading dock door is damaged due to vehicle impact. The brick is damaged at the trash storage area due to dumpster impact.

### 2.4 Waterproofing

The waterproofing components of the wall systems appear to be functionally adequate. The caulking (see below) and the parapets (see section 4) need maintenance.

### 2.5 Caulking

The caulking throughout the building is showing evidence of breakdown. Repair, replacement and cleaning of sealant material overall is required.

### 2.6 Cleaning/Pointing

The exterior stone veneer shows extensive mortar breakdown. A full re-pointing of the exterior stone finish should be completed. Some staining is also evident, cleaning would be recommended. The brick walls show evidence of mortar breakdown. Some re-pointing and preventative maintenance is required. General cleaning of the exterior surfaces is required. Insect nests, vegetation, and debris buildup is evidence and could cause further deterioration of the finishes and sealants.

## 2.7 Insulation

There is no evidence that the overall insulation of the building is inadequate. Some areas for concern would be the insulation behind damaged exterior finishes or interior areas subject to water damage. Insulation condition should be noted when completing repairs due to water infiltration

## 2.8 Maintainability

Access to the exterior finishes is adequate for maintenance. Control and expansion joints at large stucco fields should be provided to prevent cracking and further erosion in the future.

## 2.9 Painting

The exterior column bases and some exposed steel structure is beginning to oxidize. The oxidation needs to be removed and the bases repainted. Painting touch up on exterior features in general is required.

## 2.10 Deficiency Construction Cost Opinions: Columns and Exterior Walls

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

## 2.11 Deficiency Index Form: Columns and Exterior Walls

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
2.11.1	Sealant damage at underside of metal fascia	\$650.00
2.11.2	Water damaged exterior ceiling panels at entry	\$1,250.00
2.11.3	Oxidation on column and base plates @ entry	\$300 (\$150.00 per column)

2.11.13	Oxidation on exterior structure @ entry	\$1,200.00
2.11.48	Oxidation on columns and base plates @ outdoor area  Oxidation at exterior steel	\$1,500 (\$125.00 per column)  \$2500
2.11.49		
2.11.39		
2.11.40		
2.11.41		
2.11.04	Brick and mortar damage	\$1,200.00 (\$200 per location)
2.11.06		
2.11.07		
2.11.08		
2.11.11		
2.11.05	Fascia panel damage (replace damaged panel)	\$1,350.00
2.11.09	Replace worn out secure drop box makes use difficult (Replace)	\$1,100.00
2.11.10	Damage to bricks due to trucks	\$500.00
2.11.12	Negative drainage at louver due to sinking soil	\$625.00
2.11.14	Sealant damage where exterior structure penetrates stone veneer	\$900.00
2.11.15		
2.11.16		
2.11.36		
2.11.38		
2.11.17	Mortar damage at stone veneer (remove and replace at all stone wall locations)	\$30,500.24
2.11.18		
2.11.31		
2.11.32		
2.11.33		
2.11.34		

2.11.35		
2.11.37		
2.11.19	Stucco, backer rod, and insulation damage	\$2,880.00 (\$12 linear ft)
2.11.20		
2.11.21		
2.11.22		
2.11.23	Stucco cracking	\$15,500.00 (\$3.10 sf for expansion joint installs, hail repair, and paint of entire wall.)
2.11.24		
2.11.50		
2.11.25	Expansion joints lacking on stucco finish	
2.11.26	Stucco discoloration	
2.11.27	Hail damage on stucco finish	
2.11.28		
2.2.11.29		
2.11.30		
2.11.50	Stucco cracking	
2.11.53	Stucco damage	
2.11.54		
2.11.42	Remove organics growing out of concrete cracks, fill with backer rod and sealant, provide polyurethane joint at wall slab connection East wall	\$1,250.00
2.11.43		\$250.00
2.11.44		
2.11.55	Debris buildup at building corner	
2.11.56	Insect next at light fixture	
2.11.45	Paint discoloration on CMU wall, metal panel walls, and steel structure in outdoor utility area	\$7,250.00
2.11.46		

2.11.51	Brick damage at dumpster storage location (plate steel repair)	\$2,500.00
2.11.52		

2.11.01



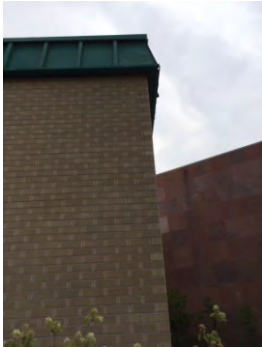
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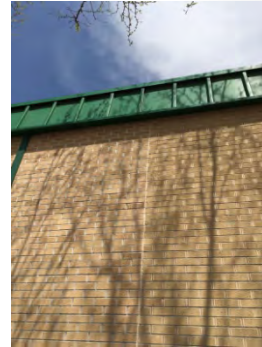
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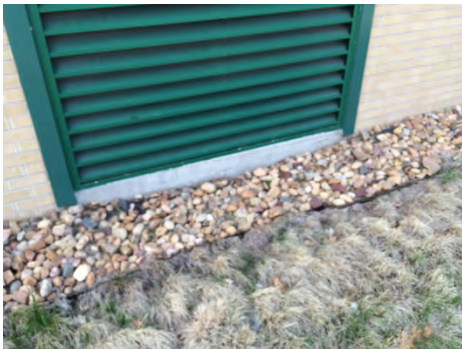
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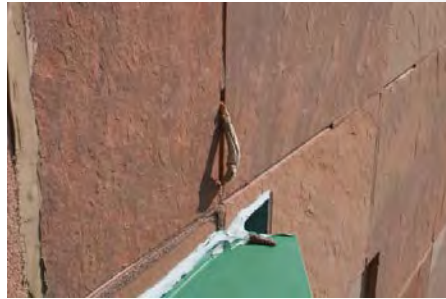
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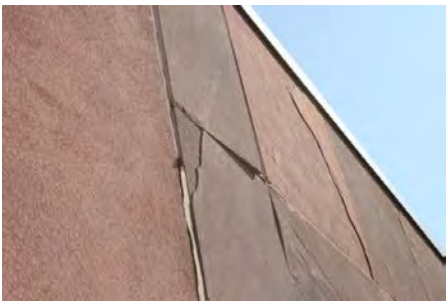
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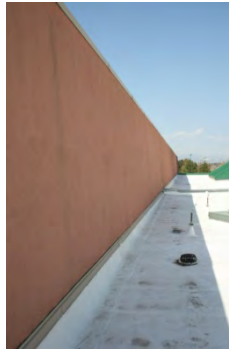
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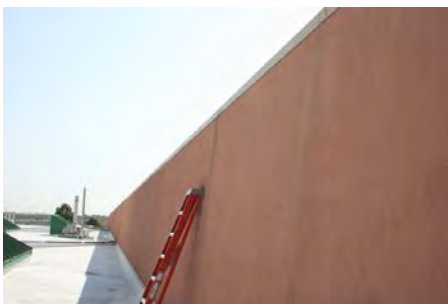
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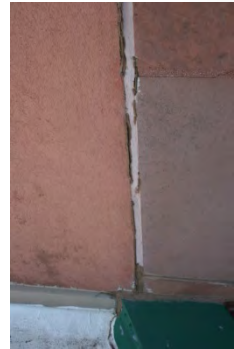
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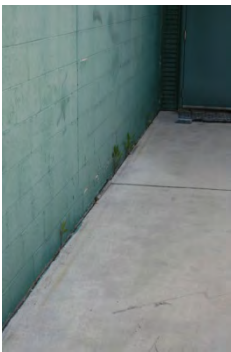
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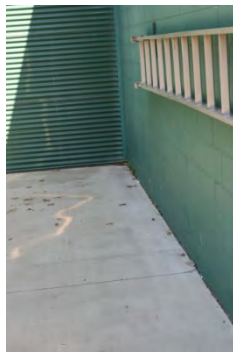
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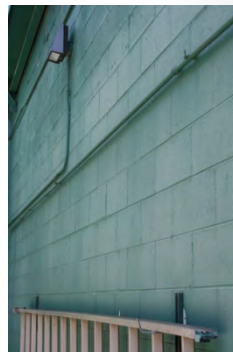
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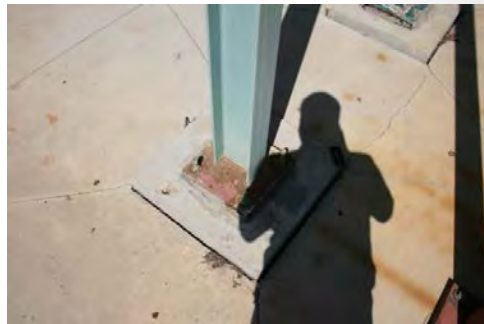
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2.11.53



## Floor System

### 3.1 Systems Evaluated

- Concrete Floors
- Resilient Tile Floors
- Carpet Floors
- Access Floor System
- Epoxy Floor System

### 3.2 System Evaluation Summary

Floor repairs are required throughout the facility. Wear from general use, chemical contact, and slab settlement have contributed to the deterioration of the floor systems.

### 3.3 Structural Condition

The majority of the floor system is sound structurally. Differential settlement in some areas is causing cracking to the floor finishes, observed where resilient floor tile is the floor finish. Some minor cracking is occurring in the exposed concrete floor areas as well.

### 3.4 Maintainability

Resilient tile flooring is becoming difficult to clean and maintain at locations where differential settlement is disturbing the slab. The flooring in the labs is subject to chemicals that appear to be affecting the floor finish. Finally, the condition of the access floor tiles is such that maintenance and cleaning is hindered.

### 3.5 Floor Finish

The floor finish is in good condition except those areas of very heavy usage and chemical exposure. Areas such as the receiving office are worn to the point that replacement is recommended.

### 3.6 Vibration

No deficiencies were observed

### 3.7 Fire Rating

N/A

### 3.8 Design Load

Differential settlement is causing cracking to the concrete slab.

3.9 Acoustical Quality

No deficiencies were observed

3.10 Stairs & Stairwells

The exterior stair to the roof needs paint touch-up.

3.11 Deficiency Construction Cost Opinions: Floor Systems

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer’s historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

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3.12 Deficiency Index Form: Floor Systems

Photograph No.	Description	ROM Cost Opinion
3.12.01	Floor imperfection/ridge causing damage to floor tiles.	\$5000 (\$10/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)
3.12.06		
3.12.08		
3.12.09		
3.12.25		
3.12.26		
3.12.34		
3.12.35		
3.12.36		
3.12.39		
3.12.41		

3.12.42		
3.12.43		
3.12.44		
3.12.45		
3.12.02	Floor tiles stained and damaged	(\$12/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)
3.12.03		
3.12.04		
3.12.05		
3.12.10		
3.12.11		
3.12.12		
3.12.27		
3.12.28		
3.12.29		
3.12.30		
3.12.40	Large gaps in floor tiles, potential for future damage	(\$12/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)
3.12.37	Repair epoxy floor	\$5,132.40
3.12.38		
3.12.07	Non-matching carpet tiles	(\$20/sf to remove and replace)
3.12.22	Carpet tiles improperly installed (not glued) 150 sf	\$1200 remove and replace base, prep floor glue down existing carpet
3.12.13	Floor tile and concrete below damaged	(\$12/sf to remove and replace VCT floor tiles. \$6.50 to prep damaged concrete floor areas)



3.12.14	Concrete floor cracked and stained	\$4.00 linear foot for joint sealant.
3.12.15		
3.12.16		
3.12.17		
3.12.18		
3.12.19		
3.12.20		
3.12.21		
3.12.23	Sealant damaged at concrete floor	\$4.00 linear foot for joint sealant remove and repair
3.12.24		
3.12.31	Access floor panels warped	\$6,500.00
3.12.32		
3.12.33		

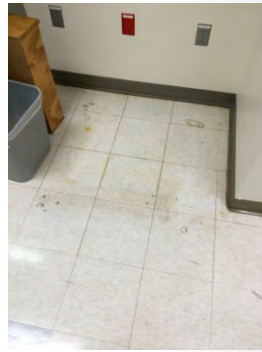
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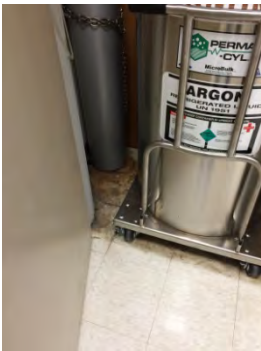
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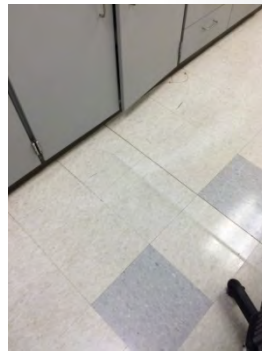
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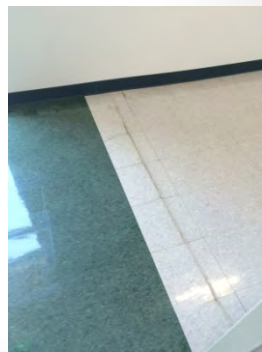
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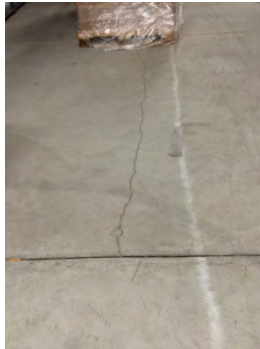
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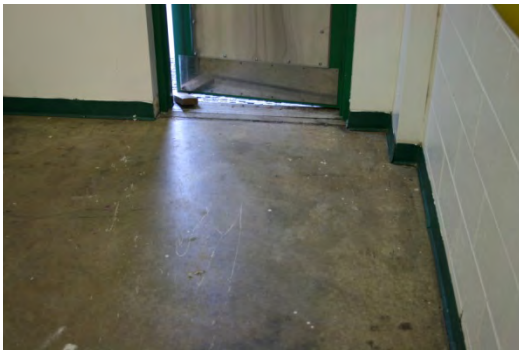
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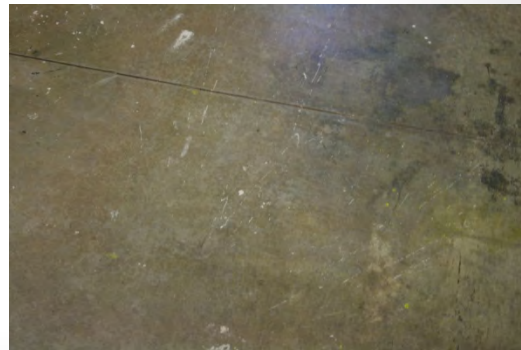
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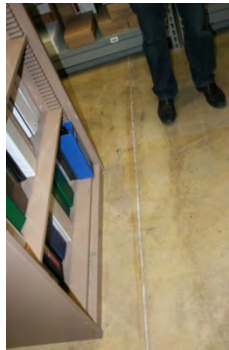
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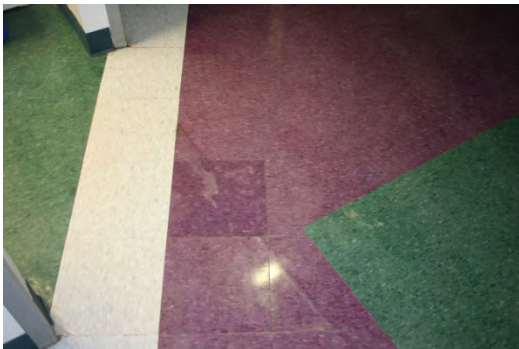
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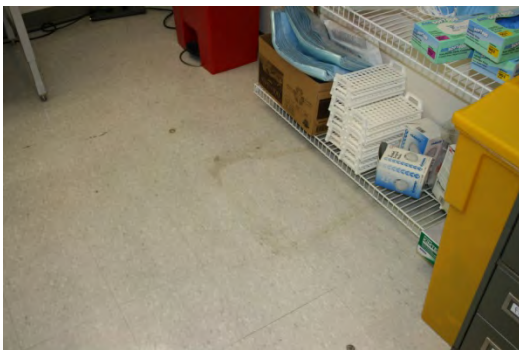
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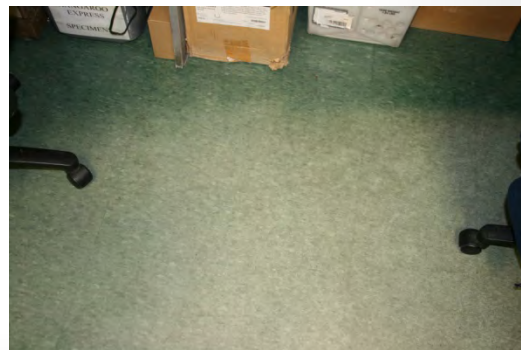
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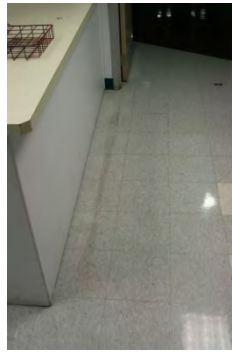
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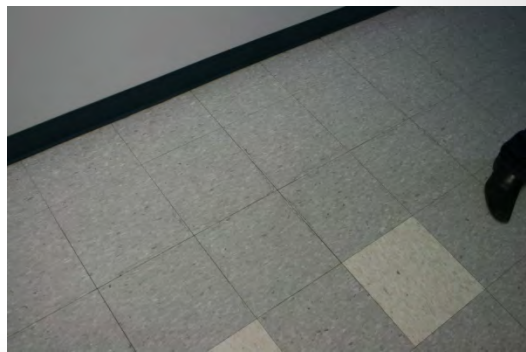
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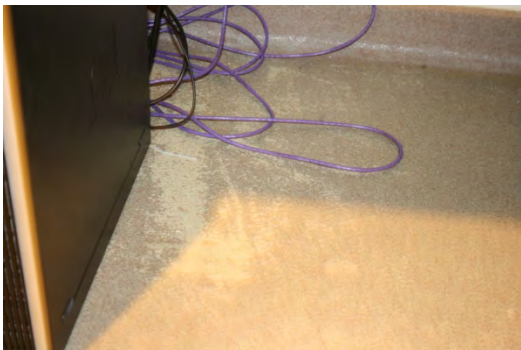
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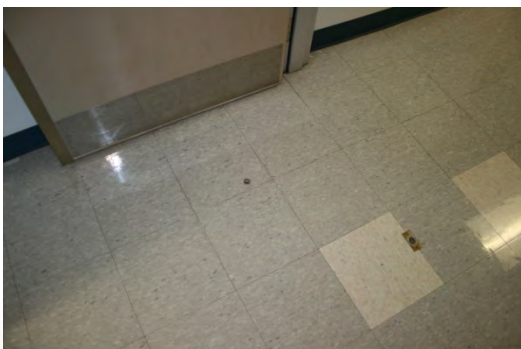
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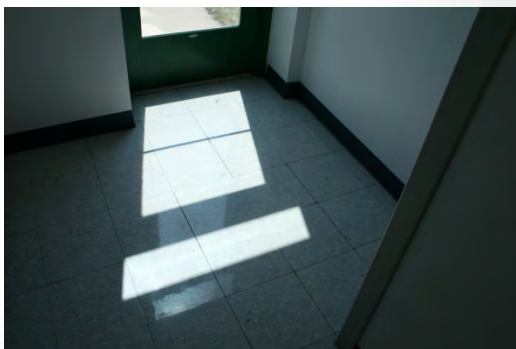
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3.12.39



3.12.40



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3.12.42



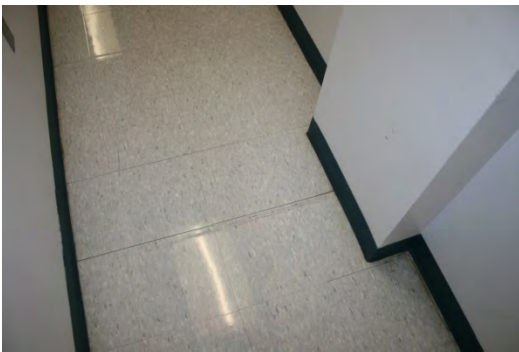
3.12.43



3.12.44



3.12.45





## Roofing System

### 4.1 Systems Evaluated

- Roof Membrane System
- Metal Flashing
- Roof drains

### 4.2 System Evaluation Summary

The existing roof is a modified bitumen roofing system with a granular top layer. The roof system has a topical reflective coating. The roof system requires extensive maintenance. Our opinion is that the deficiencies in the roof system is contributing to the deficiencies of many of the other systems within the building. The typical warranty / life span for modified bitumen roof systems is between 20 and 30 depending on the specific system. Your roof is nearly 18 years old is getting near the end of it life. It is recommended with the number of skylights and penetrations to evaluate a different membrane at time of replacement.

### 4.3 Physical Condition

The roof system has been coated with an elastomeric roof coating in an attempt to solve issues with the original roof as well as extend the lifespan or the original roof system. That coating has deteriorated heavily in some areas, and is showing signs of deterioration throughout the roof. Blistering of the roof membrane exist throughout the roof system. The majority of the parapet caps and other metal flashing need paint touch-up.

### 4.4 Leaks

Leaks are present throughout the roof system. Water follows the slopes before penetrating the building envelope, making the sources of leaks difficult to specifically locate. Holes are visible in the roof at many plumbing vent penetrations.

### 4.5 Drainage

Standing water was observed at many of the roof drain locations. The steam vents create a steady flow of water on the roof. A bucket and hose are being used to create an effective solution to mitigate the wear on the roof, but does not appear to be an long term solution.

### 4.6 Insulation

No deficiencies were observed in the roofing insulation. However, the water damage observed throughout the building would indicate that some amount of damage must existing in the roof insulation.

### 4.7 Dissimilar Types

The roof construction appears to be uniform across the entire system.

4.8 Fire Rating

N/A

4.9 Design Load

No deficiencies were observed.

4.10 Opening & Specialties

No deficiencies were observed.

4.11 Maintainability

Some areas of the roof are subject to debris from adjacent trees. Tree maintenance and additional cleaning should be done to prevent damage and deterioration to the roof. The majority of the roof is easily accessible for maintenance.

4.12 Deficiency Construction Cost Opinions: Roof System

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

4.13 Deficiency Index Form: Roof System

Photograph No.	Description	ROM Cost Opinion
4.13.01	Parapet flashing sealant deteriorated	\$9,900.00 @ (\$11/lf) prep, paint, repair sealant. Possible replacement during future roof replacement.
4.13.02		
4.13.03		
4.13.04		

4.13.05		
4.13.06		
4.13.15		
4.13.16		
4.13.17		
4.13.18		
4.13.21		
4.13.22		
4.13.23		
4.13.24		
4.13.45		
4.13.46		
4.13.47		
4.13.48		
4.13.49		
4.13.50		
4.13.07	Tree and cleaning maintenance required	\$850.00
4.13.08		
4.13.09		
4.13.10	Roof drains needs to be painted	\$150 (each)
4.13.11		
4.13.12	Roof membrane damage	\$620,000.00 (based on full roof replacement and flashing upgrades at \$450 square)
4.13.13		
4.13.19		
4.13.20		
4.13.25		
4.13.26		
4.13.27		

4.13.28		
4.13.29		
4.13.30		
4.13.31		
4.13.32		
4.13.33		
4.13.34		
4.13.35		
4.13.36		
4.13.37		
4.13.38		
4.13.39		
4.13.51		
4.13.52		
4.13.53		
4.13.60		
4.13.66		
4.13.14	Cleaning required	\$250.00
4.13.40	Paint touch up on metal roof	\$20,400.00 (\$1,700.00
4.13.41		per skylight doghouse @
4.13.42		12 total locations. Each
4.13.43		doghouse 450-500 sf or
4.13.44		prep and paint area)
4.13.54		
4.13.55		
4.13.56		
4.13.57		
4.1358		

4.13.59		
4.13.61	Steam vent needs solution	\$1500.00
4.13.64		
4.13.65		
4.13.62	Bridge at parapet cap needs solution	\$1500.00
4.13.63		

4.13.01



4.13.02



4.13.03



4.13.04



4.13.4.05



4.13.06



4.13.07



4.13.08



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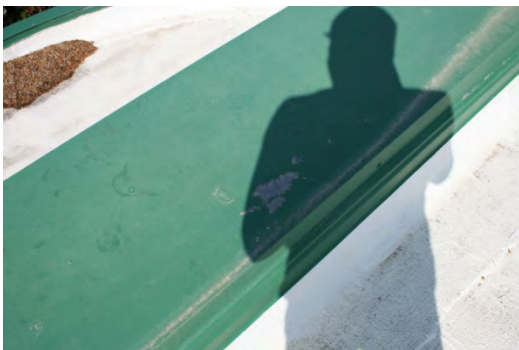
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4.13.20



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4.13.22



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4.13.27



4.13.28



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4.13.36



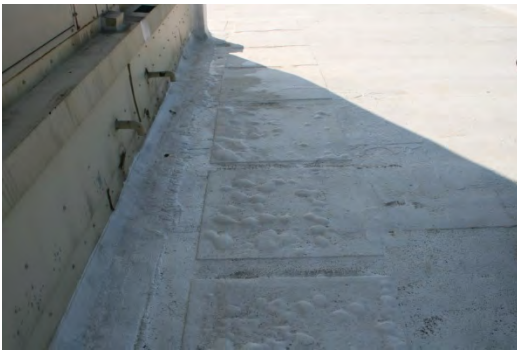
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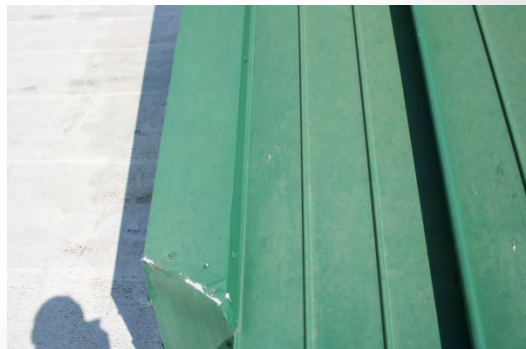
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4.13.41



4.13.42



4.13.43



4.13.44



4.13.45



4.13.46



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4.13.48



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4.13.50



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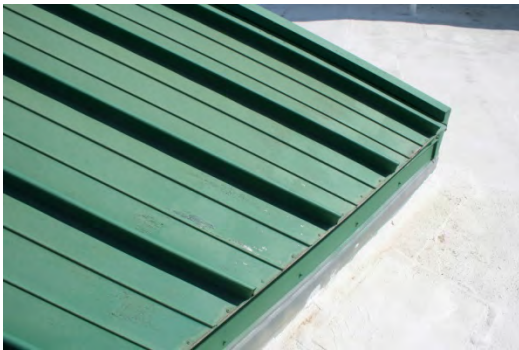
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4.13.57



4.13.58



4.13.59



4.13.60



4.13.61



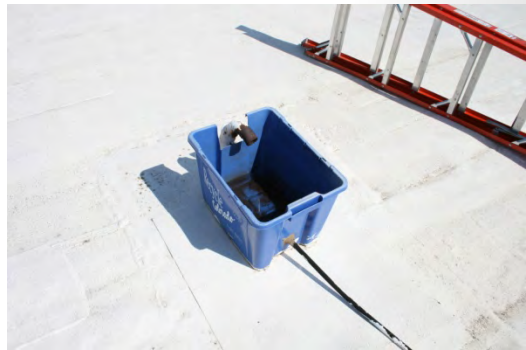
4.13.62



4.13.63



4.13.64



4.13.65



4.13.66





## Ceiling System

### 5.1 Systems Evaluated

- Drop-in Acoustic Ceiling Tiles
- Gypsum Board Ceilings
- Exposed Structure with Acoustical spray

### 5.2 System Evaluation Summary

The ceiling systems throughout the building have evidence of water damage.

### 5.3 Physical Condition

Ceiling tiles throughout the building need to be replaced due to water damage. The grid in some locations also needs repair/adjustment. Some areas of hard lid ceiling also have peeled paint and gypsum board damage due to water infiltration. Water has also damaged the sound dampening spray foam in open office areas.

### 5.4 Suitability

No deficiencies were observed.

### 5.5 Accessibility

No deficiencies were observed.

### 5.6 Appearance

Darker colored accent tiles are in the process of being replaced. The ceiling appearance in many of the labs is currently suffering due to the lack of design consistency.

### 5.7 Maintainability

No deficiencies were observed.

### 5.8 Acoustical Quality

No deficiencies were observed.

### 5.9 Deficiency Construction Cost Opinions: Ceiling Systems

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely

fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

5.10 Deficiency Index Form: Ceiling Systems

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
5.10.01 5.10.05 5.1006 5.10.07 5.10.08 5.10.09 5.10.11 5.10.12 5.10.13 5.10.14	Ceiling tile damage due to roof leakage (indicative of entire building). Estimate is based on 10% of acoustical ceiling areas needed repair / replacement work.	\$8,750.00 (based on \$3.50 /sf for acoustical ceiling tile repair and replacement)
5.10.02	Debris in ceiling space	\$50.00
5.10.03 5.10.04 5.10.10	Gypsum ceiling damage. (Estimate is based on 500 sf of repair / replacement work. Minor gyp repair at locations primary patch and paint)	\$2,500.00 (\$5/sf)
5.10.15	Sound dampening water damage (Estimate is based on 300 sf of acoustical spray areas needing repair / replacement work.)	\$6,000.00 (\$20/sf)

5.10.01



5.10.02



5.10.03



5.10.04



5.10.05



5.10.06



5.10.07



5.10.08



5.10.09



5.10.10



5.10.11



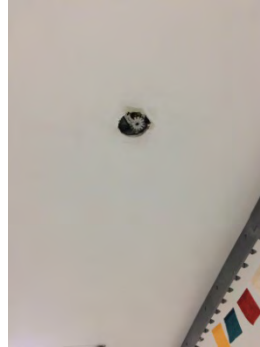
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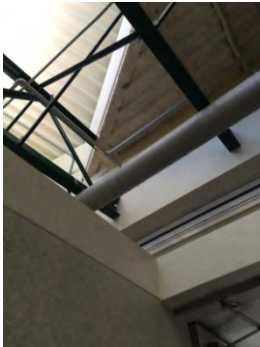
5.10.13



5.10.14



5.10.15



## Interior Walls and Partitions

### 6.1 Systems Evaluated

- Demountable Partition System
- Metal Stud Rigid Walls

### 6.2 System Evaluation Summary

The walls throughout the facility are in fair condition. Regular wear, water damage, and chemical exposure have all contributed to their deterioration.

### 6.3 Strength & Stability

Our team observed an area of wall near room 218 that appears to be missing an expansion joint. The walls on both sides of the hall way need an additional joint. The extent of the joint and any affected construction should be investigated. The walls were observed to be adequate in terms of strength and stability. However, continued exposure to water damage could quickly change their condition.

### 6.4 Appearance

There are locations throughout the facility with peeling paint and wallcovering damage due most likely to moisture content in the air as well as paint quality. There are also areas where regular impact with the wall has contributed to paint and wallboard damage. The labs have numerous examples of rubber base breakdown, as well as staining most likely due to chemical exposure.

### 6.5 Physical Condition

The walls are in generally good physical condition. Areas such as the wood shop contain examples of impact damage to the walls. Water damage is also prevalent. Paint is clearly peeled in many locations due to water infiltration indicating likely wallboard damage as well. Casework laminate is peeling off in many of the lab and back-of-house locations.

### 6.6 Acoustical Quality

No functional deficiencies were observed. Water damage was observed on some panels in the open office spaces.

### 6.7 Adaptability

The lab spaces and their adjoining office spaces appear to offer sufficient adaptability for the user. Some spaces near the receiving office are less successful than other spaces within the facility. Wall openings, workspace layouts, and lighting conditions are less conducive to a productive environment than their originally designed counterparts. The building as a whole offers significant opportunity for expanded usage and adaptability of usage.

### 6.8 Maintainability

Most of the walls are standard painted walls that appear to be easily maintained. The finishes on some of the walls in the office areas appear to be a difficult finish to match and repair. The maintainability of the walls in the facility is being adversely affected by the water damage due to roof and window leaks. A significant portion of the observed damage appears to be a recurring issue unrelated to the wall systems.

### 6.9 Specialties

No deficiencies were observed.

### 6.10 Deficiency Construction Cost Opinions: Interior Walls and Partitions

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

### 6.11 Deficiency Index Form: Interior Walls and Partitions

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
6.11.01	Wall finish damage	\$38,800 (\$12/sf of damage)
6.11.02		
6.11.09		
6.11.10		
6.11.12		
6.11.14		
6.11.25		
6.11.26		
6.11.27		

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6.11.64		
6.11.65		



6.11.66		
6.11.03	Sound dampening water damage	\$186.80
6.11.04	Countertop finish damage	\$8/sf to polish
6.11.48		
6.11.05	Rubber base damage	\$7,360.00 (\$2.30/lf)
6.11.06		
6.11.07		
6.11.08		
6.11.15		
6.11.20		
6.11.21		
6.11.22		
6.11.23		
6.11.24		
6.11.47		
6.11.11	Tile missing	\$250.00
6.11.13	Veneer on railing chipped off	\$1500.00
6.11.44	Casework veneer peeling off	
6.11.45	Casework damage	
6.11.51		
6.11.52		
6.11.16	Expansion joint missing, wall and ceiling finish damage	\$2597.50
6.11.17		
6.11.18		
6.11.19	Abandoned penetrations in CMU wall	\$304.00
6.11.49	Countertop needs caulk	\$3/lf
6.11.50	Wood trim damage	\$150.74
6.11.58	Sound dampening water damage	\$141.26

6.11.01



6.11.02



6.11.03



6.11.04



6.11.05



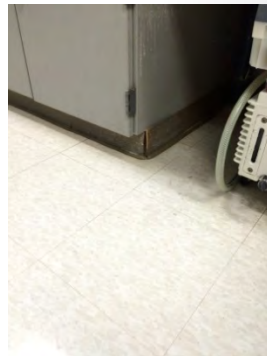
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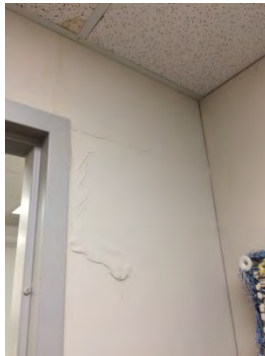
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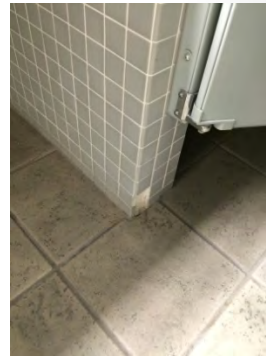
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6.11.11



6.11.12



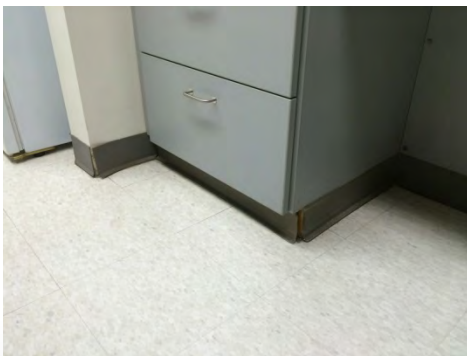
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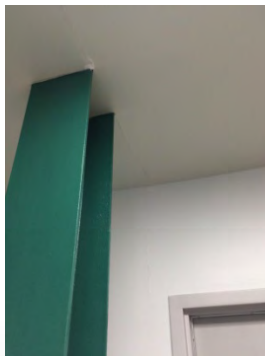
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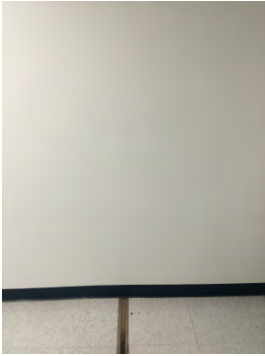
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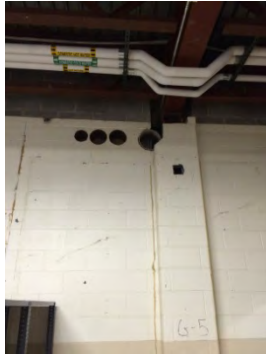
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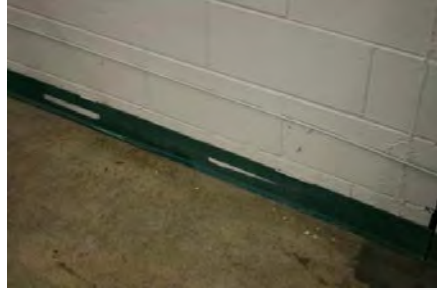
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6.11.19



6.11.20



6.11.21



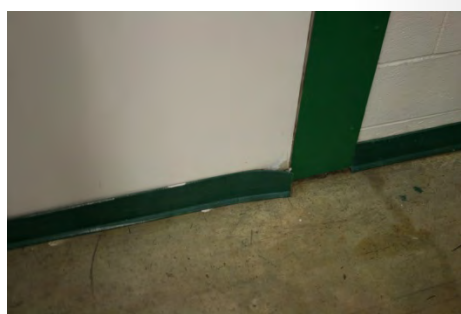
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6.11.24



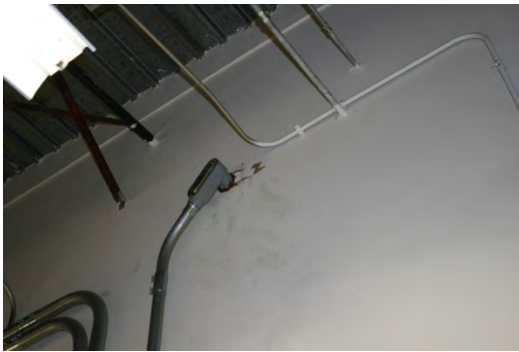
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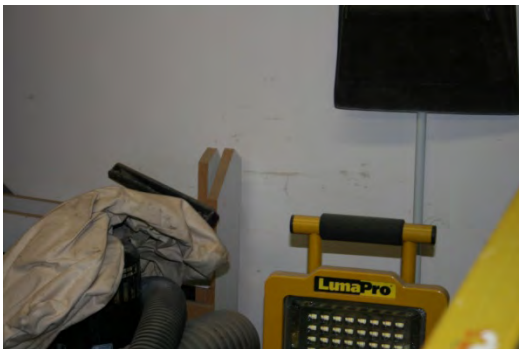
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6.11.33



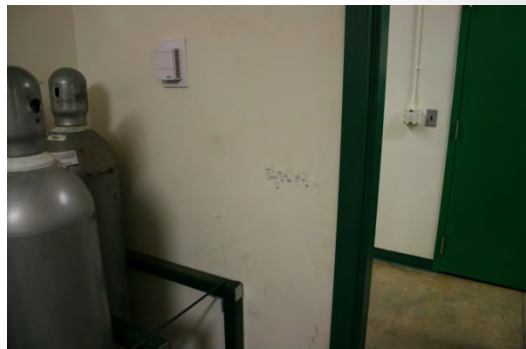
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6.11.37



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6.11.40



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6.11.47



6.11.48

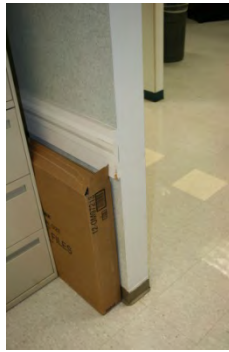




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6.11.51



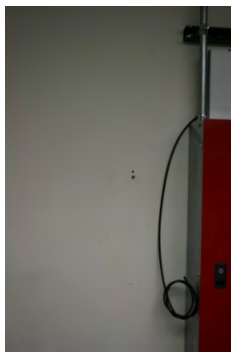
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6.11.54



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6.11.56



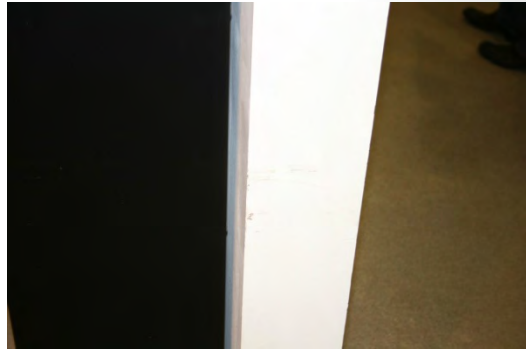
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6.11.60



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6.11.62



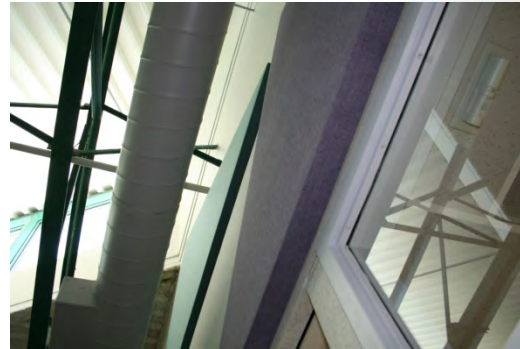
6.11.63



6.11.64



6.11.65



6.11.66



## 7.0 Window Systems

### 7.1 Systems Evaluated

- Skylights
- Fixed Exterior Windows
- Fixed Interior Glazing

### 7.2 System Evaluation Summary

The window systems throughout the facility show gasket and sealant wear most likely contributing to the water infiltration issues. While the issues existed throughout, the most significant issues were observed at the skylight and sawtooth systems on the roof of the facility. Paint touch-up should be done as required to prevent further deterioration of the window systems.

### 7.3 Functional Ability

The window system in the facility is effective in providing quality daylighting to the interior spaces. An increase in cleaning would enhance the lighting ability.

### 7.4 Physical Ability

Sealant and window gasket breakdown is contributing to the reduction of the window systems' ability to keep water out of the interior of the building. The existing seals and sealant should be replaced, reinforced, and/or cleaned as required to help mitigate the water issues.

### 7.5 Appearance

The glazing and window treatment is in good condition. The frames need paint touch-up throughout the facility. Increased cleaning frequency is suggested.

### 7.6 Infiltration

The window systems throughout the facility show gasket and sealant wear most likely contributing to the water infiltration issues. While the issues existed throughout, the most significant issues were observed at the skylight and sawtooth systems on the roof of the facility.

### 7.7 Maintainability

All windows are accessible and maintainable.

### 7.8 Deficiency Construction Cost Opinions: Windows

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

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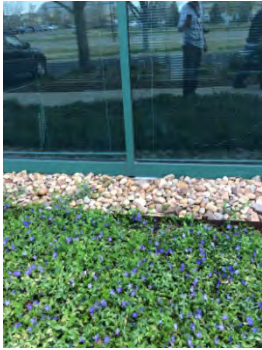
The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

7.9 Deficiency Index Form: Windows

Photograph No.	Description	ROM Cost Opinion
7.9.01	Window frame dented	\$417.41
7.9.02 7.9.03 7.9.04 7.9.05 7.9.08 7.9.09 7.9.15 7.9.16 7.9.17 7.9.18 7.9.19 7.9.20 7.9.21 7.9.22 7.9.23 7.9.24 7.9.25	Caulk deteriorating	\$477.20 per window (scaffold, remove existing sealant, replace w/ new sealant)
7.9.06 7.9.07	Frame needs paint	\$195.00 per window (scaffold, acid wash,

7.9.12		paint)
7.9.13		
7.9.14		
7.9.10	Cleaning required	\$375.00
7.9.11		

7.9.01



7.9.02



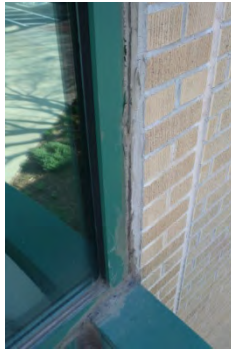
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7.9.05



7.9.06



7.9.07



7.9.08



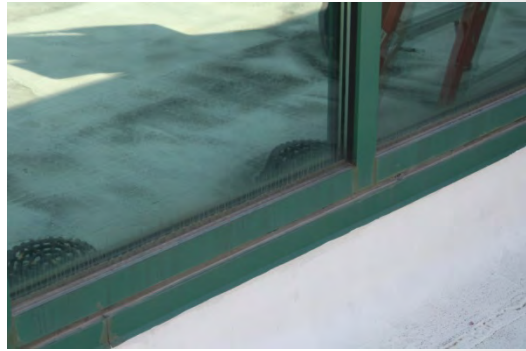
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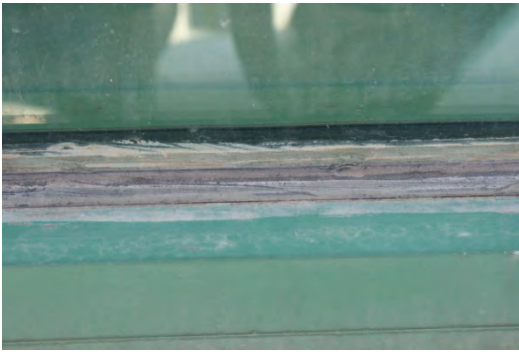
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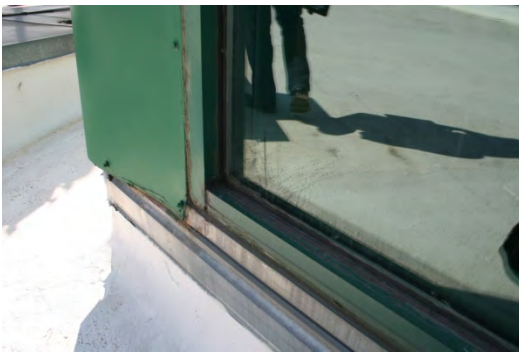
7.9.22



7.9.23



7.9.24



7.9.25



## Door System

### 8.1 Systems Evaluated

- Exterior Doors, Frames, and Hardware
- Interior Doors, Frames, and Hardware
- Overhead Coiling Door

### 8.2 System Evaluation Summary

The doors, frames, and hardware through the facility are in fair condition. There are a number of doors with damaged leafs, damaged frames, and malfunctioning/damaged hardware.

### 8.3 Door Leaf

The door leafs on the roof have some damage and oxidation. They are in need of hardware repair/replacement and paint touch-up. Many of the doors leafs inside the building have visible damage and require alignment adjustment.

### 8.4 Frame

There are door frames throughout the facility require paint touch-up and adjustment. The exterior doors require weather stripping replacement in most locations. Some interior door locations are missing the bumpers in the jamb. The exterior door frame at the lawn equipment storage is dented.

### 8.5 Hardware

There are examples of hardware in need of repair/replacement throughout the facility. Our opinion is that approximately 50% of the door hardware needs attention. Our team was given information regarding the occasional binding of the coiling overhead door at the loading dock. The door appeared to function correctly while our team was present, but the issue should be investigated.

### 8.6 Closers

The majority of the closers in the facility are functional. There are a couple examples where components are missing or showing signs of wear. The closer on the man door next to the dumpster gate is completely disconnected from the frame. The door to the freezer unit does not close completely under the power of the closer. Adjustments/repairs should be made to avoid the possibility of temperature fluctuations due to an unlatched door.

### 8.7 Security

No deficiencies were observed.

### 8.8 Panic Devices

The panic hardware is in generally good condition. The door to the trash storage has a damaged panic hardware in need of repair or repair.

### 8.9 Fire Rating

Doors near the electrical room that appeared to be passing through fire rated walls were unmarked as fire rated doors. The openings should be investigated to determine the rating requirement, if any, for the doors. Additional hardware may be required as well if it is determined that there is a rating requirement. The door into the lawn equipment room is a fire rated door with defective hardware. The hardware needs to be repaired/replaced.

### 8.10 Keying

No deficiencies were observed. .

### 8.11 Maintainability

The hardware, and potentially the doors and frames in heavier use areas should be upgraded in order to facilitate the longevity of the components and fewer repair requirements moving forward. Some hardware in the office areas does not appear to be compatible with the doors, and is resulting in damage to the door leaf.

### 8.12 Deficiency Construction Cost Opinions: Doors

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

8.13 Deficiency Index Form: Doors

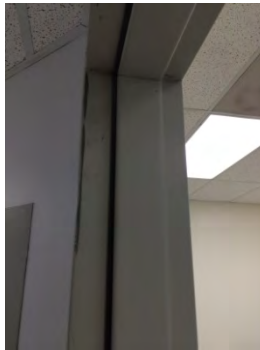
Photograph No.	Description	ROM Cost Opinion
8.13.01	Door damage due to improper alignment	\$356.93
8.13.02	Frame damage due to improper alignment	\$60.45
8.13.03	Door panel and hardware damage	\$1437.76
8.13.04	Door panel damage	\$356.93
8.13.05	Door panel damage	\$356.93
8.13.06	Door panel damage	\$356.93
8.13.07	Door hardware issue	\$365.11
8.13.08	Door damage due to improper alignment	\$356.93
8.13.09	Frame damage due to improper alignment	\$60.45
8.13.10	Door frame needs paint touch up	\$60.45
8.13.11	Weather strip damage	\$75.00
8.13.12	Door frame damage	\$331.50
8.13.13	Door damage and oxidation	\$758.29
8.13.14		
8.13.15		
8.13.16		
8.13.17	Door damage and oxidation	\$758.29
8.13.18	Strike plate missing	\$35.69
8.13.19	Door hardware issue	\$365.11
8.13.20	Damage at hinges	\$365.11
8.13.22		
8.13.23		

8.13.21	Door damage due to improper alignment	\$60.45
8.13.24	Door closer damage	\$182.56
8.13.25	Door damage at hinges	\$365.11
8.13.26	Door threshold damage	\$75.00
8.13.27	Door does not latch correctly	\$365.11
8.13.28	Door closer damage	\$182.56
8.13.29	Weather stripping damage	\$75.00
8.13.30	Panic hardware damage	\$1080.83
8.13.31	Louver needs touch-up	\$315.00
8.13.32	Gate misaligned	\$657.05
8.13.33	Sealant damage above door	\$140.19
8.13.34	Door damage due to improper alignment	\$60.45
8.13.35	Door panel and panic hardware damage	\$1437.76
8.13.36	Freezer door does not latch automatically	\$500.00
8.13.37	Door stop damaged	\$40.00

8.13.01



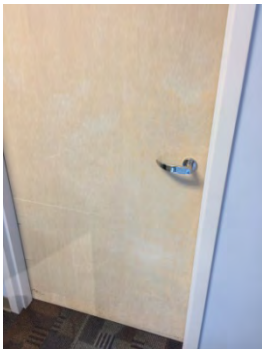
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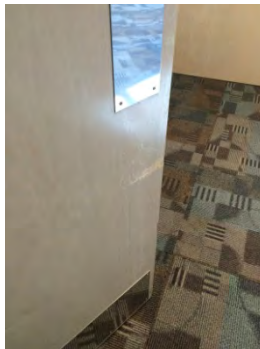
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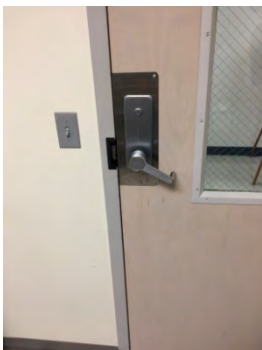
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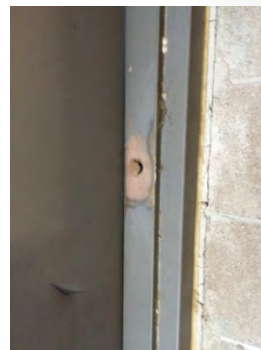
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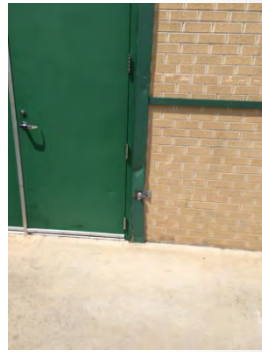
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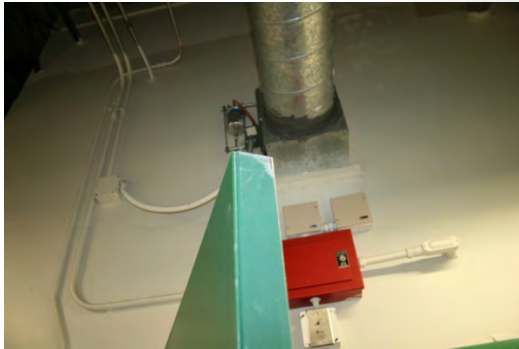
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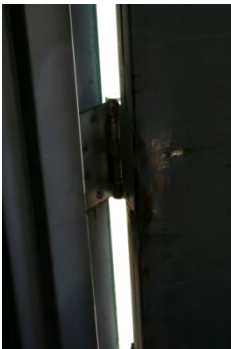
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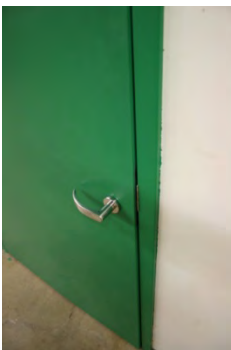
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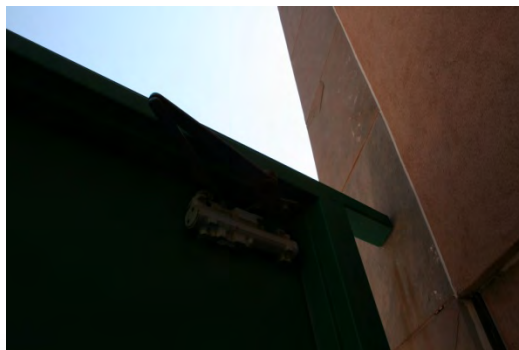
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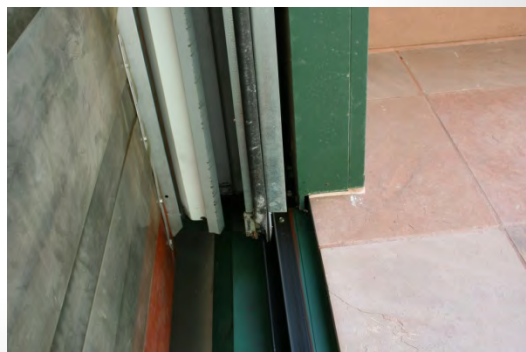
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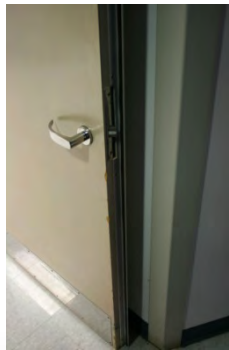
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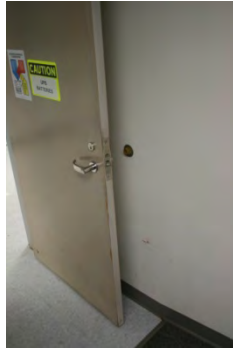
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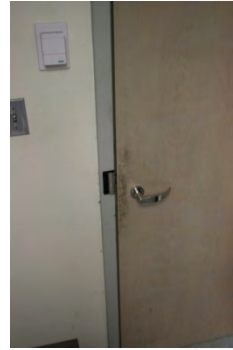
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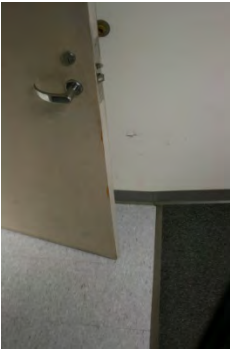
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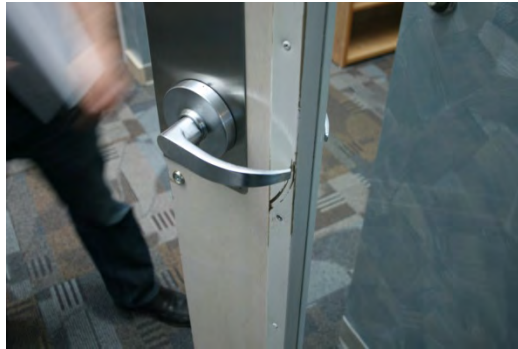
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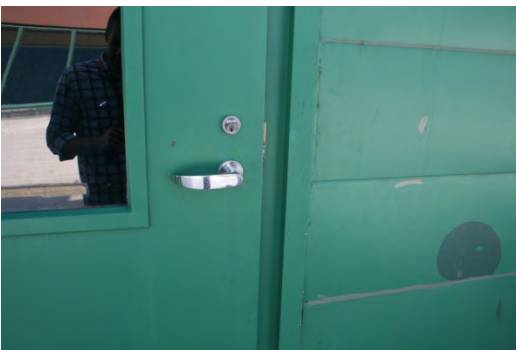
8.13.50



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8.13.52



## Parking Lot and Site

### 9.1 Systems Evaluated

- Flatwork
- Signage
- Vegetation
- Drainage

### 9.2 System Evaluation Summary

The upkeep of the site's plantings and vegetation is effective. Some additional tree maintenance is recommended in order to facilitate the longevity of the exterior building systems. The concrete flatwork on many portions of the site is being affected by ground movement. Most of the ground movement along the walkways has been remedied via grinding. The pads at some of the points of entries have moved to the point that the change in levels create a potential tripping hazard. One valve box cover no longer seats due to the sinking of the pad it is cast into.

### 9.3 Physical Condition

The concrete flatwork throughout the site is damaged and cracking. The areas of most concern are the points of entry to the building and areas of high vehicle traffic. The asphalt surface is also cracked throughout the site, severely in some locations. Some of the parking stops are beginning to deteriorate and break apart.

### 9.4 Drainage

The majority of the site appears to be graded well for effective drainage. There are a few locations along the perimeter of the building that have a negative slope toward the building. These should be remedied to prevent further deterioration of the slab.

### 9.6 Vegetation

Some additional maintenance of the trees is recommended in order to eliminate or heavily limit contact with the building. Vegetation growing against the building and out of cracks near the building's foundation should be removed and controlled in the future.

### 9.7 Maintainability

The site is accessible for general maintenance. The issues with soil movement will continue to create maintenance issues moving forward.

**9.8 Deficiency Construction Cost Opinions: Parking Lot and Site**

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer’s historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

**9.9 Deficiency Index Form: Parking Lot and Site**

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
9.9.01 9.9.02 9.9.03	Landscape edging maintenance required	\$120.40
9.9.07 9.9.08 9.9.12 9.9.13	Concrete pad sinking at point of entry	\$5,61.00 (\$935 per location; 6 locations)
9.9.09 9.9.10 9.9.11 9.9.20	Asphalt surface cracking; parking lines need to be repainted	\$781.41 per 1000 sf
9.9.15 9.9.16 9.9.17	Sign post oxidizing; paint touch-up needed	\$175.00



9.9.18	Concrete flatwork cracked	\$6.52 per sf
9.9.19		
9.9.21		
9.9.22	Parking stop damaged	\$20.85 per lf

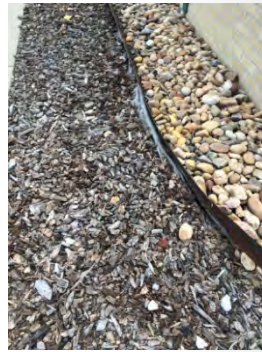
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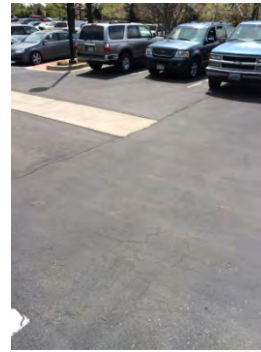
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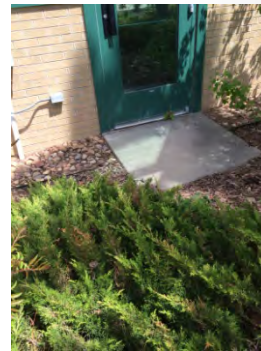
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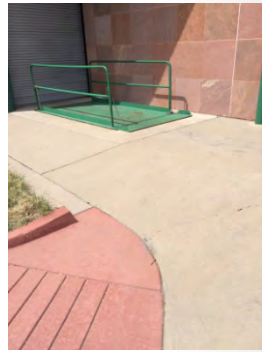
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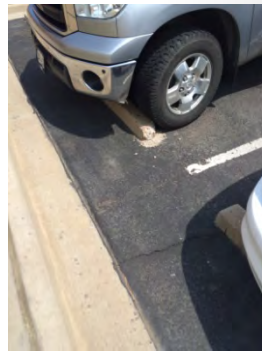
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## **Mechanical System Findings**

### 1.0 Cooling and Ventilation System

#### 1.1 Systems Evaluated

1. Cooling towers
2. Condenser water pumps
3. Chillers
4. Chilled water pumps
5. Building Controls
6. Distribution System: Duct and water
7. Zone VAV and reheat
8. Lab Hoods Air Control Valves
9. Exhaust Fans

#### 1.2 System Evaluation Summary

The cooling and ventilating systems serving the building are original. The systems are well maintained and over the years some energy conservation measures have been implemented. The main cooling system consists of two Trane R-22 water cooled chillers each of 150 ton nominal capacity. The chillers physical condition is good. The chillers are in service for approximately 19 years. The life expectancy of such machines is approximately 20 – 22 years. The ban on production and import of R-22 refrigerant will be in effect from January 1, 2020. After that date there will be no availability of the R-22 refrigerant in the market. The state should give consideration for this and start planning for replacement of the chillers. The new chillers available are more energy efficient and would reduce annual energy costs.

The two cooling towers consist of FRP basin and indoor sump. The physical condition of the towers appears to be good. Some rusting on the steel pipes/supports is observed. The internal fill material has scaling and requires cleaning or replacement. The scaling in the fill material affects the cooling tower performance resulting in higher energy use to maintain the cooling water temperature.

The Condenser Water Pumps (CWP-1 and 2) and Chilled Water Distribution Pumps are in good condition. The chilled water distribution consisting of supply pumps and return pumps. The motors for all pumps have been replaced with premium efficiency motors. The chilled water supply pumps have VFDs.

The controls in the building are Siemens DDC controls and are maintained in good condition. Devices like damper actuators are pneumatic.

### 1.3 Cooling Capacity

The cooling capacity of the system is adequate for the use. However due to the life of the equipment the maintenance costs are expected to increase in future. The non-availability of R-22 refrigerant after January 1, 2020 should be considered and planning for replacing the chillers should be done. The cooling tower fill material is scaled and should be cleaned or replaced. The rusted pipes supports should be painted.

The chillers energy rating (kW/ton) is higher than the new chiller available in the market. Due to the age of the chiller there may be tube cracks etc in the future. No energy saving features like chilled water temperature reset; cooling tower optimization are implemented.

### 1.4 Temperature Controls

The temperature controls in the building are Siemens DDC and are maintained well. Device like damper actuators are pneumatic. Some energy saving features could be implemented to improve energy savings. However it would need to be verified if existing control infrastructure is able to handle additional points.

The phoenix air control valves are pneumatic and it is difficult to find replacement parts for these valves. New air controls valves are electric/DDC. Replacing existing valves should be planned.

The heat pipes in the Roof Top Units have been repaired and are working satisfactorily. These types of devices require regular maintenance to keep them operational efficiently. Due to the age of the equipment replacement of these devices should be planned. Systems like run around coils work well in lab applications, however they are less energy efficient.

### 1.5 Piping and Ductwork

The water distribution piping network is maintained well. Some of the cooling coils have damaged fins. The cooling tower piping requires painting and identification tags should be provided on piping. A bypass arrangement should be provided around coil pumps/control valve. This will avoid unit shut down during coil/valve maintenance.

The air distribution duct work is in good condition. Some occupants have installed deflector at the diffuser to divert the airflow. An air-balancing based on current occupant load should be done and air flows should be balanced accordingly.

The lab exhaust duct work appears to be in good condition. The rubber flexible connector on the fans is broken and should be replaced. An identification tag on each fan is recommended.

### 1.6 Noise level

There is abnormal noise being generated by mechanical systems. There have been no noise complaints from the occupants.

### 1.7 Energy Consumption

Energy saving features like heat pipes, evaporative cooling and VFDs on pumps is provided. A comprehensive study should be done to evaluate what other energy saving measures can be implemented. Most of the equipment in the building is original and are due for replacement in next few years. The new equipment available on the market is more energy efficient. Replacing existing pneumatic air controls valves in the labs will also result in some energy savings besides improving operational efficiency.

### 1.8 Air Circulation and Ventilation

The air circulation in the office areas appears to be good except it may require air-balancing. The units are 100% outside air and hence ventilation in the spaces is provided.

The lab exhaust system and air flows appear to be satisfactory. A quick survey of the occupants indicated that there are no major air flow problems. Some lab use has changed over the years and may require airflow balancing (space are too cold or hot). Some labs have issues with maintaining the pressure difference with adjacent occupancies and this can be done with rebalancing the lab air system.

### 1.9 Reliability

The systems observed appeared to be in good working condition and have good reliability. A study should be done to determine the redundancy in the system based on the current operation of the facility.

### 1.10 Economizer Cycle

The units are 100% outside air and evaporative cooling and heat pipes are used for energy savings. Other energy saving features may be investigated.

### 1.11 Filtration

Filters on the units are replaced regularly based on the pressure drop measurements across the filter.

### 1.12 Humidity

The space humidity is maintained within the design parameters. The occupants have no humidity complaints.

### 1.13 Maintainability

Most of the equipment has access around them for maintenance. Some of the equipment requires plant shut down for maintenance. A bypass loop with isolation valves may be provided to isolate the equipment from the main system during repairs/maintenance.

### 1.14 Cooling and Ventillation System Deficiency Construction Cost Opinions

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

### 1.15 Deficiency Index Form: Cooling and Ventilation System

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
1.15.1	Cooling Tower - Access on all sides not available; Review with safety personnel	\$5000 includes steel platform.
1.15.2	Cooling Tower Fill Material - Scaling on fill material; tower performance affected; Clean or replace fill material	\$2000 per tower
1.15.3	Tower Piping and Support - Rusting; Replace or paint support/pipe	\$500 for replacement
1.15.4	Tower Piping - Rusted; Paint piping	\$750 for painting
1.15.5	Tower Motor - Wooden plank support for belt guard; Secure belt guard properly and remove wooden plank	\$600
1.15.6	Tower Inlet Pipe - Gasket damaged; Replace the gasket	\$100
1.15.7	Chiller - R-22 refrigerent; Plan for replacing the chillers	\$50,000 per chiller
1.15.8	Chiller - Insulation damaged; Repair insulation	\$500
1.15.9	Condenser Water Pump - Condition ok	n/a
1.15.10	Chemical Treatment Plan - Condition ok	n/a



Photograph No.	Description	ROM Cost Opinion
1.15.11	Chilled Water Supply Pumps with VFD - Condition ok	n/a
1.15.12	Office Air Distribution - Condition ok	n/a
1.15.13	Office Air Distribution - Deflector at the grille; Rebalancing required	\$250
1.15.14	Fire Curtain - Condition ok; Verify operation	n/a
1.15.15	Lab Exhaust Fan - No identification tags; Provide tags	\$500
1.15.16	Lab Exhaust Fan - Flexible connector damaged; Replace flexible connector	\$300 per fan
1.15.17	OA Intake Louver - Close to boiler vent; verify outside air requirement in the mechanical room and block off portion of louver close to boiler vent	N/A: Per CDPHE they don't have any problem with this arrangement.

1.15.1



1.15.2



1.15.3



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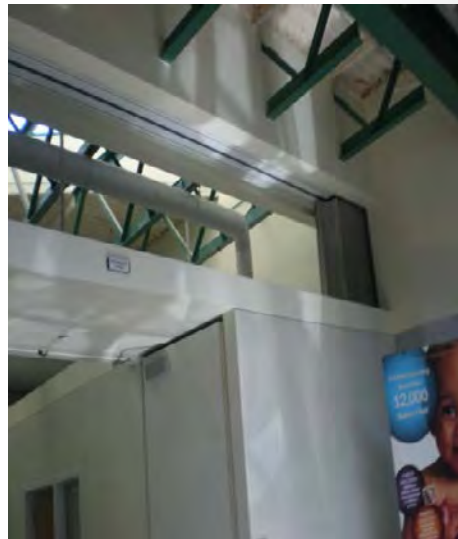
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1.15.17



## 2.0 Heating System

### 2.1 Systems Evaluated

1. RTU – Fans, filters, Coils, Controls
2. Distribution System
3. Controls
4. Water Boiler
5. Pumps
6. Steam Boilers
7. Steam Condensate Return
8. Zone VAV Reheat
9. Hood Valves

### 2.2 System Evaluation Summary

The heating systems serving the building are original. The heating systems consist of two hot water heating boilers and one steam boiler. The systems are well maintained. The heating hot water distribution consists of primary secondary loop and is constant flow system. The steam boiler is a low pressure boiler and consists of deaerator and feed water system. The hot water distribution pumps have premium efficient motor and are well maintained.

A study should be done to replace the heating boilers with modular gas fired boiler. This will reduce energy consumption since it is more efficient to run small boiler during period of minimum heating loads.

### 2.3 Heating Capacity

The overall heating capacity of the system is adequate. There is no major complaint from the occupant about heating in the space. Some of the VAVs serving high occupant load zones need to be verified and if required reheat coil may be replaced to meet space load requirements.

### 2.4 Temperature Controls

The temperature controls in the building are Siemens DDC and are maintained well. Device like damper actuators are pneumatic. Some energy saving features could be implemented to improve energy savings. However it would need to be verified if existing control infrastructure is able to handle additional points.

The phoenix air control valves are pneumatic and it is difficult to find replacement parts for these valves. New air controls valves have DDC controls and replacing existing valves should be planned.

The heat pipes in the Roof Top Units have been repaired and are working satisfactorily. These types of devices require regular maintenance to keep them operational efficiently. Due to the age of the equipment replacement of these devices should be planned. Systems like run around coils work well in lab applications, however they are less energy efficient.

### 2.5 Heating all Seasons

The hot water heating plant is well maintained however the heating boilers are original to the building approximately 19 years old. The maintenance costs are expected to increase.

The heating coils in the RTU may require cleaning/fins repair. The coil pump requires by-pass for repair while unit is in operation.

The steam boiler is well maintained however it is 19 years old and maintenance costs will increase in future. The de-aerator and feed system appears to be in good working condition. Boiler feed pumps are in good condition.

### 2.6 Noise level

There is abnormal noise being generated by mechanical systems. There have been no noise complaints from the occupants.

### 2.7 Energy Consumption

Energy saving features like heat pipes, and VFDs on chilled water pumps are provided. However a comprehensive study should be done to evaluate what other energy saving measures can be implemented. Most of the equipment in the building is original and are due for replacement in next few years. The new equipment available in market is more energy efficient.

Replacing existing pneumatic air controls valves in the labs will also result in some energy savings besides improving operational efficiency.

The heating hot water boilers have set back schedule based on outside air temperature. The heating hot water distribution loop is constant flow system. A study should be done to evaluate the energy saving in converting the system to variable flow system. Since the boilers are old their minimum flow requirement may be high and hence it may not be cost effective to convert the system to variable flow system. Planning for replacement to hot water boilers with modular boilers should be done or a small boiler should be installed to cater the load during swing seasons.

### 2.8 Air Circulation and Ventilation

The ventilation system for the gas bottle storage room needs to be evaluated. Ventilation should be provided based on current use and code requirements.

The number of plastic container stored in the storage room should be evaluated based on the fire protection design fire load.

### 2.9 Filtration

Filters on the units are replaced regularly based on the pressure drop measurements across the filter.

### 2.10 Humidity

The space humidity is maintained within the design parameters. The occupants have no humidity complaints.

### 2.11 RTUs

A walk thru was done on 5/12/15 to verify the internal components of the main RTUs serving the offices and labs. There are four 100% outside air built up Roof Top Units (RTU-1 to RTU-4). These units have chilled water cooling and hot water heating. Heat pipe section is provided to pretreat the outside air with conditioned building exhaust air. The units are original to the building. The units have evaporative cooling section which has been decommissioned and is no longer used. The heat pipe section on all RTUs was repaired few years back and is now functioning properly. The fans; supply and exhaust are on VFD. The roof of all RTUs had leaks and water used to drip inside the unit. The roof has been repaired and presently no leakage has been observed.

RTU-1 findings include:

- a. Supply fan flexible connection is ripped.
- b. Water marks on floor.
- c. Fan belt guard is loose and not connected.
- d. Exhaust fan section (non stainless steel portion) is rusted.
- e. Cooling coil drain pipe is loose.
- f. Portions of filter section are rusted.

RTU-2 findings include:

- a. Water marks on floor.
- b. Supply fan flexible connection is ripped.
- c. Heat pipe flexible connection on the side is ripped.
- d. Hydraulic jack connected to the heat pipe is leaking.
- e. Supply section is dirty (need cleaning).
- f. Exhaust fan section has grease dripping on the floor.
- g. Oil in the heat pipe drip pan.
- h. Intake section is dirty (needs cleaning).



RTU-3 findings include:

- a. Supply fan flexible connection is ripped.
- b. Supply section is dirty (needs cleaning).
- c. Hydraulic jack connected to the heat pipe is leaking.
- d. Exhaust fan section (non stainless steel potion) is rusted.
- e. Water marks on floor.

RTU-4 findings include:

- a. Supply fan flexible connection is ripped.
- b. Water marks on floor.
- c. SA plenum section is dirty (needs cleaning).
- d. Traces of oil/grease in the exhaust fan section.
- e. Excessive greasing of the bearing has led to grease dripping on the floor.
- f. Oil in the heat pipe drip pan.
- g. Exhaust fan section (non stainless steel potion) is rusted.
- h. Water marks and corrosion on roof panels.

RTU-5 findings include:

The unit has gas heating and DX cooling. The unit appears to be in good working condition. The unit was in operation at the time of the site visit and internal components were not verified. The unit is under annual maintenance schedule. The gas piping connected to the unit is rusted and would need to be painted.

The maintenance schedule for above units is as follows:

- a. Cleaning of RTU from inside – annually
- b. Filter changing – Based on pressure drop
- c. Fans (belt and bearing greasing) – annually
- d. VFD inspection and check – annually
- e. Coil fins cleaning – annually
- f. Controls check – annually and as required

## 2.12 Maintainability

Most of the equipment has access around them for maintenance. Some of the equipment requires plant shut down for maintenance. A bypass loop with isolation valves may be provided to isolate the equipment from the main system during repairs/maintenance.

## 2.13 Heating System Deficiency Construction Cost Opinions

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

#### 2.14 Deficiency Index Form: Heating System

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
2.13.1	Hot Water Boilers - Condition ok	n/a
2.13.2	Steam Boiler - Condition ok	n/a
2.13.3	Steam De-aerator and Boiler Feed System - Condition ok	n/a
2.13.4	Hot Water Pump - Condition ok	n/a
2.13.5	DDC Control Pan - Condition ok	n/a
2.13.6	RTU-1 Supply fan flexible ripped	\$300
2.13.7	RTU-1 Water marks and dirt on floor	\$200 for cleaning
2.13.8	RTU-1 coil fins damaged	\$250 for combing the fins
2.13.9	RTU-4 Grease dripping on the floor	\$250 for cleaning
2.13.10	RTU-4 Non Stainless steel portion rusted	\$400 for epoxy painting
2.13.11	RTU-5 Fan Section Rusted	\$400 for epoxy painting
2.13.12	Evaporative cooling section decommissioned	n/a
2.13.13	RTU-2 Grease dripping on motor and belt drive	\$250 for cleaning
2.13.14	RTU-2 Grease oil on the fan section floor	\$250 for cleaning
2.13.15	RTU-1 Roof leakage water marks	\$200 for cleaning
2.13.16	RTU-3 Grease in the drain pan	\$500 for cleaning

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
2.13.17	RTU-2 Water marks on floor	\$200 for cleaning
2.13.18	RTU-3 Leaking hydraulic jack	\$1000 for replacement of jack
2.13.19	RTU-5 Rusted gas piping	\$200 for painting
2.13.20	Supply diffuser needs maintenance	\$100 per diffuser
2.13.21	RTU needs touch-up paint	\$3.00 per SF
2.13.22	RTU needs touch-up paint	\$3.00 per SF
2.13.23	RTU intake filter needs maintenance	\$1000 for repairing filter frame
2.13.24	RTU intake filter needs maintenance	\$1000 for repairing filter frame
2.13.25	RTU intake filter needs maintenance	\$1000 for repairing filter frame
2.13.26	RTU intake filter needs maintenance	\$1000 for repairing filter frame
2.13.27	RTU needs touch-up paint	\$3.00 per SF
2.13.28	RTU needs touch-up paint	\$3.00 per SF
2.13.29	RTU needs touch-up paint	\$3.00 per SF
2.13.30	RTU needs touch-up paint	\$3.00 per SF
2.13.31	RTU needs touch-up paint	\$5.00 per SF
2.13.32	Catwalk needs touch-up paint	\$5.00 per SF
2.13.33	Catwalk needs touch-up paint	\$5.00 per SF
2.13.34	Catwalk needs touch-up paint	\$5.00 per SF
2.13.35	Catwalk needs touch-up paint	\$5.00 per SF
2.13.36	Catwalk needs touch-up paint	\$5.00 per SF
2.13.37	Remove wood blocking/debris	\$200 for removal and fixing the belt guard
2.13.38	Louver closing mechanism loose	\$200
2.13.39	Louver closing mechanism loose	\$200

Photograph No.	Description	ROM Cost Opinion
2.13.40	Supply diffuser needs maintenance	\$100 per diffuser
2.13.41	Supply diffuser needs maintenance	\$100 per diffuser
2.13.42	Diffuser cover missing	\$150 for new diffuser
2.13.43	Diffuser needs maintenance	\$150 for new diffuser

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2.13.43



### 3.0 Plumbing System

#### 3.1 Systems Evaluated

1. Process Gas
2. Lab Vacuum
3. Lab Air
4. House Air
5. Lab (Sinks and Hoods)
6. Domestic Water
7. Sanitary Drain and Waste
8. Acid Waste
9. Roof Drain
10. DI Water System

#### 3.2 System Evaluation Summary

The plumbing systems are original to the building and appear to be in good condition. The building has 4" domestic water connection with backflow preventer. The domestic hot water is generated via two gas fired hot water heaters. The condition of these heaters is satisfactory. Hot water recirculation pump is provided for hot water circulation. The existing hot water heaters are not high efficiency and planning should be done to replace these with high efficiency units.

The roof drain and sanitary sewer piping appear to be satisfactory. Water accumulation near some roof drain was observed. The stagnant water can be source of bacteria growth and this issue should be addressed.

The other systems are lab vacuum, lab air and house air system. The systems appear to be well maintained.

#### 3.3 Supply Quantities

There is no central lab gas distribution system. Gas cylinders are stored in the storage room. Ventilation in the room needs to be verified.

#### 3.4 Drain and Waste Function

The drain and waste system appears to be working satisfactorily. No visible degradation.

Some of the lab sinks appear to be degraded.

### 3.5 Sanitation Hazard and Cross Connection

Age of vacuum breakers and lab sinks may be a concern.

Domestic water is provided with back flow preventer.

Some process connections don't have vacuum breakers.

### 3.6 Fixture Quantities

The quantities of fixtures for lab use appear to be adequate. The use of some of the lab spaces has changed and may require relocation of sink (example lab 169).

### 3.7 Fixture type and conditions

Fixture types are as per lab use.

Break room have stainless steel sink.

Lab sinks are degraded and condition of faucets needs to be verified.

Operation of eye wash stations need to be verified.

Some of the bathroom fixtures may require caulking.

### 3.8 Wheel chair fixtures

Good.

### 3.9 Female Facilities

Facilities for females appear to be adequate for the staff.

### 3.10 Roof Drainage

Roof drains appear to be in good condition. There are no reported leaks from the roof drain.

Water accumulation near roof drain. The roof slope is not correct.

### 3.11 Site Drainage:

Drains slope towards building.

No major water leakage into the building is reported.

### 3.12 Maintainability:

The systems have maintenance around them. Due to the age of the equipment the maintenance costs will increase in future.

Lab air compressors appear to have less space between them for maintenance.



### 3.13 Plumbing System Deficiency Construction Cost Opinions

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

The values shown are a rough-order-magnitude cost only and are assumed to be within 25% of actual cost. This is due to the fact that, prices will most likely fluctuate if individual tasks are constructed alone versus grouping work together into a single larger project, and prices will also most likely fluctuate if bidding contractors are busy versus slow.

The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

### 3.14 Deficiency Index Form: Plumbing System

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
3.14.1	Cylinder Storage Room - Inadequate ventilation; Verify ventilation provided and modify to meet current requirements	\$3500 for new fan and controls
3.14.2	Storage Room - Combustible material; Verify quantity of combustible material stored is in line with fire suppression provided	n/a
3.14.3	Domestic Water Back Flow Preventer - Condition ok	Replacement cost 1.5 per sf
3.14.4	Hot Water Heaters - Not high efficiency; Investigate the possibility of replacing hot water heaters with high efficiency water heaters	\$10000 for each heater or \$ 1.75 per sf
3.14.5	Lab Vacuum - Condition ok however system is old	Replacement cost \$ 3 per sf
3.14.6	House Vacuum - Condition ok however system is old	Replacement cost \$ 2 per sf

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
3.14.7	Controls Air Compressor - Condition ok; Investigate the possibility of using all DDC electric control and eliminate pneumatics and use of air compressor. This will save energy used in generating compressed air.	Replacement cost \$ 0.5 per sf
3.14.8	DI Water System - Condition ok	Replacement cost \$ 1 per sf
3.14.9	Mechanical Room Exhaust Fan - Did not operate and appears to be undersized; Verify exhaust fan operation and amount of exhaust required	\$3500 for new fan and controls
3.14.10	Utility sink maintenance required	\$2000 for new sink
3.14.11	Condensate drain solution in question	n/a
3.14.12	Heavy build-up on faucet	\$100 to replace faucet
3.14.13	Heavy staining on sink	\$50 for cleaning sink
3.14.14	Fixtures heavily tarnished	\$100 for cleaning fixtures
3.14.15	Sealant required at sink basin	\$100 for sealant
3.14.16	Fixtures deteriorating; broken metal	\$250 to replace fixtures
3.14.17	Fixtures deteriorating; broken metal	\$250 to replace fixtures
3.14.18	Lamb's tongue missing	\$100 to replace lamb tongue
3.14.19	Drainage solution needed	Replacement cost \$ 2.25 per sf
3.14.20	Lamb's tongue missing	\$100 to replace lamb tongue

3.14.1



3.14.2



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3.14.4



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3.14.13



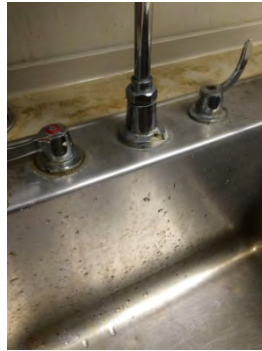
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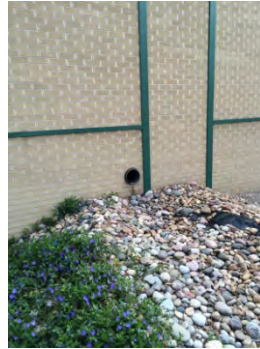
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3.14.20







## **Electrical System Findings**

### 1.1 Systems Evaluated

1. Power
2. Lighting
3. Generator System
4. Fire Alarm System

### 1.2 System Evaluation Summary

The electrical systems in place appear to be well maintained. The issues encountered appear to be minor and no major issues or code violations were discovered. The systems are of good quality and appear to be upgraded with newer technology and quality equipment. If the systems continue to be maintained they should have a good service life.

### 1.3 Equipment Safety

The RTU's have convenience receptacles mounted on their exterior. The receptacles should be replaced with GFCI type and be in a weatherproof enclosure.

Exhaust fan controllers are not mounted correctly and wobble when the equipment is running. This could cause an electrical short or shock hazard.

Flexible conduits on roof show signs of wear and tear on PVC weatherproof coating and may allow water entry. Consider replacing damaged worn conduit.

RTU's have multiple open j-boxes. Cover plates should be installed.

Fire alarm system and devices appear to be adequate and in good condition.

### 1.4 Electrical Service

Per conversations with CDPHE personnel, the electrical service capacity appears to be adequate for future and current needs.

Equipment appears to be well maintained.

Average useful lifespan should be assumed to be 50 years. Since the equipment is well maintained, the equipment should last approximately 30 additional years.

### 1.5 Electrical Distribution Gear

Per conversations with CDPHE personnel, the electrical switchgear, distribution panelboards, and motor control center capacities appear to be adequate for future and current needs.

Equipment appears to be well maintained.

Average useful lifespan should be assumed at 35 years. Since the equipment is well maintained, the equipment should last approximately 15 additional years.

The MCC appears to be in good condition. It appears that a few indicator lights may be burned out and should be replaced.

### 1.6 Branch Panelboards

Per conversations with CDPHE personnel, the branch panels appear to have adequate capacity for future and current needs, but with limited spare breaker capacity.

Currently, the lab areas have dedicated panelboards. The addition of larger multi-pole equipment may require feeds from a less localized panelboard.

Equipment appears to be well maintained.

Average useful lifespan should be assumed at 35 years. Some panels were installed when the facility was built, while others have been added in the recent future. Since the branch panelboards are well maintained, the original construction panelboards should last approximately 15 additional years, and the newly installed panelboards should last approximately 25 additional years.

### 1.7 Branch Power

Some mechanical equipment on the roof did not have convenience receptacles within 25 feet. Consider adding additional roof receptacles to ensure there is a maintenance receptacle within 25 feet of all roof equipment.

Corridors and labs seem to have adequate quantity and spacing of receptacles. Receptacles are in good condition with typical wear and tear.

Receptacle quantities in open office areas appear to be insufficient. Currently some office areas are supplementing receptacles with power-strips. Fourplex receptacles at computer workstations and additional power would be recommended in future upgrades.

Branch circuitry and conduit installation appear to be in good condition. J-boxes appear to have circuit labels and are supported properly.

### 1.8 Lighting

Based on visual inspection and conversations with CDPHE personnel, the Lighting levels appear to be adequate.

The office areas with daylighting controls have been placed on a timer to shut down fixtures when natural daylighting is present. This system appears to be working well and provides adequate lighting and energy savings.

Light levels appeared to be low in the Laboratory training room. Fixtures or task lighting could be added to improve light levels. Some lamps were burned out and could be re-lamped to improve lighting levels.

Fixtures appear to be in good working condition. Very few lamps were found burned out.

A high majority of light fixtures have been retrofitted with T8 lamps providing energy savings.

Some areas have a mix of parabolic and lensed troffers. Parabolic fixtures could be retrofitted to provide better lighting uniformity and to improve aesthetics.

The main hallway has utilized LED spotlights for energy savings, where every other fixture is on a timer to provide additional energy savings during daylight hours.

The use of LED's, daylight harvesting (currently in use) and occupancy/vacancy sensors (currently in use), would provide additional energy savings in future upgrades. LED retrofits would also minimize lamp and ballast replacement.

Exterior lighting has been retrofitted with LED fixtures and should provide less maintenance and increased energy savings.

Some 2x4 light fixtures have broken mounting clips. These fixtures should be repaired or replaced in future upgrades.

### 1.9 Emergency Lighting

Emergency lights appear to be newer and in good working condition.

Nightlights with battery packs appear to be maintained and in good condition.

The warehouse has minimal exit signage and does not meet current code. Additional exit signs should be installed in future upgrades.

The mechanical and electrical rooms do not have exit signs. Exit signs are required in all utility rooms that contain more than one door. To meet code, these exit signs need to be installed in future upgrades.

### 1.10 Generator System

The generator, transfer switch and generator panels appear to be in good condition. The generator enclosure has surface rust on the enclosure and should be repaired to help maintain the useful life of the generator.

**1.11 Maintainability**

With the exception of the comments listed above, the electrical systems in place appear to be well maintained. The issues encountered appear to be minor and no major issues or code violations were discovered. The systems are of good quality and appear to be upgraded with newer technology and quality equipment. If the systems continue to be maintained they should have a good service life.

**1.12 Electrical System Deficiency Construction Cost Opinions**

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer’s historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

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The values shown indicate 2015 costs and include anticipated overhead and profit. Reader shall assume an approximate 3% inflation for each subsequent year.

**1.13 Deficiency Index Form: Electrical System**

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
1.13.1	RTU Service Receptacle - Non-GFCI type, no weatherproof cover; Replace with GFCI and weatherproof cover	\$97 per receptacle
1.13.2	Exhaust Fan Controllers - Controllers are not secure; Properly secure	\$65 per controller
1.13.3	Flexible Conduit on Roof - PVC coating is failing; Replace or repair conduit	\$235 per repair
1.13.4	Open J-box in RTU - Open j-box with exposed wiring; Provide cover	\$12 per j-box cover
1.13.5	Main Electrical Gear - Good Condition	n/a
1.13.6	Motor Control Center - Good Condition; Replace burned out indicator lights	\$136 per pilot light
1.13.7	Main Electrical Room - Good Condition	n/a
1.13.8	Typical Panel - Good Condition	n/a

Photograph No.	Description	ROM Cost Opinion
1.13.9	J-box at Ceiling - J-box has proper labeling	n/a
1.13.10	Exhaust Fan Convenience Receptacle - Receptacle was removed; Provide new GFCI type receptacle	\$97 per receptacle
1.13.11	Office Receptacle - Use of power strips; Add additional power in future renovations	n/a
1.13.12	Corridor Lighting - Typical lighting. Levels appear to be adequate	n/a
1.13.13	Office Lighting - Typical lighting. Levels appear to be adequate	n/a
1.13.14	Office Lighting - Use of daylight harvesting	n/a
1.13.15	Lab Lighting - Use of parabolic fixtures; Retrofit with LED or lensed troffer	\$415 per fixture
1.13.16 a & b	Exterior Lighting - Fixtures have been retrofitted with LED	n/a
1.13.17 a& b	Emergency Lighting - Exit signs and emergency heads have been updated	n/a
1.13.18	Emergency Generator - Generator is in good condition, some surface rust present; Clean and paint	\$580
1.13.19	Cover plate missing	\$12 per j-box cover
1.13.20	Potential water damage on light fixtures due to roof leak	\$318 per fixture assuming an LED replacement
1.13.21	Cover plate missing	\$12 per j-box cover
1.13.22	Cover plate missing	\$12 per j-box cover
1.13.23	Cover plate missing	\$12 per j-box cover
1.13.24	Door alarm wiring deteriorating	\$175
1.13.25	Light fixture wiring issue	\$500 per fixture assuming an LED replacement
1.13.26	Cover plate missing	\$12 per j-box cover
1.13.27	Typical ceiling light mounting clip broken	\$120 per fixture assuming replacing broken clips only.

Photograph No.	Description	ROM Cost Opinion
1.13.28	Doorbell missing	\$261

1.13.1



1.13.2



1.13.3



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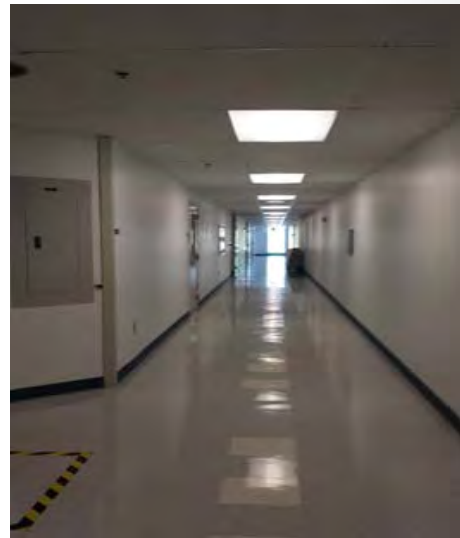
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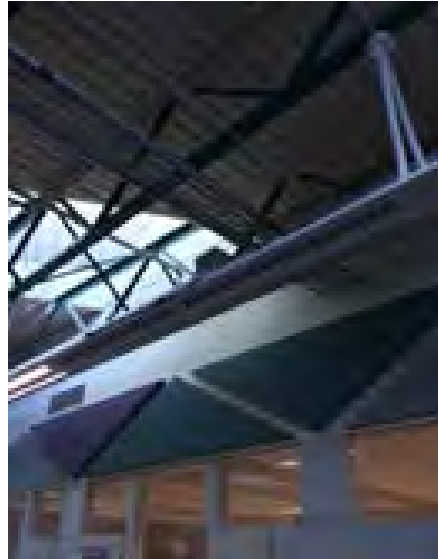
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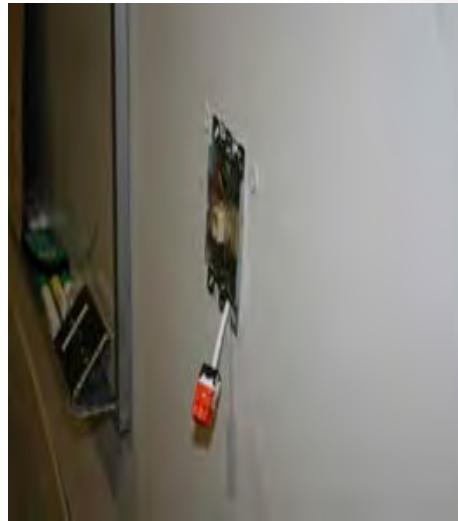
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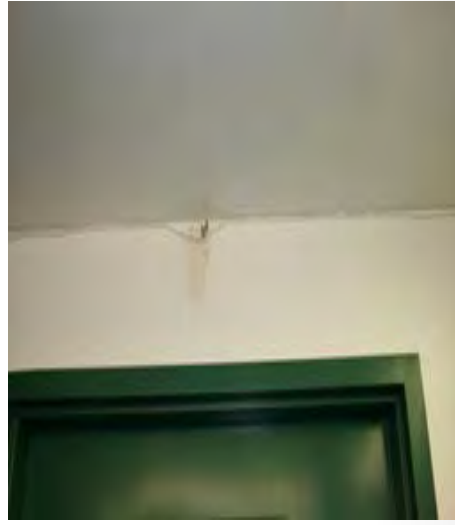
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## **Life Safety System Findings**

### 1.1 Systems Evaluated

1. Means of Egress
2. Fire Protection
3. Fire Detection and Alarm
4. Emergency Lighting
5. Smoke Curtain / Fire Dampers

### 1.2 System Evaluation Summary

The life safety system in the building consists of emergency lighting, fire alarm and detection, wet sprinkler fire protection system, and zone isolation using fire/smoke dampers and curtains. The building has a 6 inch fire entry and is provided with a back flow preventer. Most of the office areas are provided with upright sprinkler heads. The areas/rooms with ceiling are provided with pendant sprinkler heads.

The underside of roof structure and supporting steel is fire proofed with fire resistive material. Some places the fire proofing is damaged and should be repaired.

Office zones are separated via smoke curtain in the return air openings (paths) and smoke/fire dampers in the supply duct. The operation of the smoke curtain and fire/smoke dampers was not witnessed. Per maintenance personnel the life safety systems are periodically inspected by the local authority having jurisdiction.

The fire detection and alarm system and emergency lighting system is in place and appears to be well maintained. The issues encountered appear to be minor and no major issues or code violations were discovered. The systems are of good quality and appear to be upgraded with newer technology and quality equipment. If the systems continue to be maintained they should have a good service life.

### 1.3 Means of Egress

The means of egress were observed during the building audit. A complete code analysis of the building has not been completed as a part of this project.

The majority of egress required elements were compliant throughout the building. There were a few missing egress signs as well as a few pieces of door hardware that do not function correctly or improperly installed.

#### 1.4 Fire Protection

Building is provided with a wet sprinkler system. However, certain room uses have changed and sprinkler protection should be re-evaluated for proper application.

#### 1.5 Fire Detection and Alarm

The fire detection and alarm system is in place and appears to be well maintained.

#### 1.6 Emergency Lighting

Emergency lights appear to be newer and in good working condition.

Nightlights with battery packs appear to be maintained and in good condition.

The warehouse has minimal exit signage and does not meet current code. Additional exit signs should be installed in future upgrades.

The mechanical and electrical rooms do not have exit signs. Exit signs are required in all utility rooms that contain more than one door. To meet code, these exit signs need to be installed in future upgrades.

#### 1.7 Smoke Curtains / Fire Dampers

Smoke zones are isolated via smoke curtains.

#### 1.8 Electrical Distribution System

Panelboard and electrical service do not contain arc flash labels on the exterior doors. This is a code/life safety requirement to ensure maintenance personnel know what level of PPE is required when performing work on any of the electrical distribution equipment.

#### 1.9 Life Safety System Deficiency Construction Cost Opinions

The construction cost opinion values on the following sheets were developed using 2015 Means data and Engineer's historical cost data. The spreadsheets include a replacement or repair cost for each deficiency that was found during the site survey.

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1.10 Deficiency Index Form: Life Safety System

<b>Photograph No.</b>	<b>Description</b>	<b>ROM Cost Opinion</b>
1.10.1	Sprinkle Main - Back flow preventer is inspected and ok	n/a
1.10.2	Upright Sprinkler Heads in Office Area - Condition ok	n/a
1.10.3	Smoke Curtain in RA Opening - Condition ok	n/a
1.10.4	Sprinkler in Conference Room - Ceiling drop over 6" near sprinkler head; Verify sprinkler coverage with ceiling drop near the head	\$1200; includes draining and refilling the system.
1.10.5	Emergency Lighting - Exit signs have been updated	n/a
1.10.6	Emergency Lighting – Emergency lights have been updated	n/a
1.10.7	Panelboards do not contain arc flash labels	\$12,000 for arc flash calculations and labels.
1.10.8	Ceiling level appears to affect sprinkler functionality. Sprinkler head needs adjusted.	\$250 per sprinkler head
1.10.9	Glass missing on fire extinguisher cabinet	\$100 each
1.10.10	Exit sign appears to be missing	\$270 per exit sign
1.10.11	Fire alarm appears to be missing	\$400 per fire alarm device
1.10.12	Exit sign appears to be missing	\$270 per exit sign
1.10.13	Fire caulk missing	\$25 per penetration
1.10.14	Fire caulk missing	\$25 per penetration
1.10.15	Door stop on fire rated door	n/a
1.10.16	Auto door bottom on fire rated door missing	\$175 each

1.10.1



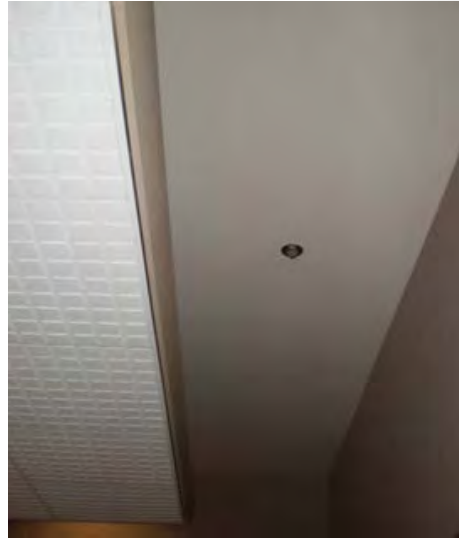
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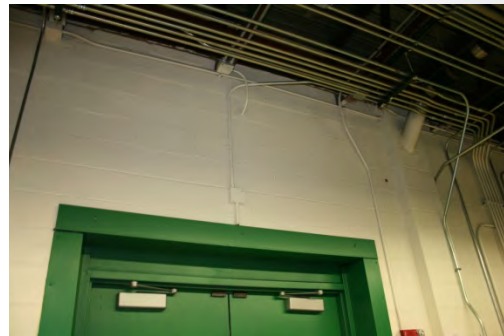
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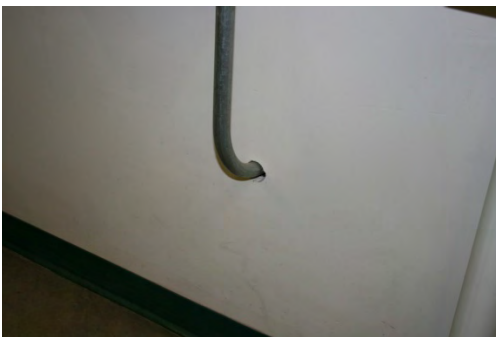
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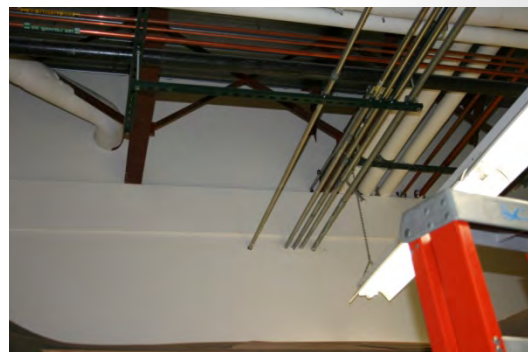
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**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

R-08 Leave Payouts Line Item Increase

Dept. Approval By: <u><i>Rhonda A 10-26-15</i></u> <input checked="" type="checkbox"/>	Supplemental FY 2015-16
	Change Request FY 2016-17
OSPB Approval By: <u><i>Grand N 10/28/15</i></u> <input type="checkbox"/>	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$481,145	\$0	\$481,145	\$257,199	\$257,199
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$481,145	\$0	\$481,145	\$257,199	\$257,199
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$481,145	\$0	\$481,145	\$257,199	\$257,199
	FTE	0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Leave Payments	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$481,145	\$0	\$481,145	\$257,199	\$257,199
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name:	
Departmental Indirect Cost Recoveries	
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	







# COLORADO

Department of Public Health and  
Environment

Priority: R-08  
Leave Payouts Line Increase  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- This request is for \$257,199 on-going Reappropriated Funds spending authority in indirect cost recoveries to the Department's Leave Payout line item.

## ***Current Program***

- Personnel Rules require Departments to pay terminating employees for unused accrued leave.
- The Department has a centralized Leave Payouts line item in the Administration Division that is used to pay sick and annual leave payouts for all retiring and terminating employees.
- The Leave Payouts line item is funded through indirect cost recoveries.
- The current Leave Payouts line item appropriation of \$481,145 has not increased in over ten years.

## ***Problem or Opportunity***

- Federal regulations (OMB Circular A-87) do not allow leave payouts to be paid directly from federal grant sources.
- Leave payouts can be charged to federal grants through the indirect cost allocation model, which means all leave payout costs should be covered through the indirect rate assessment.
- Because over half of CDPHE's total funding is derived from federal sources, the Department created the Leave Payouts line item to manage leave payouts consistently across all fund sources. This as Payments to OIT or Lease Payments; all centralized costs are paid through the indirect cost pool which is annualized each year with any cost increases.
- For the last several years, sick and annual leave payout costs have exceeded the Leave Payout line item appropriation.
- When expenses exceed the leave payout appropriation, programs must pay the leave payout costs directly from their budgets in addition to paying indirect payments for leave payouts.

## ***Consequences of Problem***

- If there is not sufficient funding in the Leave Payouts line item there is no available funding source for payouts for federally-funded employees.
- Without sufficient funding in the Leave Payouts line, General Fund, Cash Fund, and Reappropriated Fund sources subsidize federal fund leave payouts.
- Without sufficient funding, some programs are required to pay for leave payouts both through indirect cost payments, and again through direct payments, which is not equitable.

## ***Proposed Solution***

- The Department is requesting an increase of \$257,199 to the Leave Payouts line item to ensure that sufficient funding is available for all leave payouts within the indirect cost recovery methodology and helps ensure programs are not paying extra leave payouts, resulting in disparate treatment.
- The \$257,199 amount is based on an average of the leave payout shortfall over the last four years.
- Appropriating adequate funding to the central Leave Payouts line item will ensure consistency and equity in the way leave payouts are funded in the Department.





# COLORADO

## Department of Public Health and Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

**Department Priority: R-08**

**Request Detail: Leave Payouts Line Item Increase**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Reappropriated Fund
Leave Payouts Line Item Increase	\$257,199	\$257,199

### **Problem or Opportunity:**

The Colorado Department of Public Health and Environment (CDPHE) is requesting an increase of \$257,199 on-going Reappropriated Funds from indirect cost recoveries to increase the Department's Leave Payout line item in order to cover the total estimated expenses associated with this function. In addition, the Department requests that it be allowed to include an annual base budget adjustment of the Leave Payouts line item based on a three-year average of prior leave payout actual expenditures in order to keep pace with fluctuating leave payout trends.

Under State Personnel Rules, the Department is required to pay retiring and terminating employees for unused accrued leave. However, federal regulations do not allow leave payouts to be paid directly out of federal grants. Office of Management and Budget Circular A-87, Cost Principles of State, Local, and Indian Tribal Governments, establishes principles and standards for determining costs for federal awards carried out through grants, cost reimbursement contracts, and other agreements with governmental units including state governments. The regulation states that, "Payments for unused leave when an employee retires or terminates employment are allowable in the years of payment provided they are allocated as a general administrative expense to all activities of the governmental unit or component (i.e., indirect)".

Because the indirect cost assessment methodology is the allowable methodology for federal participation regarding leave payouts, the Department includes the full Leave Payouts line item appropriation of \$481,145 in the Department's indirect cost recovery rate plan. The indirect cost pool is then used to cover all sick and annual leave payouts from all fund sources. In this way, leave payout obligations are treated consistently and equitably across all fund sources without the need for one fund source to subsidize another.

The current appropriation of \$481,145, however, has not been increased in over ten years; even though leave payout obligations have increased every year. Because sick and annual leave payout obligations continue to exceed the leave payout appropriation, and because leave payout costs must still be paid to departing employees regardless of the amount of available spending authority in the line, the Department requires some divisions and/or associated programs to pay directly for non-federal leave payout obligations for departing employees in order to cover the shortfall. This practice is problematic for several reasons as identified below.

- Because the Leave Payouts line item is consistently insufficient to cover the full annual leave payout obligations, some Divisions and/or Programs are essentially required to pay for leave payouts twice: once through the indirect cost assessment allocation methodology, and again through direct cash payments to cover related expenditures not covered by the Leave Payout line.
- Divisions cannot use federal funds to directly cover the leave payout expenses as it is not an allowable direct expense. Thus, the Department is required to use the majority of the funding in the leave payouts line to make the federal payouts. This results in the General fund and Cash Funds paying for the remaining payouts directly out of their personal services appropriations. This is an inequitable cost burden being placed on certain cash funds.
- A division may be forced to hold positions vacant for a longer period of time in order to save enough money to pay the leave payouts of departing employees. This delays the filling of positions, thus negatively impacting the program's missions and objectives.

***Proposed Solution:***

The Department is requesting an increase of \$257,199 to the Leave Payouts line item to ensure that sufficient funding is available for all leave payouts within the indirect cost recovery methodology, and helps ensure programs are not paying extra leave payouts, resulting in disparate treatment.

Leave payouts can be charged to federal grants through the indirect cost allocation model, which means all leave payout costs should be covered through the indirect rate assessment to guarantee that federal sources are paying their share. Appropriating adequate funding to the central Leave Payouts line item will ensure consistency and equity in the way leave payouts are funded in the Department.

In addition, the Department requests that it be allowed to include an annual base budget adjustment of the Leave Payouts line item based on a three-year average of prior leave payout actual expenditures in order to keep pace with fluctuating leave payout trends. This treatment is consistent with the Payments to OIT or Lease Payments line items; all centralized costs are paid through the indirect cost pool which is annualized each year with any cost increases.

***Anticipated Outcomes:***

If the requested adjustment is authorized, the Department's Leave Payout line item appropriation will more accurately reflect Department actual leave payout funding requirements. This will prevent some programs from paying twice, once through indirect cost assessments, and again through direct costs.

If this request is not funded, there will continue to be insufficient funding in the Leave Payouts line item to cover the full leave payout obligations. Despite the fact that all funding sources pay into the leave payouts line through the indirect cost assessment, the existing funding will be used to pay for federal payouts first since there is no other funding source for departing federal employees. This means that once the leave payouts line is exhausted, the remaining leave payouts come directly from General fund and Cash Fund appropriations. This results in the subsidization of payouts from cash fund sources to cover the shortfall. Without sufficient spending authority in the Leave Payouts Line, some programs are required to pay for leave payouts both through indirect cost payments, and again through direct payments, which is not equitable.

**Assumptions and Calculations:**

The \$257,199 amount is an average of the leave payout shortfall over the last three years as shown in the chart below.

**Three year average of leave payouts.**

Fiscal Year	Leave Payout Line	Total Actual Expenditures	Shortfall\Division Chargeback
FY2015	\$481,145	\$797,955	(\$316,810)
FY2014	\$481,145	\$739,193	(\$258,048)
FY2013	\$481,145	\$677,884	(\$196,739)
3-year Average		\$738,344	(\$257,199)

As shown in the chart, the leave payout amount has increased steadily over the past three years. The requested \$257,199 increase is based on an average of the leave payout amounts over the last three years. The three year average is \$738,344. The current appropriation is \$481,145. The difference between those amounts is the basis of the request.

The Department is also requesting the authority to include an annual base budget adjustment of the Leave Payouts line item. The annual adjustment will be based on a three-year average of prior leave payout actual expenditures and will cover the increasing costs associated with the leave payout line, as demonstrated in the table above.

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**R-09 ADM - Cubicle Replacement**

Dept. Approval By: <u><i>[Signature]</i></u> 10-28/15	<input checked="" type="checkbox"/>	Supplemental FY 2015-16
	<input type="checkbox"/>	Change Request FY 2016-17
	<input type="checkbox"/>	Base Reduction FY 2016-17
OSPB Approval By: <u><i>[Signature]</i></u> 10/28/15	<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$1,938,926	\$0	\$1,938,926	\$371,818	\$371,818
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,938,926	\$0	\$1,938,926	\$371,818	\$371,818
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$1,938,926	\$0	\$1,938,926	\$371,818	\$371,818
FTE		0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Operating Expenses	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,938,926	\$0	\$1,938,926	\$371,818	\$371,818
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes _____ No <u>X</u> _____	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name:	Departmental Indirect Cost Recoveries, 1000
Approval by OIT? Yes _____ No _____ Not Required <u>X</u> _____	
Schedule 13s from Affected Departments:	
Other Information:	





# COLORADO

Department of Public Health and Environment

Priority: R-9  
Cubicle Replacement  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- CDPHE is requesting \$371,818 reappropriated funds from indirect cost recoveries for FY 2016-17 and for seven years thereafter to replace the Department's aging cubicles.

## ***Current Program***

- CDPHE's main campus is located in leased space on Cherry Creek Drive South in Glendale. This campus houses approximately 1,200 Department employees.
- The Department has occupied this space since 1993 and the current lease expires in 2026.

## ***Problem or Opportunity***

- A significant number of the existing cubicles and furniture on campus were several years old when the Department moved in 22 years ago.
- The majority of the cubicles are in poor condition and in a state of disrepair. Most of the original cubicles are no longer in compliance with the current building and fire codes related to electrical and data storage.
- The Department is struggling to find the space necessary to house additional staff being added as a result of federal grants, legislation and decision items.
- In some situations, two to four staff members are sharing a single cube, and storage spaces are being converted to house staff.
- The Department, not the lessor, is responsible for providing and maintaining cubicles and furniture.
- The Department does not have sufficient spending authority in its operating line to fund to replacement of the cubicles.
- More than half of the Department's funding comes from federal grants, and purchasing new cubicles and furniture is not an allowable direct expense on most federal grants.

## ***Consequences of Problem***

- Without sufficient space for new staff, the Department may be forced to delay hiring new FTE received through a legislative or programmatic change.
- Delaying hiring new FTE could negatively impact the work required and relationships with our public health partners and stakeholders.

## ***Proposed Solution***

- The Department is requesting \$371,818 in reappropriated funds spending authority for each of the next eight years to replace an estimated 80 cubes per year.
- Because cubes benefit all divisions and funding sources, the Department is requesting that indirect cost recoveries be used to fund this request.
- If approved, the Department would be able to replace existing cubes and increase the number of cubes to expand and fully utilize current space.
- Implementing an eight year, planned cubicle replacement process will increase employee safety and address space constraints.
- It is estimated that space reengineering could increase capacity by approximately 10 % or 58 cubes.







# COLORADO

## Department of Public Health and Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

**Department Priority: R-9**  
**Request Detail: Cubicle Replacement**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Reappropriated Funds
Cubicle Replacement	\$371,818	\$371,848

### **Problem or Opportunity:**

The Colorado Department of Public Health and Environment is requesting \$371,818 reappropriated funds from indirect cost recoveries in FY 2016-17 and for seven years thereafter to replace the Department's aging cubicles.

The problem is two-fold. When the Department moved to the main Cherry Creek campus location in January 1993, a significant number of the existing cubicles and furniture used on campus were already several years old. Currently, the majority of the Department's cubicles are in poor condition and in a state of disrepair. Moreover, although they are grandfathered in, most of the original cubicles are no longer in compliance with the current building and fire codes related to electrical and data storage.

The current lease and lease renewal agreement do not allow for funding for cubicle and furniture replacements. Additionally, more than half of the Department's funding comes from federal grants, and purchasing new cubicles and furniture is not an allowable direct expense on most federal grants. Furthermore, because the Department has minimal General Fund primarily dedicated to programmatic functions such as grants to local public health agencies, the Department has is left with very few funding options for the replacement of cubicles. Programs that are primarily cash funded have some ability to directly replace cubes (and have done so when possible) but General Fund and federally funded programs do not have adequate funding available for this purpose.

However, purchasing cubicles with federal funds is allowable and appropriate using the indirect cost recovery methodology. Therefore, in order to spread the cost of cubicle replacement evenly across all funding sources and ensure that all programs have the opportunity to have updated cubicles, the Department is proposing to use indirect cost recoveries to fund this Department-wide program. The Department requests an increase to the Administration Division Operating line item as there currently is not sufficient spending authority to cover this expense. The majority of the existing operating budget is dedicated to postage, paper, copier and print shop equipment rental as well as IT related expenses.

The Department's lease runs through September 2026 and will most likely be extended well into the future. Therefore, replacing the cubicles will benefit the Department for many years.

The Department has experienced steady growth during the past several years through legislation, decision items, and federal grant awards. While the budget and legislative processes fund cubicles, they do not address issues that arise as a result of not having sufficient space to install the cubicles. As a result the Department struggling to find the space necessary to house the additional staff. measures have been required to address the problem such as two to four staff members sharing a single cube, and in some cases, storage spaces have been converted to house staff. Replacing existing cubes would allow the Department to redesign the cubicle layout and use its space more efficiently and thus gain additional spaces for staff.

The table below details the growth during the last legislative cycle and increase in FTE related to new federal grants:

<b>FY 2015-16 - CDPHE Increased FTE</b>		
<b>Legislative Process Changes:</b>	<b>Initiative</b>	<b>FTE</b>
HB 15-1232	Emergency use of epinephrine auto injectors	0.4
HB 15-1102	Cottage Foods Expansion	1.5
HB 15-1283	Medical Marijuana Testing	1.1
SB 15-121	Drinking water revolving fund	1.7
	<b>Sub Total Legislative Process Changes:</b>	<b>4.7</b>
<b>Changes to Long Bill :</b>	Title V permitting staff	9.0
	CIIS optimization and sustainability	4.0
	Food safety programs	2.0
	Assisted living surveyors	3.0
	Pompe disorder screening	1.0
	Marijuana lab certification	1.5
	Primary care workforce and data	1.0
	Oil and gas health activities	4.0
	<b>Sub Total Long Bill Changes:</b>	<b>25.5</b>
<b>New Federal Grant Awards:</b>	PSD Sim Grant	3.0
	DCEED-Env Epi Lead	1.0
	DCEED-Env Epi Marijuana Cheetos	1.0
	DCEED Env Epi PH Tracking	3.0
	DCEED-STI\HIV\Hep C - Reorg + AFCA	6.0
	Ebola - grant starts April 1st	7.0
	<b>Sub Total Federal Grants:</b>	<b>21.0</b>
	<b>Total FTE Growth:</b>	<b>51.2</b>

Since many of the existing cubicles are non-standard sizes, space use is both inconsistent and inefficient. For example, many of the aisle ways are oversized. With standard size cubes, aisles could be reduced, which would allow some space to be freed up for cube reconfiguration or additional cubes while maintaining fire code compliance. Removing the existing cubes will provide a clean slate and allow a more thoughtful and consistent layout for additional employee spaces. Without sufficient space for new staff, the Department may be forced to delay hiring new FTE received through a legislative or programmatic change. This could negatively impact the work required and relationships with our public health partners and stakeholders.

***Proposed Solution:***

The Department is requesting \$371,818 in reappropriated fund spending authority from indirect cost recoveries in FY 2016-17 and for each of the subsequent seven years to replace an estimated 80 cubes per year. Because new cubicles benefit all divisions and funding sources, and because it is an allowable mechanism for federal funding participation, the Department is requesting indirect cost recoveries to support this request.

***Anticipated Outcomes:***

If approved, the Department would replace existing cubicles and increase the number of cubicles to expand and fully and efficiently utilize current space. It is estimated that the resulting space reengineering could increase capacity by approximately 10 percent or 58 cubes. This increased capacity will help in addressing the Department’s recent growth. Approval of this request would permit the agency to use space planning to optimize floor-plans (e.g. replace four over sized cubes with five regular sized cubes).

***Assumptions and Calculations:***

The table below details the current cube counts in the areas that are in need of new cubes (this does not necessarily represent the total cube count in these areas or in the Department). This plan would replace the cube/furniture and data/electrical/removal/surplus. The estimates below are based on recent cost estimates provided by vendors.

Floor	Division	Current Cube Count	New Cubes Added*	Expanded Cube Count	Cube/Furniture Ea.	Data/Electrical/Removal Ea.	Total Est. Replacement Cost Ea.	Total Request
B2	Water	141	9	150	\$3,473	\$1,000	\$4,473	\$670,950
B1	Air/ Haz Materials	132	8	140	\$3,473	\$1,000	\$4,473	\$626,220
A2	OIT	29	6	35	\$3,473	\$1,000	\$4,473	\$156,555
A3	Disease Control	125	15	140	\$3,473	\$1,000	\$4,473	\$626,220
A4	Prevention Svs	113	12	125	\$3,473	\$1,000	\$4,473	\$559,125
A5	Prevention Svs	67	8	75	\$3,473	\$1,000	\$4,473	\$335,475
	<b>Cumulative Total</b>	<b>607</b>	<b>58</b>	<b>665</b>				<b>\$2,974,545</b>
	<b>Annual Cost (over 8 years)</b>			<b>83.125</b>				<b>\$371,818</b>

\*These are new cubes that will be able to be added as a result of redesigning and reconfiguring the space.

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**RM-01 Health Survey Data Collection**

Dept. Approval By: <u><i>[Signature]</i></u> <u>10/26/16</u>	<input checked="" type="checkbox"/>	Supplemental FY 2015-16
	<input type="checkbox"/>	Change Request FY 2016-17
	<input type="checkbox"/>	Base Reduction FY 2016-17
OSPB Approval By: <u><i>[Signature]</i></u> <u>10/26/16</u>	<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18
		Initial Appropriation	Supplemental Request	Base Request	Change Request Continuation
<b>Total</b>		\$3,370,222	\$0	\$3,420,345	\$238,000 \$238,000
FTE		47.7	0.0	47.7	0.0 0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0 \$0
	CF	\$2,144,605	\$0	\$2,194,728	\$238,000 \$238,000
	RF	\$5,887	\$0	\$5,887	\$0 \$0
	FF	\$1,219,730	\$0	\$1,219,730	\$0 \$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18
		Initial Appropriation	Supplemental Request	Base Request	Change Request Continuation
<b>Total</b>		\$3,370,222	\$0	\$3,420,345	\$238,000 \$238,000
FTE		47.7	0.0	47.7	0.0 0.0
02. Center for Health and Environmental Information - Personal Services	GF	\$0	\$0	\$0	\$0 \$0
	CF	\$2,144,605	\$0	\$2,194,728	\$238,000 \$238,000
	RF	\$5,887	\$0	\$5,887	\$0 \$0
	FF	\$1,219,730	\$0	\$1,219,730	\$0 \$0

Letternote Text Revision Required? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	If Yes, describe the Letternote Text Revision: a) Of this amount, \$238,000 shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501, C.R.S.
Cash or Federal Fund Name and CORE Fund Number:	Marijuana Tax Cash Fund, 15RS
Reappropriated Funds Source, by Department and Line Item Name:	
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	





# COLORADO

Department of Public Health and Environment

Priority: RM-01  
Health Survey Data Collection  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- CDPHE is requesting on-going Marijuana Tax Cash Funds in the amount of \$238,000 for the administration of three health surveys that provide regional data on the use of marijuana and related social impacts.

## ***Current Program***

- SB 13-283 requires CDPHE to examine the impact of marijuana legalization on patterns of marijuana use broken down by county and race/ethnicity.
- CDPHE currently collects health data by region, not by county. County-level data collection is more resource intensive and may impact confidentiality in smaller counties.
- CDPHE conducts three population-based surveys to collect data on a variety of health indicators, including the use of marijuana and related social impacts.
- CDPHE uses term-limited or temporary staff in the Survey Research Program to collect the data via random digit-dial telephone surveys from Colorado residents using scientifically proven methods.

## ***Problem or Opportunity***

- CDPHE does not receive any marijuana cash funding to support data collection regarding marijuana for these three health surveys; yet this data is the primary source for detecting prevalence of marijuana use, perceived risk of use, age of first use, use in households with children, etc.
- In order to analyze marijuana use patterns, CDPHE must employ sampling strategies and weighting techniques that will produce a large enough sample size to support the statistical analysis of marijuana use at the regional level (note: some regions are counties).
- The funding available to CDPHE is insufficient to fully support region level data collection and falls short of the sampling required to provide county and race/ethnicity estimates required by SB 13-283.

## ***Consequences of Problem***

- Without additional funding, CDPHE will not be able to collect enough data to produce region and race/ethnicity estimates, preventing the department from providing data on annual trends of marijuana use in the adult population, access among the youth population, and use prior to, during or post pregnancy, including use during breastfeeding.

## ***Proposed Solution***

- An additional \$238,000 in funding is needed to enable CDPHE to obtain region level estimates of marijuana use.
- With the requested funding, the Department will be able to survey a large enough sample size to support the statistical analysis of marijuana use patterns by race and ethnicity at the regional level.
- The department is requesting a modification to C.R.S 25-1.5-111 to change the requirement of collecting “county level” data to “region level” data to align with the department’s collection of data by health statistics regions.
- This information will contribute to public policy and public education efforts intended to reduce the negative impacts of marijuana use.







# COLORADO

## Department of Public Health and Environment

FY 2016-17 Funding Request | November 1, 2015

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

### Department Priority: RM-01 Health Survey Data Collection

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Cash Funds
Health Survey Data Collection	\$238,000	\$238,000

#### Problem or Opportunity:

This request seeks \$238,000 in Marijuana Tax Cash funding in FY 2016-17 and in on-going to improve the availability of marijuana related information necessary to enhance public health.

The Colorado Department of Public Health and Environment (CDPHE) collects and disseminates critical health data for the purpose of assessing and preventing negative health impacts for Colorado citizens. The Department currently conducts three population-based surveys to collect data on a variety of health indicators, including the use of marijuana and related social impacts:

- Behavioral Risk Factor Surveillance System (BRFSS) - Colorado adults over the age of 18
- Colorado Child Health Survey (CHS)- parents of Colorado children between the ages of 1-14
- Pregnancy Risk Assessment and Monitoring System (PRAMS) - Colorado mothers who have recently given birth

Senate Bill 13-283 “Implementations of Amendment 64” requires CDPHE to examine the impact of marijuana legalization on patterns of marijuana use broken down by county and race/ethnicity. Since the passage of SB 13-283, several public health needs, which require larger sample sizes, have emerged. For example, assessing marijuana use on specialized populations, such as breastfeeding mothers or youth exposed to marijuana in the home have become critical to developing sound public health policy. The Department does not have sufficient resources to collect enough data to identify and evaluate usage patterns in specialized populations.

Currently, CDPHE collects health data by region, not by county as required in SB 13-283. In 2009, CDPHE defined [21 health statistics regions](#) within Colorado for public health planning purposes. The boundaries for the regions were determined by the size of the population in each county (counties with smaller populations were aggregated) and key demographic factors for each county. The regions ensure an adequate sample size across such a geographically diverse state and assist in estimating sub-state health and demographic characteristics of Colorado’s population. Some of the defined regions are counties for those more populated counties (Denver, El Paso, Pueblo, Larimer, Mesa, etc), but less populated counties are aggregated to protect the confidentiality of survey respondents.

In order to collect regional data, CDPHE must employ sampling strategies and weighting techniques that will produce a large enough sample size to support the statistical analysis of marijuana use patterns within the population. The greater the sample size, the more reliable and comparable the data, establishing a more accurate analysis of marijuana use trends in Colorado over time.

The Centers for Disease Control and Prevention (CDC) provides limited funding to CDPHE via a cooperative agreement to conduct the BRFSS and PRAMS. The CDC only funds the State to support a small sample size for overall state-level estimates. CDC funding currently supports a sample size of 2,340 for BRFSS and 1,115 for PRAMS in FY 2015-16. The minimum sample size to obtain region level data for the adult population is 13,000.

The Child Health Survey (CHS) is a call-back survey from BRFSS. Participants over the age of 18 are asked if a child between the ages of 1 to 14 lives in the home, and if so, if they would be willing to participate in the Child Health Survey at a later time. The Department does not receive any dedicated funding for the CHS it is entirely paid for via various internal and external programs that rely on this data to better understand child health issues in the State of Colorado.

The CDC encourages states to obtain funding from other federal, state and private sources to increase the sample size of BRFSS and PRAMS and to support the collection of health data on topics that are important to the State, but not included on the CDC core survey. An example of this is marijuana, as the CDC does not include any questions on marijuana use on the BRFSS or the PRAMS survey.

The Department works with internal and external partners each year to obtain additional funding to add state specific questions and increase the sample size of surveys to improve the quality of health survey data. The survey sample varies each year depending on funding availability. Even with additional funds, the FY 2015-16 funding for population-based health surveys is insufficient to support the 13,000 sample needed to collect region level and race/ethnicity data, and certainly falls short of the sampling required to provide county estimates required by SB 13-283.

In order to examine the impact of marijuana legalization in Colorado, CDPHE added marijuana questions to the BRFSS, CHS and PRAMS in 2014. Colorado Department of Public Health and Environment injury and disease control programs provided \$170,000 to increase the sample size of health surveys, enabling the Department to obtain region level and race/ethnicity estimates of marijuana use in the State; however, this funding was insufficient to provide county level estimates as required by SB 13-283. The marijuana data collected in 2014 has proven extremely valuable in setting a baseline for marijuana use in the State of Colorado and sets the State up for success in determining marijuana trends into the future.

Based on current estimates, an additional \$238,000 in funding is required to obtain consistent region level and race/ethnicity estimates of marijuana use for these three health surveys.

***Proposed Solution:***

The Department does not receive any direct State funding to support marijuana data collection for these three health surveys; yet this data is invaluable as it is the only source for detecting prevalence of marijuana use, perceived risk of marijuana use, age of first marijuana use, use of marijuana in households with children, etc.

The data collected by CDPHE health surveys has been used to set a baseline for current marijuana use and perceptions of use in the State by various demographics (age, race/ethnicity, gender). The robust nature of the BRFSS dataset provides policymakers and program staff with the ability to compare health behavior data in a variety

of ways. For example, program staff are working to develop some larger hypotheses by looking at the associated factors of marijuana use to inform the youth marijuana campaign for youth under the age of 14 and to guide the Maternal Child Health (MCH) block grant priorities (for example, to estimate the number of youth who grow up with parents using marijuana and to learn about associated factors of marijuana use during pregnancy). This data provides policymakers and public health practitioners with a better understanding of how marijuana use compares to the use of other substances, like tobacco and alcohol, in select populations.

The data benefits other State agencies as it will be incorporated in a data dashboard coordinated by the Governor's Office of Marijuana Coordination. Agencies that currently benefit include the Department of Transportation and the Department of Human Services as the data provides estimates on the percent of Colorado marijuana users who drive after use and estimates on children's exposure to marijuana based on various demographics. Another potential link is if CDPHE detects higher rates of marijuana use in Medicaid recipients, this may provide an opportunity for CDPHE to work closely with the Department of Health Care Policy and Financing (HCPF) to obtain additional data for this population which could assist in developing policy changes to improve the health of individuals enrolled in Medicaid.

The Department is requesting ongoing, annual funding in the amount of \$238,000 to support the administration of health surveys (BRFSS, CHS and PRAMS) in order to provide region-level data on the use of marijuana and related social impacts. This cost estimate is based on the cost of each completed survey in order to reach a valid sample size to produce reliable estimates of marijuana use by region and race/ethnicity in Colorado. This will ensure that the Department is able to meet the Marijuana Research and Education Strategic Policy Initiative (SPI) within the CDPHE Performance Plan.

In addition to the requested funding, the Department is also requesting a technical amendment to C.R.S. 25-1.5-111 to change the requirement of collecting county level data to region level to align with best practice and the Department's collection of data by health statistics regions. As discussed above, collecting data at the county level can, in smaller counties, risk the confidentiality of survey respondents.

#### ***Anticipated Outcomes:***

If this proposal is approved, CDPHE plans to survey a representative sample of adults in each region. The total sample will be approximately 13,000 adults and will allow the application of statistical methods to estimate the prevalence of marijuana use and associated behaviors within each Health Statistics Region. CDPHE also plans to sample 1,500 adults with children in the household to assess marijuana use and safe storage practices in the home and 1,500 Colorado mothers who have recently given birth to assess marijuana use before, during, and shortly after pregnancy (including the time they may have been breastfeeding). The Program will employ a stratified sampling technique that will provide the ability to produce reliable region and race/ethnic estimates for each year going forward. Survey completes are tracked monthly by the CDPHE Survey Research Program to ensure that monthly and annual targets are met to obtain the desired sample size for each survey.

Adding marijuana questions to existing health surveys is the most efficient and least expensive method to obtain data on marijuana use in the State. Creating a separate survey to address these three distinct populations would be duplicative and difficult as Colorado citizens would experience "survey fatigue" and be less likely to participate if health behavior data is collected by multiple surveys.

Without additional funding, CDPHE will not be able to collect enough data to produce region and race/ethnicity estimates, preventing the department from providing data on annual trends of marijuana use in the adult population, access to marijuana among the child population, and marijuana use prior to, during or post pregnancy.

Marijuana research and education is a Strategic Policy Initiative (SPI) within the CDPHE Performance Plan. The department has made a commitment to ensuring that information about the health impacts of marijuana is available to citizens and medical providers. This data is critical to protect and improve public health in our state. These data will assist in the initial efforts towards monitoring the changes in marijuana use patterns, potential health effects of

marijuana use, and, combined with the most recent scientific findings associated with marijuana use; it will help facilitate evidence-based policy decisions and science-based public health education campaigns.

**Assumptions and Calculations:**

The Department currently has a total of \$802,000 to perform health surveys for BRFSS, CHS and PRAMS; including funding from additional internal and external sources. This funding only supports a sample size of 9,540 for BRFSS, 1,269 for CHS and 1,269 for PRAMS. In order to provide estimates of marijuana use by region, CDPHE would need an additional \$238,000 to increase the sample size to a minimum of 13,000 for BRFSS, 1,500 for CHS and 1,500 for PRAMS.

Cost estimates are based on the cost per completed survey in order to reach a specific sample size. For example, it costs an average of \$50 to get a complete response to the BRFSS questionnaire. A sample size of 13,000 results in a total cost of \$650,000 to administer the BRFSS survey including personnel and operating (\$50 \* 13,000). The cost per completed survey varies as the response rate is lower for PRAMS and the Child Health Survey, which means that staff would need to make more calls to reach the necessary sample size. See table below for more information.

Survey	Sample Size for <u>Region Level</u> Data	Cost Per Survey Complete	Funding Required for Sample Size*	FY16 Funding for Surveys	Remaining Funding Needed
BRFSS	13,000	50	\$650,000	\$477,000	\$173,000
PRAMS**	1,500	130	\$195,000	\$165,000	\$30,000
CHS**	1,500	130	\$195,000	\$160,000	\$35,000
			\$1,040,000	\$802,000	<b>\$238,000</b>

\* This does not include costs for data analysis, only data collection.

\*\* Two or more years of PRAMS and CHS datasets are combined in order to produce region level estimates.

Funding will be used for staff time to conduct the additional telephone surveys required to reach the larger sample size. CDPHE is not requesting additional FTE with this request as the Survey Research Unit currently has term-limited staff employed on a separate project that ends in FY 2015-16. If this request is approved, term limits can be extended for current staff to conduct this work starting in FY 2016-17; otherwise, staffing will be reduced to meet survey sample limitations set by funding availability.

In addition to the requested funding, the department is requesting a technical amendment to C.R.S. 25-1.5-111 to change the requirement of collecting “county level” data to “region level” to protect confidentiality and, align the department’s collection of data by health statistics regions.

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**RM-02 Poison Center Enhanced Marijuana Data Collection**

Dept. Approval By: <u><i>[Signature]</i></u> <u>10-28-16</u>	<input checked="" type="checkbox"/>	Supplemental FY 2015-16
	<input type="checkbox"/>	Change Request FY 2016-17
	<input type="checkbox"/>	Base Reduction FY 2016-17
OSPB Approval By: <u><i>[Signature]</i></u> <u>10/29/16</u>	<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$320,388	\$0	\$320,388	\$346,612	\$283,329
FTE		4.0	0.0	4.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$320,388	\$0	\$320,388	\$346,612	\$283,329
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$320,388	\$0	\$320,388	\$346,612	\$283,329
08. Disease Control and Environmental Epidemiology Division - Cannabis Health	FTE	4.0	0.0	4.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$320,388	\$0	\$320,388	\$346,612	\$283,329
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required?	Yes _____	No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	Marijuana Tax Cash Fund, 15RS		
Reappropriated Funds Source, by Department and Line Item Name:			
Approval by OIT?	Yes _____	No _____	Not Required _____
Schedule 13s from Affected Departments:			
Other Information:			





# COLORADO

Department of Public Health and Environment

Priority: RM-02  
Poison Center Enhanced Marijuana Data Collection  
FY 2016-17 Decision Item Request

## ***Cost and FTE***

- The Colorado Department of Public Health and Environment (CDPHE) requests \$364,612 in FY 2016-17 and \$283,329 on-going from the Marijuana Tax Cash Fund for a contract with the Rocky Mountain Poison and Drug Center (RMPDC) to develop a dedicated marijuana consumer call line and data system. This funding will provide health information to consumers and adverse health effects monitoring information to CDPHE.

## ***Current Program***

- Trends in adverse health effects potentially associated with marijuana are monitored by CDPHE.
- Through specially trained registered nurses backed up by physician toxicologists, the RMPDC provides 24-hour per day toll-free telephone access to information on the response to potentially life-threatening poison exposures.
- The RMPDC provides three core services: patient care (i.e. the call center), professional and public education, and public health and toxic surveillance response.

## ***Problem or Opportunity***

- The volume/content of calls to the RMPDC provides trends on marijuana-related incidents.
- Call data collected by RMPDC are the only real-time data available to determine whether there is overconsumption, poisonings, or other illnesses associated with marijuana use.
- Currently, RMPDC does not collect specific information on the product name, source, and dose of marijuana, which are vitally important in measuring trends and investigating outbreaks.
- Also, RMPDC has not typically been viewed by the general public as the first place to call for a bad reaction to a recreational drug.

## ***Consequences of Problem***

- Without a focused education effort, individuals will continue to be unaware of the RMPDC as a resource in the event of a bad reaction to a recreational drug.
- Ongoing lack of information on the type, source, and dose of marijuana products associated with adverse health outcomes prevents development of new policies to protect public health and development of targeted prevention campaigns.
- Lack of data hinders epidemiological investigations of an outbreak due to a contaminated product.

## ***Proposed Solution***

- This request seeks funding to develop and implement a dedicated toll-free telephone number that can be placed on all marijuana product packaging, industry websites, and outreach materials.
- This dedicated phone line will provide medical information to concerned callers and collect data to allow efficient monitoring of adverse health effects.
- The request would also fund development of a data system to include detailed information on the type, name, and source of the marijuana product.
- The data collected by the RMPDC will provide important new data to monitor trends in terms of potency, product source (regulated vs. unregulated markets), type (edible vs. smokable), and dose of marijuana.







**COLORADO**  
Department of Public Health and  
Environment

John W. Hickenlooper  
Governor

Larry Wolk, MD MSPH  
Executive Director

FY 2016-17 Funding Request | November 1, 2015

**Department Priority: RM-02**  
**Request Detail: Poison Center Enhanced Marijuana Data Collection**

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Cash Funds
Poison Center Enhanced Marijuana Data Collection	\$346,612	\$346,612

**Problem or Opportunity:**

The Colorado Department of Public Health and Environment (CDPHE) requests \$346,612 in Marijuana Tax Cash Fund (MTCF) spending authority in FY 2016-17 and on-going funding of \$283,329 to improve marijuana data collection and consumer safety in Colorado.

The Department has been actively reviewing and analyzing available data sources to evaluate the potential health impact of legalized marijuana. However, nearly all of the available data sources are either retrospective (i.e., only contain data from many months ago) and/or not detailed enough to answer the relevant public health questions. One of the most useful data sources that the program has used to evaluate potential health effects related to the increased availability of marijuana is the Rocky Mountain Poison and Drug Center (RMPDC) call volume data. These data provide detailed information on the outcome (i.e., hospitalization, emergency department visit, etc.) of individuals who use or are accidentally exposed to marijuana. The volume and content of calls to the RMPDC are extremely useful data that provide timely trends on marijuana-related incidents. RMPDC call data are the only real-time data available to determine whether there are increases in over-consumption, poisonings, or other illnesses associated with marijuana use. However, RMPDC data also have two major limitations;

1. RMPDC is viewed more as a “poison center” to call when a household or industrial product is inadvertently ingested has and is not typically viewed as the first place to call when one has a bad reaction to a recreational drug.
2. RMPDC collects standardized data for all exposure calls whether it is for exposure to bleach or marijuana, but does not collect specific information on the product name, source, or dose of marijuana which are vitally important in measuring trends and investigating outbreaks.

This proposal aims to create a specific marijuana reporting line using the existing infrastructure of the RMPDC to overcome these limitations. This reporting line would provide medical information to callers and collect the important data to enable more specific measurement of trends and appropriate information to initiate a product investigation when necessary.

## ***Proposed Solution:***

### **Description**

This request asks for funding to develop and implement a dedicated toll-free telephone number that can be placed on all marijuana product packaging, industry websites, and public health outreach materials. This dedicated phone line will provide medical information to concerned callers and collect data to allow efficient monitoring of adverse health effects. This is a request for \$346,612 in FY 2016-17 and \$283,329 in on-going funding.

The additional resources will provide funding for the Rocky Mountain Poison and Drug Center (RMPDC) to develop and implement the telephone number and associated data system to include detailed information on the type, name, and source of the marijuana product, providing important information to allow monitoring of trends and initiation of a product investigation when necessary. This will include adverse experiences and product complaints/issues. This solution will serve two primary goals:

1. **Prevention Goal:** The dedicated phone line will provide a visible place for marijuana users (and those accidentally exposed) to report their concerns and receive medical information.
2. **Monitoring Goal:** The data collected by the RMPDC will provide important new data to monitor trends in terms of potency, product source (regulated vs. unregulated markets), type (edible vs. smokable), and dose of marijuana.

This program will be implemented through a contract with RMPDC who has the necessary infrastructure and expertise to accomplish these goals. RMPDC will provide the telephonic infrastructure and trained information specialists and medical staff to provide product information and medical health support services to the public via a toll free telephone number. All information specialists will be trained and overseen by RMPDC. The phone line will operate 24 hours/day, 7 days/week. Alerts will be provided by RMPDC to notify CDPHE of an unusual illness or cluster of illnesses. In addition, RMPDC will provide detailed monthly call volume reports to CDPHE for analysis.

In order to increase the visibility of the RMPDC as the place to call for marijuana-related health issues, the dedicated phone number can be placed on all retail and medical marijuana products. The Program will work with industry to achieve voluntary compliance with including the dedicated phone number on the package. This public relations and education budget of \$84,000 is included in the requests for FY 2016-17 and ongoing years. In addition, RMPDC proposes a public relations and education campaign including:

- Posters (for Marijuana dispensaries – 350, local bars/venues, Head Shops – 1,750)
- Postcards (to be sent in bulk to each marijuana dispensary, not for individual mailing)
- Social Media
- Targeted Facebook Ads
- Banner ads on event websites
- Google & Bing AdWords
- Other public education & outreach to include: university events, social gathering areas and bulletin boards, hospitals and clinics, ski resorts.

The RMPDC data system will include the following to enable detailed tracking and reporting by any of these data elements:

- Caller Details (e.g., age, gender, phone, zip, race/ethnicity)
- Location of source purchase (e.g., dispensary, retail store, self-grown, dealer)

- Product: regulated vs non-regulated
- Product: branded vs non-branded
- Product: medical vs retail
- Product Name, if applicable
- Type of Product (e.g., edible, vaped, smoked, dabbed)
- Marijuana Strain, if known
- Dose (% of THC, % of CBD, ratio)
- Co-ingested products that may be involved
- Route of Exposure (e.g., dermal, inhalation, ingestion, ocular, etc.)
- Clinical Effects and other Adverse Reactions

The Program is also requesting \$12,904 to partially fund a General Professional II (GP II) to administer and oversee the contract with RMPDC. The Department is not requesting an actual FTE, only the dollars to cover the costs. The GP II will be expected to develop and oversee the contract from a programmatic perspective. This includes detailed checking of reports as well as review of reporting schedules. The Program plans to reallocate existing staff to perform these functions, but is requesting funding from the Marijuana Tax Cash Fund to ensure that costs are allocated appropriately.

If implemented, this project will provide important new data on trends in adverse outcomes by type and source of marijuana product.

**Cost**

This is a request for \$364,612 in MTCF in FY 2016-17 and \$283,329 in future years. The requested amounts are based on a call volume of 3,975 calls per year. Additional funding may be necessary in subsequent years if this volume is exceeded. See Appendix A for detail on the costs.

**Consequences**

The major consequence of not implementing this proposal is the ongoing lack of information on the type, source, and dose of marijuana products associated with adverse health outcomes. This lack of information prevents the development of new policies to protect public health and the development of targeted prevention campaigns. In addition, the lack of a dedicated health line for marijuana products increases the call volume and workload of the Retail Marijuana Health Monitoring Program at CDPHE. Having this dedicated call line through the RMPDC would provide a designated medical information line and possibly decrease serious adverse health effects among consumers.

**Alternatives**

The only additional alternative that was considered was to make marijuana-related health effects a reportable condition by physicians and hospitals. This alternative would require regulatory change and would place a large burden on physicians and health care providers. It would also likely result in lower data quality.

***Anticipated Outcomes:***

The three major outputs of this proposal are:

1. An active phone line monitored by trained health professionals to respond to marijuana-related health concerns of Colorado citizens.

2. Real-time trend reports from RMPDC notifying CDPHE of any unusual adverse health effect or cluster of adverse health effects. This allows CDPHE to take an active role in product investigation and public health prevention activities.
3. Monthly reports received by CDPHE from RMPDC outlining the following:
  - o Caller Details (e.g., age, gender, phone, zip, race/ethnicity)
  - o Location of source purchase (e.g., dispensary, retail store, self-grown, dealer)
  - o Product: regulated vs non-regulated
  - o Product: branded vs non-branded
  - o Product: medical vs retail
  - o Product Name, if applicable
  - o Type of Product (e.g., edible, vaped, smoked, dabbed)
  - o Marijuana Strain, if known
  - o Dose (% of THC, % of CBD,rRatio)
  - o Co-ingested products that may be involved
  - o Route of Exposure (e.g., dermal, inhalation, ingestion, ocular, etc.)
  - o Clinical Effects and other Adverse Reactions

These reports will allow CDPHE to develop targeted policies and prevention campaigns to reduce the public health impact of marijuana.

***Assumptions and Calculations:***

The cost for this proposal is based on contracting the phone line and management to RMPDC who has the necessary infrastructure and expertise to implement the project. The RMPDC contract is based on a one-time database and training set-up charge of \$63,283 and a yearly cost of \$270,425 based on a yearly call volume of 3,975. This estimated call volume assumes 0.75% of Colorado’s estimated 530,000 marijuana users will call at least once per year. Detailed calculations for the RMPDC contract are included in Appendix A.

The Program is also requesting \$12,904 to partially fund a General Professional II (GP II) to administer and oversee the contract with RMPDC. The Department is not requesting an actual FTE, only the dollars to cover the costs. The GP II will be expected to write the contract and oversee the contract from a programmatic perspective. This includes detailed checking of reports as well as review of reporting schedules. The Program anticipates that this oversight work will take approximately 4 hours per week (0.1 FTE) for the duration of the contract. The Program plans to reallocate existing staff to perform these functions, but is requesting funding from the Marijuana Tax Cash Fund to ensure that costs are allocated appropriately.

**Table 1- Cost Breakdown For FY 2016-17**

<b>Expenditure</b>	<b>Cost</b>
RMPDC Contract Cost	\$333,708
.1 FTE- GP II	\$12,904
<b>Total Est. Costs for FY 2016-17</b>	<b>\$346,612</b>

**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**NP-01 Annual Fleet Vehicle Request**

Dept. Approval By: <i>R. L. [Signature]</i> 10-28-15	<input checked="" type="checkbox"/>	Supplemental FY 2015-16
	<input type="checkbox"/>	Change Request FY 2016-17
	<input type="checkbox"/>	Base Reduction FY 2016-17
OSPB Approval By: <i>[Signature]</i> 10/28/15	<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$351,365	\$0	\$392,181	\$29,476	\$29,476
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$250,554	\$0	\$291,370	\$29,476	\$29,476
	RF	\$67,621	\$0	\$67,621	\$0	\$0
	FF	\$33,190	\$0	\$33,190	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$351,365	\$0	\$392,181	\$29,476	\$29,476
FTE		0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Vehicle Lease	GF	\$0	\$0	\$0	\$0	\$0
Payments	CF	\$250,554	\$0	\$291,370	\$29,476	\$29,476
	RF	\$67,621	\$0	\$67,621	\$0	\$0
	FF	\$33,190	\$0	\$33,190	\$0	\$0

Letternote Text Revision Required? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number: <b>Various Sources Cash Fund, VSCF</b>	
Reappropriated Funds Source, by Department and Line Item Name:	
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	




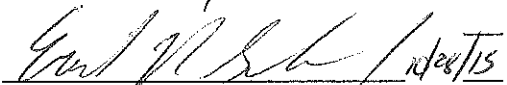
**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

**Department of Public Health and Environment**

Request Title

**NP-02 Resources for Administrative Courts**

Dept. Approval By:		<input checked="" type="checkbox"/>	Supplemental FY 2015-16
			Change Request FY 2016-17
			Base Reduction FY 2016-17
OSPB Approval By:			Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$25,538	\$0	\$9,368	\$590	\$590
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$25,538	\$0	\$9,368	\$590	\$590
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriatio	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$25,538	\$0	\$9,368	\$590	\$590
	FTE	0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Administrative Law Judge Services	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$25,538	\$0	\$9,368	\$590	\$590
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required?	Yes	No	X	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:				
Reappropriated Funds Source, by Department and Line Item Name:			Departmental Indirect Cost Recoveries	
Approval by OIT?	Yes	No	Not Required	X
Schedule 13s from Affected Departments:				
Other Information:				





**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

NP-03 OIT Secure Colorado

Dept. Approval By:

*[Signature]* 10/29/15

Supplemental FY 2015-16

Change Request FY 2016-17

Base Reduction FY 2016-17

OSPB Approval By:

*[Signature]* 10/29/15

Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,067,115	\$0	\$7,396,406	\$42,403	\$42,403
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,311,669	\$0	\$1,502,287	\$42,403	\$42,403
	CF	\$1,100,696	\$0	\$0	\$0	\$0
	RF	\$7,654,750	\$0	\$5,894,119	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,067,115	\$0	\$7,396,406	\$42,403	\$42,403
	FTE	0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Payments to OIT	GF	\$1,311,669	\$0	\$1,502,287	\$42,403	\$42,403
	CF	\$1,100,696	\$0	\$0	\$0	\$0
	RF	\$7,654,750	\$0	\$5,894,119	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes _____ No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name:	
Approval by OIT? Yes <input checked="" type="checkbox"/> No _____ Not Required: _____	
Schedule 13s from Affected Departments:	
Other Information:	



**Schedule 13**

**Funding Request for the FY 2016-17 Budget Cycle**

Department of Public Health and Environment

Request Title

**NP-04 OIT Enterprise Tools**

Dept. Approval By:	<i>R. [Signature]</i> 10-29/18	<input checked="" type="checkbox"/>	Supplemental FY 2015-16
			Change Request FY 2016-17
			Base Reduction FY 2016-17
OSPB Approval By:	<i>Earl [Signature]</i> 10/29/15	<input type="checkbox"/>	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$10,067,115	\$0	\$7,396,406	\$147,153	\$0
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,311,669	\$0	\$1,502,287	\$147,153	\$0
	CF	\$1,100,696	\$0	\$0	\$0	\$0
	RF	\$7,654,750	\$0	\$5,894,119	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2015-16		FY 2016-17	FY 2017-18	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total</b>		\$10,067,115	\$0	\$7,396,406	\$147,153	\$0
FTE		0.0	0.0	0.0	0.0	0.0
01. Administration and Support - Payments to OIT	GF	\$1,311,669	\$0	\$1,502,287	\$147,153	\$0
	CF	\$1,100,696	\$0	\$0	\$0	\$0
	RF	\$7,654,750	\$0	\$5,894,119	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Letternote Text Revision Required? Yes _____ No <u>X</u>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name	
Approval by OIT? Yes <u>X</u> No _____ Not Required _____	
Schedule 13s from Affected Departments:	
Other Information:	

