

Schedule 13
Funding Request for the 2014-15 Budget Cycle

Department: Department of Human Services
 Request Title: Space Renewal
 Priority Number: R-20

Dept. Approval by: *Will B. L.* 10-18-13
 Date

OSPB Approval by: *Erin M. S. L.* 10/25/13
 Date

- Decision Item FY 2014-15
- Base Reduction Item FY 2014-15
- Supplemental FY 2013-14
- Budget Amendment FY 2014-15

Line Item Information		FY 2013-14		FY 2014-15		FY 2015-16
		1	2	3	4	5
	Fund	Appropriation FY 2013-14	Supplemental Request FY 2013-14	Base Request FY 2014-15	Funding Change Request FY 2014-15	Continuation Amount FY 2015-16
Total of All Line Items	Total	3,377,779	0	3,377,494	593,067	0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	2,454,829	0	2,454,555	593,067	0
	CF	11,422	0	11,422	0	0
	RF	711,909	0	711,898	0	0
	FF	199,619	0	199,619	0	0
	MCF	356,874	0	356,863	0	0
	MGF	178,437	0	178,431	0	0
	NGF	2,633,266	0	2,632,986	593,067	0
(3) Office of Operations, (A) Administration, Operating Expenses	Total	3,377,779	0	3,377,494	593,067	0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	2,454,829	0	2,454,555	593,067	0
	CF	11,422	0	11,422	0	0
	RF	711,909	0	711,898	0	0
	FF	199,619	0	199,619	0	0
	MCF	356,874	0	356,863	0	0
	MGF	178,437	0	178,431	0	0
	NGF	2,633,266	0	2,632,986	593,067	0

Letternote Text Revision Required? Yes: No: If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number: N/A

Reappropriated Funds Source, by Department and Line Item Name: N/A

Approval by OIT? Yes: No: Not Required:

Schedule 13s from Affected Departments: N/A

Other Information: N/A

This page intentionally left blank.



Cost and FTE

- The Department requests one-time funding of \$593,067 General Fund in FY 2014-15 to perform building renewal projects.

Current Program

- The Division of Facilities Management in the Office of Administrative Solutions is responsible for operating, cleaning and maintaining all Department facilities. Funding for renovations and improvements allow the Division to fulfill this duty.

Problem or Opportunity

- Renewing existing space is more cost effective than new construction or leasing third party space.
- During the past several budget cycles, the Department has invested its facilities management funding almost exclusively to its 24/7 direct care areas, leaving renovations and improvements in administrative support areas undone.
- Not all building renewal projects qualify for capital funding through controlled maintenance. Many building upkeep or upgrade projects (i.e. replacing fixtures or finishes) have relatively short life compared to building or building systems. While these projects preserve and update spaces, the projects don't always address safety issues or extend the useful life of a building.
- Current appropriations are not adequate to make administrative support space improvements because the Department's current operating budget for these spaces is allocated almost entirely for daily consumable supplies.
- The Department has identified the most critical spaces needing renewal at the Fort Logan campus, using a risk-based approach. The improvements include paint, carpet, window coverings, and asbestos removal.

Consequences of Problem

- As with any fixed asset, it is critical to preform adequate maintenance and repair to preserve the value of the asset. Without ample funding, the condition of these facilities will continue to decline.

Proposed Solution

- The Department proposes one-time funding to renovate and improve the work spaces and building conditions for administrative support staff in the affected areas of the Fort Logan facility.
- With these improvements, the Department anticipates extended life cycles in the facilities as well as improved working conditions.

This page left intentionally blank



State of Colorado
Department of Human Services
FY 2014-15 Funding Request
November 1, 2013

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: R-20
Request Detail: Space Renewal

Summary of Incremental Funding Change for FY 2014-15	Total Funds	General Fund
Office Operations, Administration, Operating Expenses	\$593,067	\$593,067

Request Summary:

The Department requests one-time funding of \$593,067 General Fund in FY 2014-15 to perform building renewal projects for the administrative spaces at the Fort Logan campus.

Problem or Opportunity:

The Division of Facilities Management in the Office of Administrative Solutions is responsible for operating, cleaning and maintaining the Department's facilities. During the last several fiscal years, the Department has invested its facilities management funding for renovations and improvements exclusively to the 24/7 direct care areas. Therefore, renovations and improvements in spaces used by administrative staff have been left undone with some administrative spaces not having any improvements made during the last fifteen years.

As the condition of the administrative spaces deteriorates, the functional and viable use of the asset also declines. Furthermore, the declining condition of a workspace does not create a positive work environment when carpets are frayed, window covers are missing vanes and don't operate properly or at all, and the paint on the walls are scarred, faded, and chipped.

Not all building renewal projects qualify for capital funding through controlled maintenance. Many renewal projects, while improving the condition of the property, do not necessarily extend the life of the building or building systems or improve life safety issues. Without additional resources it is unlikely that these projects can be funded because a majority of the operating funding in the Division for these administrative spaces is allocated for daily consumable supplies.

Proposed Solution:

The Department requests one-time funding of \$593,067 General Fund in FY 2014-15 to perform building renewal projects in the A and KC Buildings at Fort Logan. The improvements funded would include paint, carpet, window coverings, and asbestos removal. These spaces were identified by the Department as being the most critical and in need of renovations. Some of these spaces have had very limited renovations since the buildings' construction.

Building A houses the Office of Behavioral Health (OBH) Mental Health Institute administration, including the directors of the hospital, psychology, social work, nursing, support services, patient rights, and compliance officers. Also located there are social workers for trauma informed care, nutrition services, medical records, volunteer services, a chapel, gift shop, cashiers office and vault room. The building houses the offices of the Division of Employment Affairs for the North Central and Western districts of the State. The building was constructed in 1962 and consists of 37,136 square feet. While some of the offices in the building were updated last year as part of a consolidation of OBH staff, most the space has not renovated since the time of construction other than some minor painting and limited carpet replacement.

Building A has nine by nine asbestos floor tiles throughout the majority of it. Much of the flooring has miss-matched patched work tiles. Most window coverings have deteriorated long ago to the point where they had to be removed. The walls are typically concrete block with numerous holes, hooks, scratches and dirt. Additionally the lobby area is the main entrance for the hospital and support services. All visitor, staff, and patients enter the building through this area. It provides a first impression of the mental health services provided at Fort Logan and the value of the employees working in the building.

The KC building was built in 1965 and consists of 4,645 square feet. It has been vacant for the last year. The program in the facility before was a residential program supported by the Addiction, Research, and Treatments Services (ARTS), University of Colorado Denver. The Department has several Divisions needing support space. For example, the Department has considered allowing either the Office of Performance and Strategic Outcomes to use the space or Child Welfare to use the space for a training academy. For either use, renovations would be required to meet American with Disabilities Act standards in the restrooms. The flooring, walls, ceilings, windows, and window coverings are also in poor condition; the floor also has asbestos tiles. This building has not had any significant renovations since its construction.

Anticipated Outcomes:

The Department values managing resources efficiently to show responsible stewardship. This includes keeping the Department's assets viable, functional, and in good condition; and promoting a positive work environment. This request will accomplish both. Renovating these spaces improve the value of the building and will improve the working conditions of the employees and public using these spaces.

Assumptions and Calculations:

The Department used recent costs associated with the renovations of several offices within Building A to determine the average costs for providing the renovations of the A and KC Buildings. Both locations have tile in the majority of the space and either the tile and or adhesive used to secure the tile has asbestos and will require mitigation when removing the tile and replacing it with carpet. The paint cost was also determined by the recent renovation of several offices within Building A. The number of window coverings was determined by the information retrieved from the “as built” drawings of the facilities and costs were estimated with the use of recent purchases of window coverings at 1575 Sherman Street.

The calculations of space renewal are as follows.

A Building

Renovation	Square Footage or Count	Cost Per Square Foot or Count	Total Cost
Carpet *	31,336	11.32	354,724
Paint	60,175	2.10	126,368
Window Coverings	96	300.00	28,800
Total			509,891

KC Building

Renovation	Square Footage or Count	Cost Per Square Foot or Count	Total Cost
Carpet *	4,645	11.32	52,581
Paint	8,569	2.10	17,995
Window Coverings	42	300.00	12,600
Total			83,176

* Carpet includes removing asbestos tiles and adhesive where applicable.

