

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-01 Increased Spending Authority for State Park Operations

Dept. Approval By: Will. H. Levine

Supplemental FY 2018-19

OSPB Approval By: [Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$113,827,991	\$0	\$116,216,586	\$3,661,298	\$3,661,298
FTE		875.7	0.0	875.7	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$150,000	\$0	\$150,000	\$0	\$0
	CF	\$94,058,502	\$0	\$96,447,097	\$3,661,298	\$3,661,298
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$19,619,489	\$0	\$19,619,489	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$30,314,114	\$0	\$31,429,088	\$5,036,298	\$5,036,298
FTE		256.1	0.0	256.1	0.0	0.0
05. Division of Parks and Wildlife, (A)	GF	\$150,000	\$0	\$150,000	\$0	\$0
Colorado Parks and Wildlife Operations, (1)	CF	\$29,719,308	\$0	\$30,834,282	\$5,036,298	\$5,036,298
Colorado Parks and Wildlife Operations - State Park Operations	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$444,806	\$0	\$444,806	\$0	\$0

Total		\$83,513,877	\$0	\$84,787,498	(\$1,375,000)	(\$1,375,000)
FTE		619.6	0.0	619.6	0.0	0.0
05. Division of Parks and Wildlife, (A)	GF	\$0	\$0	\$0	\$0	\$0
Colorado Parks and Wildlife Operations, (1)	CF	\$64,339,194	\$0	\$65,612,815	(\$1,375,000)	(\$1,375,000)
Colorado Parks and Wildlife Operations - Wildlife Operations	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Natural Resources
Prioritized Request **Interagency Approval or
Related Schedule 13s:** No Other Agency Impact

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-02 Additional Staffing to Address Oil and Gas Backlogs

Dept. Approval By: Will H. Levaie

Supplemental FY 2018-19

OSPB Approval By: [Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$41,863,185	\$0	\$43,549,920	\$648,304	\$628,113
FTE		114.3	0.0	114.3	5.0	5.0
Total of All Line Items Impacted by Change Request	GF	\$4,264,313	\$0	\$5,331,575	\$0	\$0
	CF	\$35,430,579	\$0	\$36,841,009	\$648,304	\$628,113
	RF	\$1,509,872	\$0	\$704,941	\$0	\$0
	FF	\$658,421	\$0	\$672,395	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$15,155,329	\$0	\$15,983,538	\$40,000	\$40,000
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$2,146,703	\$0	\$3,129,938	\$0	\$0
Administration, (1)	CF	\$11,585,159	\$0	\$12,227,281	\$40,000	\$40,000
Administration - Health, Life, And Dental	RF	\$1,112,475	\$0	\$303,895	\$0	\$0
	FF	\$310,992	\$0	\$322,424	\$0	\$0

Total		\$168,774	\$0	\$178,183	\$559	\$559
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$26,798	\$0	\$31,325	\$0	\$0
Administration, (1)	CF	\$132,513	\$0	\$136,498	\$559	\$559
Administration - Short-Term Disability	RF	\$5,230	\$0	\$5,779	\$0	\$0
	FF	\$4,233	\$0	\$4,581	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$5,591,406	\$0	\$5,915,901	\$16,452	\$16,452
01. Executive Director's Office, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Administration, (1)	GF	\$887,519	\$0	\$927,269	\$0	\$0
Administration - Amortization	CF	\$4,390,476	\$0	\$4,672,574	\$16,452	\$16,452
Equalization	RF	\$173,223	\$0	\$174,773	\$0	\$0
Disbursement	FF	\$140,188	\$0	\$141,285	\$0	\$0

	Total	\$5,591,406	\$0	\$5,915,901	\$16,452	\$16,452
01. Executive Director's Office, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Administration, (1)	GF	\$887,519	\$0	\$927,269	\$0	\$0
Administration - Supplemental Amortization	CF	\$4,390,476	\$0	\$4,672,574	\$16,452	\$16,452
Equalization	RF	\$173,223	\$0	\$174,773	\$0	\$0
Disbursement	FF	\$140,188	\$0	\$141,285	\$0	\$0

	Total	\$4,344,852	\$0	\$4,358,814	\$4,277	\$12,830
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$315,774	\$0	\$315,774	\$0	\$0
Administration, (1)	CF	\$3,920,537	\$0	\$3,934,499	\$4,277	\$12,830
Administration - Vehicle Lease Payments	RF	\$45,721	\$0	\$45,721	\$0	\$0
	FF	\$62,820	\$0	\$62,820	\$0	\$0

	Total	\$11,011,418	\$0	\$11,197,583	\$570,564	\$541,820
03. Oil and Gas Conservation Commission, (A)	FTE	114.3	0.0	114.3	5.0	5.0
Oil and Gas Conservation Commission, (A)	GF	\$0	\$0	\$0	\$0	\$0
(1) Oil and Gas Conservation Commission - Program Costs	CF	\$11,011,418	\$0	\$11,197,583	\$570,564	\$541,820
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts DPA

Schedule 13

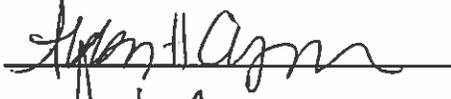
Department of Personnel & Administration

Funding Request for The FY 2019-20 Budget Cycle

Request Title

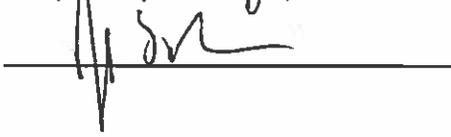
NP-04 Additional Staffing to Address Oil and Gas Backlogs

Dept. Approval By: _____



Supplemental FY 2018-19

OSPB Approval By: _____



Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$21,606,087	\$0	\$21,606,087	\$2,138	\$0
FTE		0.0	0.0	0.0	0.0	0.0
GF		\$0	\$0	\$0	\$0	\$0
CF		\$0	\$0	\$0	\$0	\$0
RF		\$21,606,087	\$0	\$21,606,087	\$2,138	\$0
FF		\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$21,606,087	\$0	\$21,606,087	\$2,138	\$0
FTE		0.0	0.0	0.0	0.0	0.0
GF		\$0	\$0	\$0	\$0	\$0
CF		\$0	\$0	\$0	\$0	\$0
RF		\$21,606,087	\$0	\$21,606,087	\$2,138	\$0
FF		\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Personnel & Administration Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-03 Spending Authority for Asset Maintenance and Repairs

Dept. Approval By:

Will H. Levin

Supplemental FY 2018-19

OSPB Approval By:

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$86,220,757	\$0	\$87,494,378	\$2,043,120	\$2,043,120
	FTE	619.6	0.0	619.6	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$67,046,074	\$0	\$68,319,695	\$2,043,120	\$2,043,120
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$83,513,877	\$0	\$84,787,498	(\$350,000)	(\$350,000)
05. Division of Parks and Wildlife, (A) Colorado Parks and Wildlife	FTE	619.6	0.0	619.6	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
Operations, (1) Colorado Parks and Wildlife	CF	\$64,339,194	\$0	\$65,612,815	(\$350,000)	(\$350,000)
Operations - Wildlife	RF	\$0	\$0	\$0	\$0	\$0
Operations	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0
	Total	\$2,706,880	\$0	\$2,706,880	\$2,393,120	\$2,393,120
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Parks and Wildlife, (B) Special Purpose, (1) Special Purpose - Asset Maintenance And Repairs	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$2,706,880	\$0	\$2,706,880	\$2,393,120	\$2,393,120
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Natural Resources
Prioritized Request Interagency Approval or
Related Schedule 13s: No Other Agency Impact

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-04 Capital Development Staff and Operating

Dept. Approval By: <u>Will H. Levi</u>	_____	Supplemental FY 2018-19
OSPB Approval By: <u>[Signature]</u>	_____	Budget Amendment FY 2019-20
	X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$144,679,758	\$0	\$147,082,315	\$401,653	\$496,454
FTE		875.7	0.0	875.7	3.0	4.0
Total of All Line Items Impacted by Change Request	GF	\$4,414,313	\$0	\$4,414,313	\$0	\$0
	CF	\$118,477,663	\$0	\$120,880,220	\$401,653	\$496,454
	RF	\$1,509,872	\$0	\$1,509,872	\$0	\$0
	FF	\$20,277,910	\$0	\$20,277,910	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$15,155,329	\$0	\$15,155,329	\$23,782	\$31,709
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Health, Life, And Dental	GF	\$2,146,703	\$0	\$2,146,703	\$0	\$0
	CF	\$11,585,159	\$0	\$11,585,159	\$23,782	\$31,709
	RF	\$1,112,475	\$0	\$1,112,475	\$0	\$0
	FF	\$310,992	\$0	\$310,992	\$0	\$0

Total		\$168,774	\$0	\$168,774	\$479	\$638
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Short-Term Disability	GF	\$26,798	\$0	\$26,798	\$0	\$0
	CF	\$132,513	\$0	\$132,513	\$479	\$638
	RF	\$5,230	\$0	\$5,230	\$0	\$0
	FF	\$4,233	\$0	\$4,233	\$0	\$0

	Total	\$5,591,406	\$0	\$5,591,406	\$12,596	\$16,795
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Amortization Equalization Disbursement	GF	\$887,519	\$0	\$887,519	\$0	\$0
	CF	\$4,390,476	\$0	\$4,390,476	\$12,596	\$16,795
	RF	\$173,223	\$0	\$173,223	\$0	\$0
	FF	\$140,188	\$0	\$140,188	\$0	\$0

	Total	\$5,591,406	\$0	\$5,591,406	\$12,596	\$16,795
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Supplemental Amortization Equalization Disbursement	GF	\$887,519	\$0	\$887,519	\$0	\$0
	CF	\$4,390,476	\$0	\$4,390,476	\$12,596	\$16,795
	RF	\$173,223	\$0	\$173,223	\$0	\$0
	FF	\$140,188	\$0	\$140,188	\$0	\$0

	Total	\$4,344,852	\$0	\$4,358,814	\$5,200	\$15,600
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Vehicle Lease Payments	GF	\$315,774	\$0	\$315,774	\$0	\$0
	CF	\$3,920,537	\$0	\$3,934,499	\$5,200	\$15,600
	RF	\$45,721	\$0	\$45,721	\$0	\$0
	FF	\$62,820	\$0	\$62,820	\$0	\$0

	Total	\$30,314,114	\$0	\$31,429,088	\$115,666	\$103,729
	FTE	256.1	0.0	256.1	1.0	1.0
05. Division of Parks and Wildlife, (A) Colorado Parks and Wildlife Operations, (1) Colorado Parks and Wildlife Operations - State Park Operations	GF	\$150,000	\$0	\$150,000	\$0	\$0
	CF	\$29,719,308	\$0	\$30,834,282	\$115,666	\$103,729
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$444,806	\$0	\$444,806	\$0	\$0

	Total	\$83,513,877	\$0	\$84,787,498	\$231,334	\$311,188
	FTE	619.6	0.0	619.6	2.0	3.0
05. Division of Parks and Wildlife, (A) Colorado Parks and Wildlife Operations, (1) Colorado Parks and Wildlife Operations - Wildlife Operations	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$64,339,194	\$0	\$65,612,815	\$231,334	\$311,188
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts DPA

Schedule 13

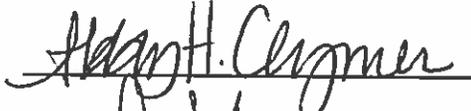
Department of Personnel & Administration

Funding Request for The FY 2019-20 Budget Cycle

Request Title

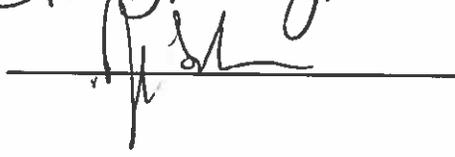
NP-05 Capital Development Staff and Operating

Dept. Approval By:



Supplemental FY 2018-19

OSPB Approval By:



Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$21,606,087	\$0	\$21,606,087	\$2,600	\$0
Total of All Line Items Impacted by Change Request	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$21,606,087	\$0	\$21,606,087	\$2,600	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$21,606,087	\$0	\$21,606,087	\$2,600	\$0
07. Division of Capital Assets, (C) Fleet Management Program and Motor Pool Services, (1) Fleet Management Program and Motor Pool Services - Vehicle Replacement Lease/Purchase	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$21,606,087	\$0	\$21,606,087	\$2,600	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Personnel & Administration Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Impacts Other Agency

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-05 Staff and Operating for Cameo State Recreation Area

Dept. Approval By: *Will H. Leri*

Supplemental FY 2018-19

OSPB Approval By: *[Signature]*

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$61,165,881	\$0	\$63,781,425	\$351,025	\$343,796
FTE		256.1	0.0	256.1	3.0	3.0
Total of All Line Items Impacted by Change Request	GF	\$4,414,313	\$0	\$5,481,575	\$0	\$0
	CF	\$54,138,469	\$0	\$56,477,708	\$351,025	\$343,796
	RF	\$1,509,872	\$0	\$704,941	\$0	\$0
	FF	\$1,103,227	\$0	\$1,117,201	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$15,155,329	\$0	\$15,983,538	\$23,781	\$23,781
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$2,146,703	\$0	\$3,129,938	\$0	\$0
Administration, (1)	CF	\$11,585,159	\$0	\$12,227,281	\$23,781	\$23,781
Administration - Health, Life, And Dental	RF	\$1,112,475	\$0	\$303,895	\$0	\$0
	FF	\$310,992	\$0	\$322,424	\$0	\$0

Total		\$168,774	\$0	\$178,183	\$293	\$293
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$26,798	\$0	\$31,325	\$0	\$0
Administration, (1)	CF	\$132,513	\$0	\$136,498	\$293	\$293
Administration - Short-Term Disability	RF	\$5,230	\$0	\$5,779	\$0	\$0
	FF	\$4,233	\$0	\$4,581	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$5,591,406	\$0	\$5,915,901	\$7,727	\$7,727
01. Executive Director's Office, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Administration, (1)	GF	\$887,519	\$0	\$927,269	\$0	\$0
Administration - Amortization	CF	\$4,390,476	\$0	\$4,672,574	\$7,727	\$7,727
Equalization	RF	\$173,223	\$0	\$174,773	\$0	\$0
Disbursement	FF	\$140,188	\$0	\$141,285	\$0	\$0

	Total	\$5,591,406	\$0	\$5,915,901	\$7,727	\$7,727
01. Executive Director's Office, (A)	FTE	0.0	0.0	0.0	0.0	0.0
Administration, (1)	GF	\$887,519	\$0	\$927,269	\$0	\$0
Administration - Supplemental	CF	\$4,390,476	\$0	\$4,672,574	\$7,727	\$7,727
Amortization	RF	\$173,223	\$0	\$174,773	\$0	\$0
Equalization	RF	\$173,223	\$0	\$174,773	\$0	\$0
Disbursement	FF	\$140,188	\$0	\$141,285	\$0	\$0

	Total	\$4,344,852	\$0	\$4,358,814	\$3,440	\$10,320
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$315,774	\$0	\$315,774	\$0	\$0
Administration, (1)	CF	\$3,920,537	\$0	\$3,934,499	\$3,440	\$10,320
Administration - Vehicle Lease Payments	RF	\$45,721	\$0	\$45,721	\$0	\$0
	FF	\$62,820	\$0	\$62,820	\$0	\$0

	Total	\$30,314,114	\$0	\$31,429,088	\$308,057	\$293,948
05. Division of Parks and Wildlife, (A)	FTE	256.1	0.0	256.1	3.0	3.0
Colorado Parks and Wildlife Operations, (1)	GF	\$150,000	\$0	\$150,000	\$0	\$0
Colorado Parks and Wildlife Operations - State Park Operations	CF	\$29,719,308	\$0	\$30,834,282	\$308,057	\$293,948
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$444,806	\$0	\$444,806	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts DPA

Schedule 13

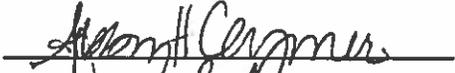
Department of Personnel & Administration

Funding Request for The FY 2019-20 Budget Cycle

Request Title

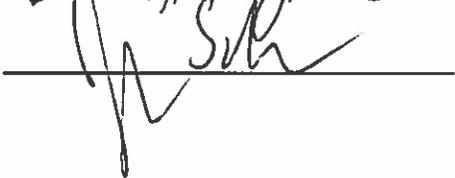
NP-06 Staff and Operating for Cameo State Recreation Area

Dept. Approval By: _____



Supplemental FY 2018-19

OSPB Approval By: _____



Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$21,606,087	\$0	\$21,606,087	\$1,720	\$0
FTE		0.0	0.0	0.0	0.0	0.0
GF		\$0	\$0	\$0	\$0	\$0
CF		\$0	\$0	\$0	\$0	\$0
RF		\$21,606,087	\$0	\$21,606,087	\$1,720	\$0
FF		\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$21,606,087	\$0	\$21,606,087	\$1,720	\$0
FTE		0.0	0.0	0.0	0.0	0.0
07. Division of Capital Assets, (C) Fleet Management Program and Motor Pool Services, (1) Fleet Management Program and Motor Pool Services - Vehicle Replacement Lease/Purchase	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$21,606,087	\$0	\$21,606,087	\$1,720	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Personnel & Administration Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Impacts Other Agency

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-06 Increased Spending Authority for the Wildlife Council

Dept. Approval By: Will H. Lee Supplemental FY 2018-19
 OSPB Approval By: [Signature] Budget Amendment FY 2019-20
X Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$83,513,877	\$0	\$84,787,498	\$1,100,000	\$1,100,000
	FTE	619.6	0.0	619.6	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$64,339,194	\$0	\$65,612,815	\$1,100,000	\$1,100,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$83,513,877	\$0	\$84,787,498	\$1,100,000	\$1,100,000
	FTE	619.6	0.0	619.6	0.0	0.0
05. Division of Parks and Wildlife, (A)	GF	\$0	\$0	\$0	\$0	\$0
Colorado Parks and Wildlife Operations, (1)	CF	\$64,339,194	\$0	\$65,612,815	\$1,100,000	\$1,100,000
Colorado Parks and Wildlife Operations -	RF	\$0	\$0	\$0	\$0	\$0
Wildlife Operations	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-01 Integrated Document Solutions Increased Input Costs

Dept. Approval By: Will H. Levin

Supplemental FY 2018-19

OSPB Approval By: [Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$154,089,252	\$0	\$157,479,944	\$19,687	\$41,164
	FTE	1,299.0	0.0	1,299.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$21,209,554	\$0	\$21,837,281	\$397	\$831
	CF	\$111,432,530	\$0	\$114,152,127	\$18,634	\$38,960
	RF	\$184,331	\$0	\$184,331	\$67	\$141
	FF	\$21,262,837	\$0	\$21,306,205	\$589	\$1,232

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$184,331	\$0	\$184,331	\$67	\$141
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A)	GF	\$0	\$0	\$0	\$0	\$0
Administration, (1)	CF	\$0	\$0	\$0	\$0	\$0
Administration - Operating Expenses	RF	\$184,331	\$0	\$184,331	\$67	\$141
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$2,091,993	\$0	\$2,146,622	\$831	\$1,735
	FTE	20.0	0.0	20.0	0.0	0.0
02. Division of Reclamation, Mining, and Safety, (A) Coal Land Reclamation, (1)	GF	\$0	\$0	\$0	\$0	\$0
Coal Land Reclamation - Program Costs	CF	\$448,645	\$0	\$459,906	\$242	\$503
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$1,643,348	\$0	\$1,686,716	\$589	\$1,232

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$11,011,418	\$0	\$11,197,583	\$285	\$596
03. Oil and Gas Conservation Commission, (A) Oil and Gas Conservation Commission, (1) Oil and Gas Conservation Commission - Program Costs	FTE	114.3	0.0	114.3	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$11,011,418	\$0	\$11,197,583	\$285	\$596
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$4,687,474	\$0	\$4,789,112	\$264	\$553
04. State Board of Land Commissioners, (A) State Board of Land Commissioners, (1) State Board of Land Commissioners - Program Costs	FTE	42.0	0.0	42.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$4,687,474	\$0	\$4,789,112	\$264	\$553
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$30,314,114	\$0	\$31,429,088	\$8,873	\$18,552
05. Division of Parks and Wildlife, (A) Colorado Parks and Wildlife Operations, (1) Colorado Parks and Wildlife Operations - State Park Operations	FTE	256.1	0.0	256.1	0.0	0.0
	GF	\$150,000	\$0	\$150,000	\$0	\$0
	CF	\$29,719,308	\$0	\$30,834,282	\$8,873	\$18,552
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$444,806	\$0	\$444,806	\$0	\$0
	Total	\$83,513,877	\$0	\$84,787,498	\$8,872	\$18,552
05. Division of Parks and Wildlife, (A) Colorado Parks and Wildlife Operations, (1) Colorado Parks and Wildlife Operations - Wildlife Operations	FTE	619.6	0.0	619.6	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$64,339,194	\$0	\$65,612,815	\$8,872	\$18,552
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$19,174,683	\$0	\$19,174,683	\$0	\$0
	Total	\$536,828	\$0	\$536,828	\$98	\$204
06. Colorado Water Conservation Board, (A) Administration, (1) Administration - Operating Expenses	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$536,828	\$0	\$536,828	\$98	\$204
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$21,749,217	\$0	\$22,408,882	\$397	\$831
	FTE	247.0	0.0	247.0	0.0	0.0
07. Water Resources Division, (A) Division	GF	\$21,059,554	\$0	\$21,687,281	\$397	\$831
Operations, (1) Division	CF	\$689,663	\$0	\$721,601	\$0	\$0
Operations - Water Administration	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts DPA

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-02 Annual Fleet Vehicle Request

Dept. Approval By:	<u>Will H. Li</u>	_____	Supplemental FY 2018-19
OSPB Approval By:	<u>[Signature]</u>	_____	Budget Amendment FY 2019-20
		X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,344,852	\$0	\$4,358,814	(\$91,998)	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$315,774	\$0	\$315,774	(\$10,223)	\$0
	CF	\$3,920,537	\$0	\$3,934,499	(\$72,750)	\$0
	RF	\$45,721	\$0	\$45,721	(\$2,282)	\$0
	FF	\$62,820	\$0	\$62,820	(\$6,743)	\$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,344,852	\$0	\$4,358,814	(\$91,998)	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Vehicle Lease Payments	GF	\$315,774	\$0	\$315,774	(\$10,223)	\$0
	CF	\$3,920,537	\$0	\$3,934,499	(\$72,750)	\$0
	RF	\$45,721	\$0	\$45,721	(\$2,282)	\$0
	FF	\$62,820	\$0	\$62,820	(\$6,743)	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts DPA

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-03 OIT_DI1 Essential Database Support

Dept. Approval By:

Will. H. Li

Supplemental FY 2018-19

OSPB Approval By:

[Signature]

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$14,959,627	\$0	\$13,433,988	\$190,453	\$182,803
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$2,498,414	\$0	\$2,260,579	\$55,136	\$52,922
	CF	\$11,494,623	\$0	\$9,941,568	\$124,966	\$119,946
	RF	\$822,577	\$0	\$1,114,282	\$9,256	\$8,884
	FF	\$144,013	\$0	\$117,559	\$1,095	\$1,051

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$14,959,627	\$0	\$13,433,988	\$190,453	\$182,803
FTE		0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Payments to OIT	GF	\$2,498,414	\$0	\$2,260,579	\$55,136	\$52,922
	CF	\$11,494,623	\$0	\$9,941,568	\$124,966	\$119,946
	RF	\$822,577	\$0	\$1,114,282	\$9,256	\$8,884
	FF	\$144,013	\$0	\$117,559	\$1,095	\$1,051

Auxiliary Data

Requires Legislation? NO

Type of Request?

Department of Natural Resources Non-Prioritized Request

Interagency Approval or Related Schedule 13s:

Requires OIT Approval

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-04 OIT_DI2 Securing IT Operations

Dept. Approval By: _____

Supplemental FY 2018-19

OSPB Approval By: _____

Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$14,959,627	\$0	\$13,433,988	\$577,094	\$246,443
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$2,498,414	\$0	\$2,260,579	\$94,732	\$40,454
	CF	\$11,494,623	\$0	\$9,941,568	\$456,800	\$195,073
	RF	\$822,577	\$0	\$1,114,282	\$14,797	\$6,319
	FF	\$144,013	\$0	\$117,559	\$10,765	\$4,597

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$14,959,627	\$0	\$13,433,988	\$577,094	\$246,443
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Payments to OIT	GF	\$2,498,414	\$0	\$2,260,579	\$94,732	\$40,454
	CF	\$11,494,623	\$0	\$9,941,568	\$456,800	\$195,073
	RF	\$822,577	\$0	\$1,114,282	\$14,797	\$6,319
	FF	\$144,013	\$0	\$117,559	\$10,765	\$4,597

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Requires OIT Approval

Schedule 13

Department of Natural Resources

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-05 OIT_DI4 Application Refresh and Consolidation

Dept. Approval By: Will. A. Li _____ Supplemental FY 2018-19

OSPB Approval By: _____ Budget Amendment FY 2019-20

X

Change Request FY 2019-20

Summary Information	FY 2018-19			FY 2019-20		FY 2020-21
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$14,959,627	\$0	\$13,433,988	\$98,988	\$98,988
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$2,498,414	\$0	\$2,260,579	\$16,249	\$16,249
	CF	\$11,494,623	\$0	\$9,941,568	\$78,355	\$78,355
	RF	\$822,577	\$0	\$1,114,282	\$2,538	\$2,538
	FF	\$144,013	\$0	\$117,559	\$1,846	\$1,846

Line Item Information	FY 2018-19			FY 2019-20		FY 2020-21
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$14,959,627	\$0	\$13,433,988	\$98,988	\$98,988
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration, (1) Administration - Payments to OIT	GF	\$2,498,414	\$0	\$2,260,579	\$16,249	\$16,249
	CF	\$11,494,623	\$0	\$9,941,568	\$78,355	\$78,355
	RF	\$822,577	\$0	\$1,114,282	\$2,538	\$2,538
	FF	\$144,013	\$0	\$117,559	\$1,846	\$1,846

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Natural Resources Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Requires OIT Approval



COLORADO

Parks and Wildlife

Department of Natural Resources

Director's Office
1313 Sherman St., Suite 618
Denver, CO 80203
P 303.866.3203 | F 303.866.3206

November 1, 2018

The Honorable Millie Hamner
Chair, Joint Budget Committee
Colorado General Assembly
200 E. 14th Avenue, Third Floor
Legislative Services Building
Denver, CO 80203

Dear Representative Hamner,

Colorado Parks and Wildlife (CPW) is pleased to present five decision items as part of the division's FY 2019-20 budget request. These requested changes are the next step toward the implementation of Senate Bill 18-143, the "Parks and Wildlife for Future Generations" Act (Future Generations Act). These decision items reflect the significant public outreach conducted while developing the Future Generations Act. Much of the conversation at public meetings revolved around two themes: taking care of what CPW already has, and ensuring that the State's recreation and wildlife assets meet the demands of Colorado's citizens and visitors into the future. Individually and as a whole, CPW's FY 2019-20 decision items reflect the priorities expressed in the bill's legislative declaration and set the stage for accomplishing the Future Generations Act's goals:

- ***R-1, Increased Spending Authority for State Park Operations.*** Colorado's 41 state parks offer a wide variety of recreational opportunities for residents and visitors, and are becoming more popular every year. Substantial increases in visitation experienced over the last five years - total visitation has increased by nearly 30 percent - impacts the physical resource and increases operational needs. This decision item allows the CPW to maintain and repair existing infrastructure, protect recreation resources, and uphold the excellent customer service and safety CPW's visitors have come to expect.
- ***R-3, Spending Authority for Asset Maintenance and Repairs.*** CPW manages more than 350 State Wildlife Areas, offering outdoor recreation opportunities including wildlife viewing, hiking, hunting, and fishing. Throughout the public process leading up to the Future Generations Act, CPW received feedback about the backlog of State Wildlife Area maintenance work. To address these concerns, CPW partnered with Great Outdoors Colorado and the US Fish and Wildlife Service to spearhead a \$3 million "small capital" pilot program in FY 2018-19, for maintenance and improvement projects that do not rise to the level of the large-scale capital projects. Early in the current fiscal year this initiative has already proven to be extremely beneficial, and CPW plans to make the program permanent. This decision item is for cash spending authority for ongoing support of the Wildlife small capital program.



- ***R-4, Capital Development Staff and Operating.*** The Future Generations Act includes multiple goals related to addressing known large capital needs including dam maintenance and repair projects, hatchery modernization, and development of a new state park. To successfully manage these major new projects (a projected 30% increase over the agency's existing capital program), CPW requires additional engineering and planning staff. This decision item increases the engineering staff in line with the increased workload.
- ***R-5, Staff and Operating for Cameo State Recreation Area.*** In FY 2018-19, the CPW Commission designated the Cameo Shooting and Education Complex as CPW's newest state recreation area. This large shooting complex outside of Palisade opened to the public in late summer, with pistol and rifle bays as well as archery ranges. The Cameo complex is the culmination of years of effort by CPW and many local partners, and has the potential to be a significant economic driver in the Grand Valley. This decision item provides staff (a park manager, a maintenance technician, and a support position) to manage the recreation area at its current level. Planned expansions, including a clay shooting course, will add to the appeal of the facility in future years.
- ***R-6, Increased Spending Authority for the Wildlife Council.*** The statutorily established Wildlife Council educates the public on the importance of hunters and anglers to Colorado's conservation efforts. This decision item allows the Council to keep up with escalating public information costs and create new messaging for social media outlets.

These requests total about \$7.5 million, increasing CPW's current spending authority by approximately 3.8 percent. The Future Generations Act changed a number of hunting and fishing license fees and authorized the Parks and Wildlife Commission to make changes to other fees, including park passes and camping costs. The Commission is considering a package of changes for adoption later this year which, combined with the license changes, will generate additional revenue to support the goals of the Future Generations Act. CPW staff will be closely monitoring the changes in revenue and customer behavior throughout the year to ensure that revenues arrive in line with projections. Under current projections, we believe there will be sufficient revenue to fund all of the proposed CPW decision items in FY 2019-20 and beyond. In the event that cash flows do not meet with expectations, CPW's leadership team will adjust budgets to meet the agency's highest priority needs. This package of decision items sets the stage for CPW to carry out the agency and legislature's goals as articulated in the Future Generations Act: take care of Colorado's existing recreation and wildlife resources while preparing for the needs of the future. Colorado Parks and Wildlife looks forward to discussing the proposals in more detail with the General Assembly as part of the FY 2019-20 budget request process.

Sincerely,
Bob Broscheid
Director, Colorado Parks and Wildlife



Cost and FTE

- Colorado Parks and Wildlife (CPW) requests an increase to the State Park Operations line item consisting of \$3,661,298 in new cash spending authority and \$1,375,000 in spending authority reallocated from the Wildlife Operations line item. The total amount of the increase is \$5,036,298.

Current Program

- CPW manages 41 state parks, park-based recreation programs, educational programs, and volunteer programs statewide. In FY 2016-17 Colorado's state parks hosted more than 14.6 million visitor days (figures for FY 2017-18 are still being finalized). The State Park Operations line item funds ongoing operations and staff at all state parks and administrative offices. For FY 2018-19 the State Park Operations line item includes \$30,314,114 in spending authority (all funding sources).

Problem or Opportunity

- CPW has not received increased spending authority to reflect significant increases in visitation compounded by inflationary increases for the cost of goods. The funding level for the State Park Operations line item has been largely unchanged for the last ten years. The FY 2018-19 appropriation is only 6.7 percent higher than the FY 2009-10 amount (\$28,398,248).
- Over this time period, annual visitation has grown from 12.3 million to 14.6 million, an 18.7 percent increase. Compounding this increase in visitation is an increase in the cost of the goods and services necessary to safely operate state parks. Compounded inflation since 2010 is 14.3 percent.
- CPW must also "true-up" a cost allocation methodology used to attribute common costs to Wildlife or State Parks funding. The current allocation level is not correct.

Consequences of Problem

- CPW's Long Bill spending authority for the State Park Operations line item is no longer aligned with the cost of running the parks. CPW has had to rely on non-appropriated funding sources, changed business practices, reduced services, and made other adjustments to continue operations.
- CPW has transferred centrally appropriated spending authority to bolster Long Bill appropriations to the line item, but this is only a short term solution that requires the availability of extra spending authority in the Department's common policy line items.

Proposed Solution

- CPW requests an increase to the State Park Operations line item of \$3,661,298 in cash spending authority to account for visitation and inflationary operating increases, and \$1,375,000 in cash spending authority to adjust for cost allocation. CPW proposes reducing the Wildlife Operations line item by \$1,375,000 as the second component of the cost allocation true up. These adjustments will bring the line item's cash spending authority closer to the level necessary to support the true cost of park operations.



COLORADO

Department of Natural Resources

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Robert Randall
Executive Director

Department Priority: R-01

Request Detail: Increased Spending Authority for State Park Operations

Summary of Incremental Funding Change for FY 2019-20	Total Funds	General Fund	Cash Funds
Increased Spending Authority for State Park Operations	\$3,661,298	\$0	\$3,661,298

Problem or Opportunity:

Colorado Parks and Wildlife's (CPW) Long Bill spending authority for the State Park Operations line item is no longer aligned with the expenditure levels necessary for the basic operations supported by the line. This misalignment is the result of two main factors: 1) Increased operating costs driven by increased visitation and compounded by basic inflation to the cost of goods and services, and 2) an out-of-date allocation methodology that the agency has been using to distribute some administrative costs. To maintain operations within the current level of spending authority, CPW has maximized existing sources of funding, including relying on additional non-appropriated funding when necessary, and balancing expenditures with available spending authority. This request seeks to increase spending authority to better align the appropriation with the programmatic needs of the state park system, while also incorporating anticipated new revenue from the passage of Senate Bill 18-143, "Hunting, Fishing, and Parks for Future Generations Act" (also, "the Future Generations Act").

CPW manages 41 state parks, park-based recreational programs, educational programs, and volunteer programs statewide. In FY 2016-17, Colorado's state parks hosted more than 14.6 million visitor days (CPW is still finalizing visitation figures for FY 2017-18). The State Park Operations line item funds ongoing operations and staff at all state parks and administrative offices. For FY 2018-19, the State Park Operations line item includes \$30,314,114 in spending authority, which consists of several different funding sources, including agency cash, Lottery funding, Great Outdoors Colorado (GOCO) grants, and a small amount of General Fund.

Increased Visitation

The funding level for the State Park Operations line item has remained largely unchanged for the past ten years; the FY 2018-19 appropriation is only 6.7% higher than the FY 2009-10 amount (\$28,398,248). Over this time period, the state parks system has grown by one park, with the opening of Staunton State Park, and visitation has increased from 12.3 million to approximately 14.6 million – a 19.5% increase. Figure 1 shows the change in visitation compared to the Long Bill line item appropriation.

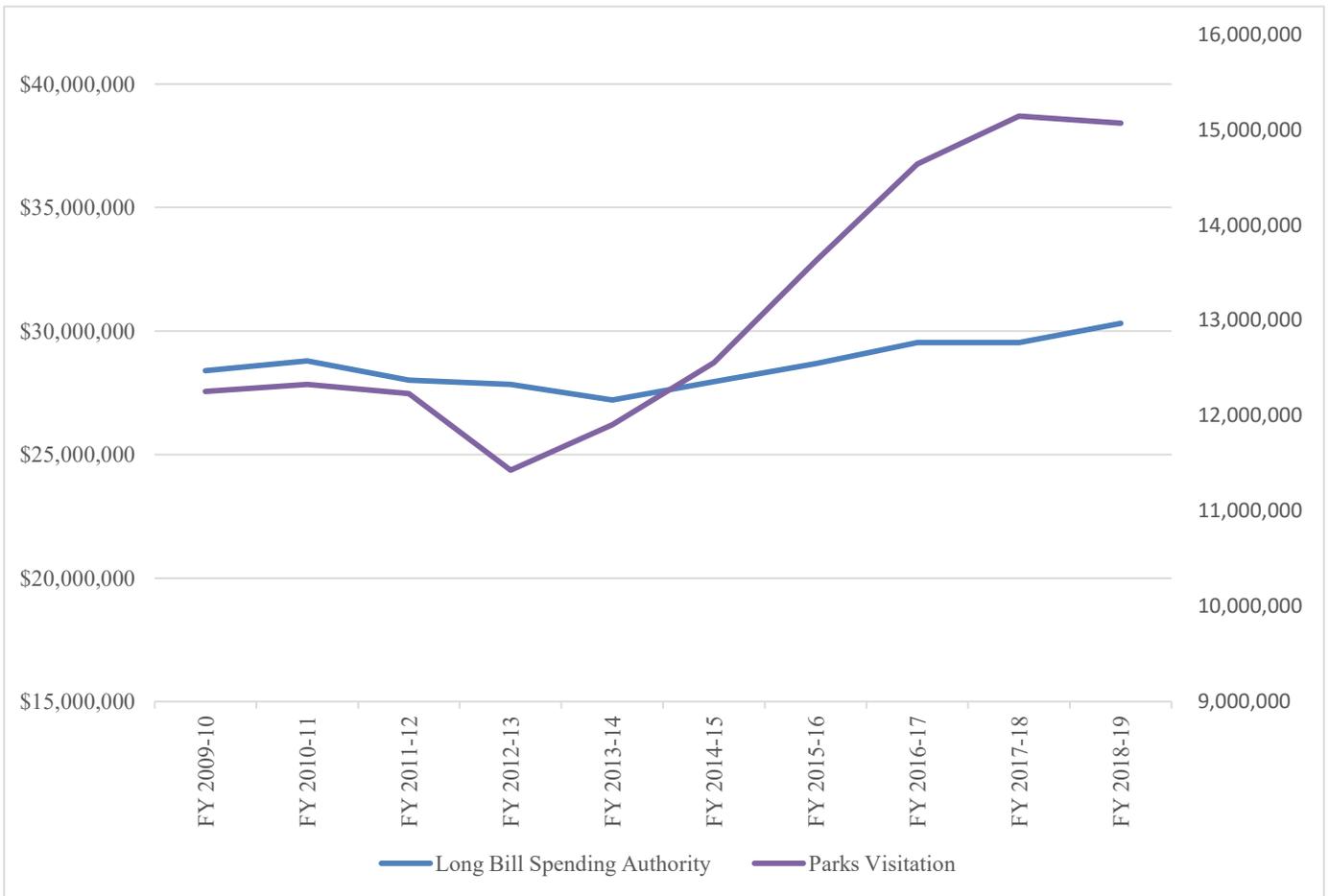


Figure 1: Long Bill Spending Authority Compared to State Parks Visitation

Park visitation is a good “common sense” indicator of how expenditures will trend – as more people visit the park, park operations will need to accommodate the costs associated with their visit. A chart of some basic operating expenditures necessary to operate the parks over time corresponds closely to the increased visitation the park system has experienced since FY 2009-10:

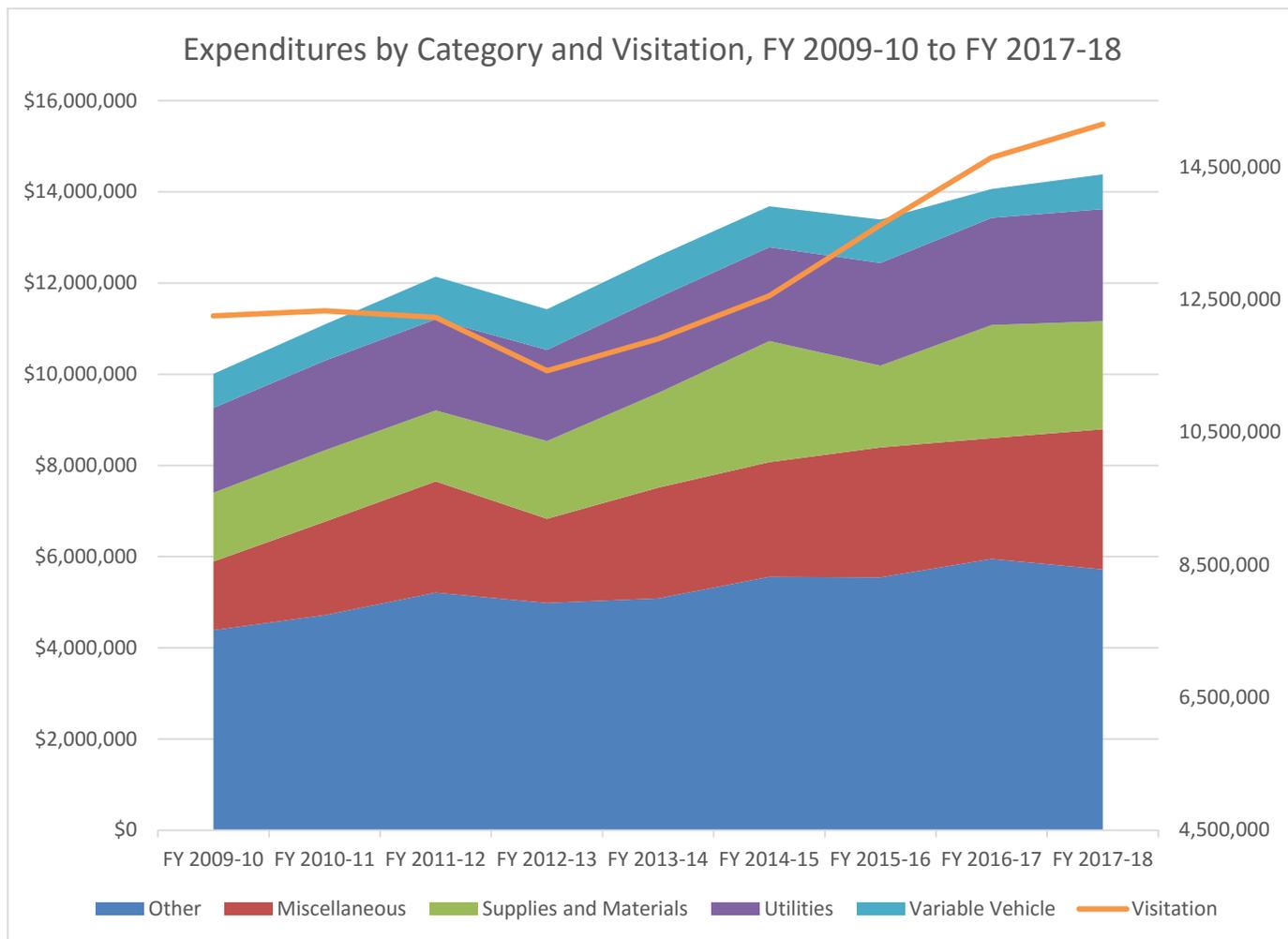


Figure 2: Operating Costs by Category, 2010 - 2018

Taken as a whole, all operating expenditures from the State Park Operations line item other than personal services increased from \$10,008,245 in FY 2009-10 to \$14,304,346 in FY 2017-18. This increase of \$4,296,101 represents a 43.9 percent increase in park operating expenditures. Operating cost categories with notable increases include:

Utilities: Utility costs are an important component of state park operating costs, particularly at parks with improved campsites that facilitate the hookup of large, modern recreational vehicles. These RVs are typically equipped with televisions, Wi-Fi, and other amenities that result in increased electricity usage. Increases to utility costs are directly attributable to increased visitation and increased rates charged by local utilities, which are outside of the control of CPW. Expenditures for utilities out of the State Park Operations line item were \$1,859,999 in FY 2009-10 and \$2,457,124 in FY 2017-18 – an increase of \$597,125, or 32.1 percent.

Supplies and materials: This category includes the large number of individual items that it takes to run a park. Many of these items are disposable (trash bags, cleaning supplies) or have a relatively short lifespan in an outdoor environment (shovels, signage, etc). Supply costs increased from \$1,509,099 in FY 2009-10 to \$2,369,392 in FY 2017-18. This is an increase of \$860,293, or 57.0 percent.

Miscellaneous: This category includes a large number of costs that do not fit into other categories, including equipment rental, purchased construction services, and some information technology costs that are not covered through the annual Payments to OIT appropriation. These costs increased from \$1,505,030 in FY 2009-10 to \$3,072,959 in FY 2017-18, an increase of \$1,567.929, or 104.1 percent.

To provide a specific illustration of how increased visitation impacts the operating expenditures necessary to manage a park, the next two figures show how expenditures for a single important commodity – toilet paper – have increased over time, plotted against visitation for the same time period:

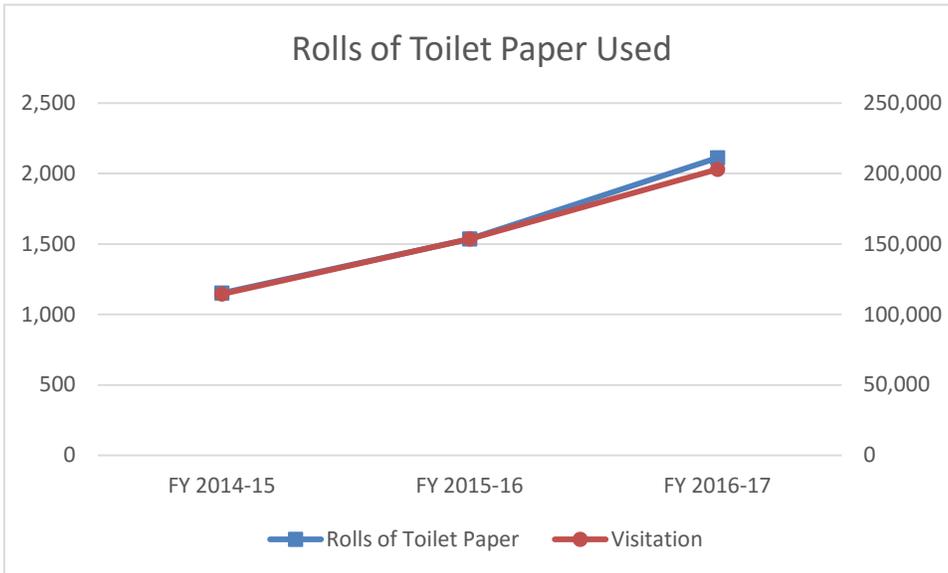


Figure 3: Impact of visitation on toilet paper consumption for one state park.

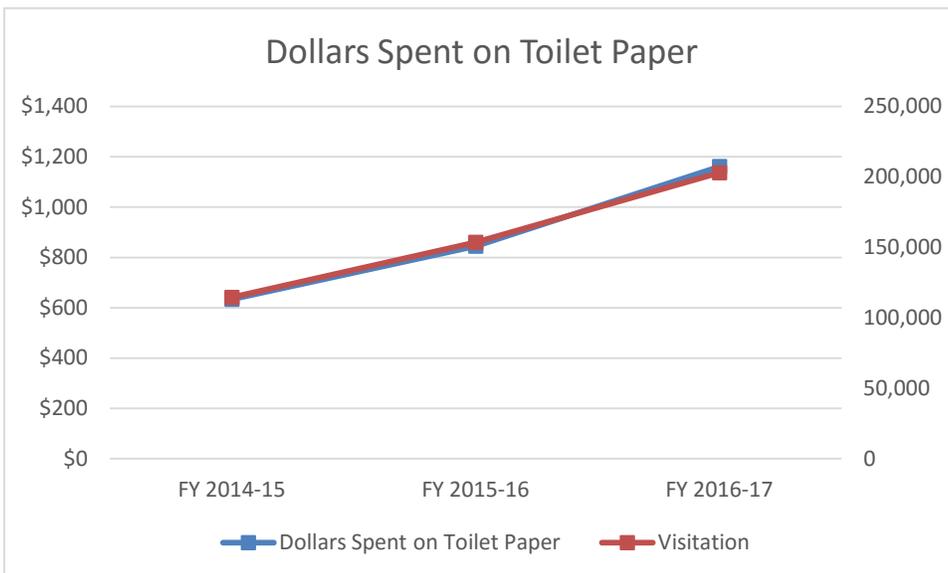


Figure 4: Cost of increased toilet paper required for additional visitation

Despite significantly increased visitation and its corresponding impact to operating costs, CPW has received increases to the State Park Operations line item only for salary survey and merit pay (which do not impact operating costs) and two decision items that were driven by specific cost increases: In 2016 CPW

submitted a decision item to replace the agency’s mobile radios, resulting in a \$341,000 increase to the State Park Operations line item, and in 2018 a CPW decision item to expand operations at State Forest State Park was approved, increasing the line by \$382,920 and 1.0 FTE.

Increased operating costs resulting from increased visitation – that is, an increase in the volume of the goods and services required to operate the park system – are compounded by an inflationary factor increasing the cost of goods and services. Annual inflation rates in the United States since 2010 are as follows:

Year	Average Inflation (percent)
2010	1.6
2011	3.2
2012	2.1
2013	1.5
2014	1.6
2015	0.1
2016	1.3
2017	2.1
Compounded:	14.3

Figure 5: Average US Inflation by Year

Impact of Spending Authority Misalignment

CPW has not received increased appropriations to reflect dramatically increased visitation or a general increase in costs due to inflation. Over time, CPW has made many adjustments in reaction to spending authority that does not align with operational need. The two primary responses were to: 1) Examine business practices to find efficiencies or other savings that would have the least impact on service delivery; and 2) Identify funding sources (typically, non-appropriated sources) to support prioritized spending.

Each park is responsible for maintaining service delivery to the best of its ability, while remaining within its allocated budget. Managers across the state share ideas and innovative ways to save on costs, but as many costs are largely outside of the control of parks managers (utilities, waste management, fuel costs, supplies); reducing personnel costs is often the most viable option. Personnel costs reductions typically result in some form of service reduction. The following are examples of impacts at state parks that have resulted from the current budgetary constraints:

- reducing hours of the visitor center, entrance gates, and boat ramps;
- shortening the season that certain entrance gates are open, boat ramps are available, or campsites or facilities are open; and
- decreasing customer service, such as reduced mowing or waste pick up, or fewer interpretive programs.

In several of these cases, the reduced service is directly affecting CPW's revenue earning. Fewer visitors, fewer campers, or fewer boaters translates to a reduction in daily passes, campsite reservations, and fewer fishing licenses. Since CPW's statutory charge is to offer and promote outdoor recreation, these cost saving measure are also directly in conflict with the agency's mission.

To address operational needs, the Department has transferred POTS and increased non-appropriated spending authority to bolster the Long Bill appropriations. Increasing the POTS allocation to the State Parks line item is a short term fix that requires availability of extra POTS funding across the rest of DNR (including CPW's Wildlife budget). It is unreliable in the sense that as CPW and DNR's staffing and operations approach full fill, all of the POTS appropriations will be used.

Use of non-appropriated sources of funding is helpful so long as existing expenditures are appropriate spending for the new source (Lottery and federal grants in most cases). However, CPW has reached the point where activities that are easily identified for alternate funding have all been pointed towards those alternative funding sources. Further shifting of funding is either not allowable or carries reporting and regulatory overhead that is unsuitable for the work. Additionally, use of the non-appropriated funding for operating expenditures means less funding available for capital construction projects.

Absent increased spending authority, CPW will need to continue drawing upon non-appropriated sources to a greater degree than desired. Operating state park activities will become increasingly difficult as future inflation and visitation increases place additional stress on the state park system. Effectively, the financial structure will result in a budget cut environment, where CPW will be cutting services in state parks despite increased visitation, demand for services, and revenue from park visitors. Services may need to be cut and CPW will be unable to meet customer's expectations. CPW will not be able to fulfill several of the goals expressed within the Future Generation's Act.

Cost Allocation Methodology

Further compounding the misaligned spending authority resulting from increased visitation and inflation is an internal cost allocation methodology that CPW has used for a number of years. The Division of Parks and Outdoor Recreation and the Division of Wildlife merged in 2011, combining financial activities several years later in FY 2013-14. Once finances were combined, CPW came up with a cost allocation methodology to split centralized costs between the wildlife and parks cash funds at a rate of approximately 75% wildlife and 25% state parks. This cost allocation proved necessary for combined functions that are not a clean fit for exclusively the State Park Operations line item, the Wildlife Operations line item, or another line item. For example, Financial Services staff work on budget, accounting, and procurement activities for the entire division and do not fit into only one line item. Other examples of costs shared between state parks and wildlife programs include law enforcement, division management, and capital development staff.

Although allocating the costs for shared services is a responsible budgeting practice in general, it is also a foundational requirement of federal wildlife and sport fish grants that specifically require that revenue generated from hunter and angler license fees cannot be used for non-wildlife or sport fish purposes. The cost allocation model and related annual review of expenditures ensures that the administrative costs are split appropriately between parks and wildlife.

Although CPW has validated the cost allocation each year, it wasn't until FY 2016-17 that the financial structures, CORE practices, and transactional review was settled enough to comprehensively review the allocation for possible adjustment. During spring 2018, CPW analyzed actual expenditures from FY 2016-

17 and identified about \$13,753,000 on average in centralized expenses that required allocation between the State Park Operations line item and the Wildlife Operations line item. The initial 75/25 cost allocation was based on expenditure patterns prior to the financial merge occurring, but a closer analysis of expenditures post-merger indicates that this is probably not the correct percentage split to apply. After examining a few different methodologies, CPW settled on the use of overall agency expenditures (minus capital construction costs and shared costs) to determine the correct ratio to apply to shared costs. This agency-wide ratio is very close to 65/35 Wildlife/State Parks. Based on this analysis, the allocation of shared costs should be adjusted to have the State Park Operations line item cover a larger portion of shared costs, as follows:

- \$13,753,000 split 75/25 = \$10,314,750 Wildlife \$3,438,250 State Parks
- \$13,753,000 split 65/35 = \$8,939,450 Wildlife, \$4,813,550 State Parks

Using the 65/35 split, the State Park Operations line item needs to cover an additional \$1,375,300 in shared expenses. To correct this, CPW requests \$1,375,000 in increased cash spending authority for the State Park Operations line item. CPW proposes offsetting this increase with a corresponding reduction of the same amount of cash spending authority from the Wildlife Operations line item.

Proposed Solution:

CPW requests two increases to the State Park Operations line item, totaling \$5,036,298 in increased cash spending authority:

- CPW requests \$3,661,298 in increased cash spending authority attributable to the inflation and increased visitation that CPW has seen since FY 2009-10. Total non-personal services expenditures in the State Park Operations line item were \$10,008,245 in FY 2009-10. Applying a 14.3 percent compounded inflationary increase and a 19.5 percent volume (visitation) increase to this amount results in a figure of \$13,669,543, a \$3,661,298 increase.
- CPW requests \$1,375,000 in increased cash spending authority to facilitate adjustment of the agency's cost allocation formula from a 75/25 Wildlife/Parks split to a 65/35 split. CPW proposes a corresponding reduction of the same amount of cash spending authority from the Wildlife Operations line item – resulting in no bottom line change to CPW's appropriation.

This increase will be supported by funds from the State Parks Cash Fund. (The reduction to the Wildlife Operations line item will be from the Wildlife Cash Fund.) The Schedule 9 for this fund submitted by the division as part of the FY 2018-19 budget request indicates a fund balance (Net Current Assets) of about \$10,617,277 at the end of FY 2017-18, with a projected balance of \$14,420,878 at the end of FY 2018-19. With the passage of S.B. 18-143, CPW anticipates implementing several fee increases that will result in increased revenue to the State Parks cash fund as early as FY 2019-20. The CPW Commission is currently examining increases to a number of costs, including daily park passes, annual park passes, and cabin and campsite rentals, and is considering the development of new pass types. A fee increase proposal will likely be considered by the CPW Commission at its November or December meetings. After these meetings, CPW will be able to provide a list of proposed fee changes and new revenue estimates to JBC staff. Based on some preliminary staff work, CPW has reason to believe that a combination of proposed fee changes will generate sufficient revenue to cover the proposed spending authority increases.

Anticipated Outcomes:

The additional spending authority will allow CPW to deliver services without interruption and to consider unwinding operational restrictions made for budgetary reasons when appropriate. CPW will be able to access cash funding that the agency currently cannot (due to insufficient appropriations) to support improved and expanded state park operations. CPW will not have to increase the use of non-appropriated funding sources like GOCO and Lottery funding to support the State Park Operations line item; these are traditionally the primary sources of funding for CPW's significant Capital Development program, and diverting these funds from capital to operating could delay capital maintenance, repairs, and rehabilitation.

The increased spending authority will also allow CPW to properly support operating costs without having to reallocate POTS spending authority, which is not a reliable way to support operations. CPW's actual expenses for shared operations supported by the State Park Operations and Wildlife Operations line items will be accurately reflected in the Long Bill.

The additional spending authority aligns with the goals of CPW as outlined in the Future Generations Act, which include recruiting and retaining qualified employees to manage wildlife, park, recreational, and aquatic resources; and investing in other initiatives to increase park visitation, maintain excellent customer service, and generate revenue.

Assumptions and Calculations:

Actual historical spending authority for the State Park Operations line item are from the annual Long Appropriations Bill.

State park visitation figures are tracked by individual park managers and reported monthly in the agency's PARKS system.

Operating costs supported by the State Park Operations line item are actuals and are generated from Financial Data Warehouse (COFRS) and the CORE system.

Toilet paper usage and cost figures are from Trinidad State Park. These figures were developed by park staff as part of CPW's overall outreach effort related to the passage of S.B. 18-143.

United States annual inflation figures are from the U.S. Department of Labor.

Cost allocation figures are based on a review of actual expenditures using information from the state's CORE system.



Cost and FTE

- The Oil and Gas Conservation Commission (OGCC) requests an increase of \$648,304 from the Oil and Gas Conservation and Environmental Response Fund for 5.0 FTE, two state temporary employees, and two state vehicles to address workload increases and severe backlogs in permitting, engineering, field inspections, reclamation, and data analysis. Ongoing costs are \$628,113.

Current Program

- The OGCC ensures that the state's oil and gas resources are produced in an economically efficient manner that protects the rights of mineral owners and which holds operators to the highest standards in the nation for protecting public health, safety, welfare, the environment, and wildlife.

Problem or Opportunity

- Higher, more stable oil prices led to an increase in oil and gas activity to levels that, by some measures, made FY 2017-18 the busiest on record. The resulting uptick in workload for the OGCC quickly gave rise to large backlogs throughout its regulatory program despite assistance from state temporary employees.
- A 10-year high in Applications for Permit to Drill (APDs) contributed to a record backlog of 4,890 APDs by the end of FY 2017-18 and an increase in the median permit processing time to 89 days.
- Activity on the ground has led to large volumes of notices and regulatory forms related to active drilling and completion activities, thus increasing workload for engineers, field inspectors, and reclamation specialists, who must ensure adherence to state rules designed to protect public health, the environment, and wildlife.
- The adoption of new flowline rules, the expansion of the orphaned well program, and the ongoing development and updating of eForms, has driven the workload associated with receiving, archiving, and retrieving the state's oil and gas-related data to a level far exceeding staff's capacity. This has slowed overall workflow and OGCC's response to incidents and stakeholder requests for data.

Consequences of Problem

- The workload increases and resulting backlogs add unnecessary risk to the public and environment due to delays in reviewing regulatory reports and addressing issues on the ground; it will likely cause major delays and additional costs for the industry by early FY 2019-20.

Proposed Solution

- Funding an additional permit technician, an engineer, a field inspector, a reclamation specialist, a data analyst, 2 state vehicles, and 2 state temps will address the OGCC's most critical issues and slow the growth of backlogs while it continues to seek non-FTE solutions, such as developing new and improving existing eForms and other process improvements. No statutory change is required.
- The additional resources would affect most performance plan measures.



COLORADO

Department of Natural Resources

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Robert Randall
Executive Director

Department Priority: R-02

Request Detail: Additional Staffing to Address Oil and Gas Backlogs

Summary of Incremental Funding Change for FY 2019-20	Total Funds	General Fund
Additional Staffing to Address Oil and Gas Backlogs	\$648,304	\$0

Problem or Opportunity:

Higher, stable oil prices led to an increase in oil and gas activity to levels that, by some measures, made FY 2017-18 the busiest on record. The resulting uptick in workload for the Oil and Gas Conservation Commission (OGCC) quickly gave rise to large backlogs throughout its regulatory program despite assistance from temporary staff. Backlogs are not new to the OGCC; they even grew during the recent industry downturn because overall workload never actually slowed as many might have expected. But the current backlogs are severe. They add unnecessary risk to the public and environment and will likely cause major delays in drilling and completion operations by early FY 2019-20.

This request aims to describe, as briefly as possible, the major workload issues and recommendations for addressing them in permitting, engineering, field inspections, reclamation, and data analysis. It is also important to note that, while the request does not include additional resources for the hearings unit at this time, 950 hearing applications, mostly for spacing units and forced pooling, were received in FY 2017-18, exceeding the previous record by 40%. The sharp rise in both hearing applications and permitting activity foretells a level of drilling activity not yet seen in Colorado.

Permitting. In FY 2017-18, the OGCC received 8,127 Applications for Permit to Drill (APDs), exceeding the previous all-time high of 7,664 APDs set in FY 2007-08 and doubling the most recent five-year average of 4,026 APDs, a more valid comparison due to vast changes in both the regulatory and technological environment over the last decade. The OGCC approved 3,804 APDs in FY 2017-18, an 11% improvement over the previous year due to assistance from temporary staff equivalent to 2.5 FTE per month. However, by the end of FY 2017-18, the OGCC's backlog had grown to 4,890 APDs, nearly tripling the FY 2016-17 backlog of 1,652 APDs. At the current processing rate, the APD backlog will take more than a year to process.

Recognizing the potential magnitude of this problem in mid-2017, the permitting unit started requesting prioritized lists of APDs from operators on a monthly basis. Permit staff have been prioritizing their APD reviews according to these lists. For the short term, this approach has been somewhat successful; permitting

staff can thoroughly review APDs, while oil and gas operators get their highest priority permits first, but the total time is still much too slow and is the most frequent source of industry complaints.

Furthermore, requesting these lists and constantly checking them to ensure permits are reviewed in priority order is inefficient. Median permit processing time, the calculation of which includes only those permits that have already been approved, was 89 days in FY 2017-18, exceeding the OGCC's goal of 65 days. It could have been worse, though, had the OGCC not changed course and continued to process APDs on a first-come first-served basis. The growing backlog would have already significantly disrupted industry activity, and inefficiencies would have cropped up industry-wide. For example, construction crews and drilling rigs would have routinely been idled and timing restrictions related to wildlife habitat, hunting, agriculture and other surface uses stipulated in permit conditions of approval would have been missed, causing delays of up to a year.

Engineering. Activity on the ground has already generated a large backlog of regulatory forms requiring engineering review. After APD's, engineering staff gives *Sundry Notices* the highest priority, because they are usually related to active drilling or completion activities. A delay in OGCC approval to, say, extend the distance of a well's horizontal leg, change a bottom hole location or change a casing design can lead to a rig shutdown. Moreover, to ensure safe pathways for horizontal wells and to comply with air pollution and other rules, oil and gas operators have been conducting record numbers of bradenhead tests, mechanical integrity tests and well plugging and abandonments, all of which have added significant workload because they all require review by staff.

Over the last five fiscal years, from FY 2013-14 through FY 2017-18, the total number of well abandonment reports, combining both notices of intent and subsequent reports, have increased from 2,095 to 5,238. The *Notices of Intent to Abandon*, *i.e.* plug a well and remove associated production facilities, are given high priority so that crews hired by operators to plug older, problematic vertical wells ahead of the drilling and hydraulic fracturing of new horizontal wells are not delayed, as delays translate to idle rigs that charge daily rates regardless of activity.

Subsequent Reports of Abandonment, however, should receive the same level of attention, because they provide specific information, including wellbore diagrams showing the location of plugs and all casing remaining in the hole, the type and quantity of cement, job summaries from wireline and cementing contractors for third party verification, and any logs run during the abandonment process. Accurate information is essential. Most importantly, it is used to determine whether the well was properly plugged, because improperly plugged wells can lead to ground water contamination, surface leaks of gas and fluids, and even blowouts when a nearby new horizontal well is hydraulically fractured. The latter actually occurred in late 2017, costing the state nearly \$1 million to re-plug an old well and clean up the fluids discharged from it. Incomplete or incorrect reports should be addressed immediately while the operator's project engineer is still available, because operators, particularly large ones, routinely move professional staff from one project to another and even from one region to another. Finding someone who can answer questions about a form submitted months or years earlier is often difficult, sometimes impossible.

The same problem exists with *Completion Reports*. Similar to *Subsequent Reports of Abandonment*, these are important permanent records that, in this case, provide a description of the well as it was actually constructed, including the wellbore path, the depths at which casing and cement were set, the intervals that were tested and producing, the classification of the well, *i.e.* dry, oil, gas, disposal, and so forth. They provide essential information for operators drilling wells nearby because they need to know, among other things, exactly where the wellbore is, particularly to avoid drilling into the "fish hook" portion of an

existing horizontal well. This early, mostly vertical, section of a wellbore uses an underground easement to loop out into an adjacent lease so that the productive, horizontal leg can start at the leasehold boundary and cover the entire length of the leasehold, thus maximizing recovery of the state's oil and gas resources.

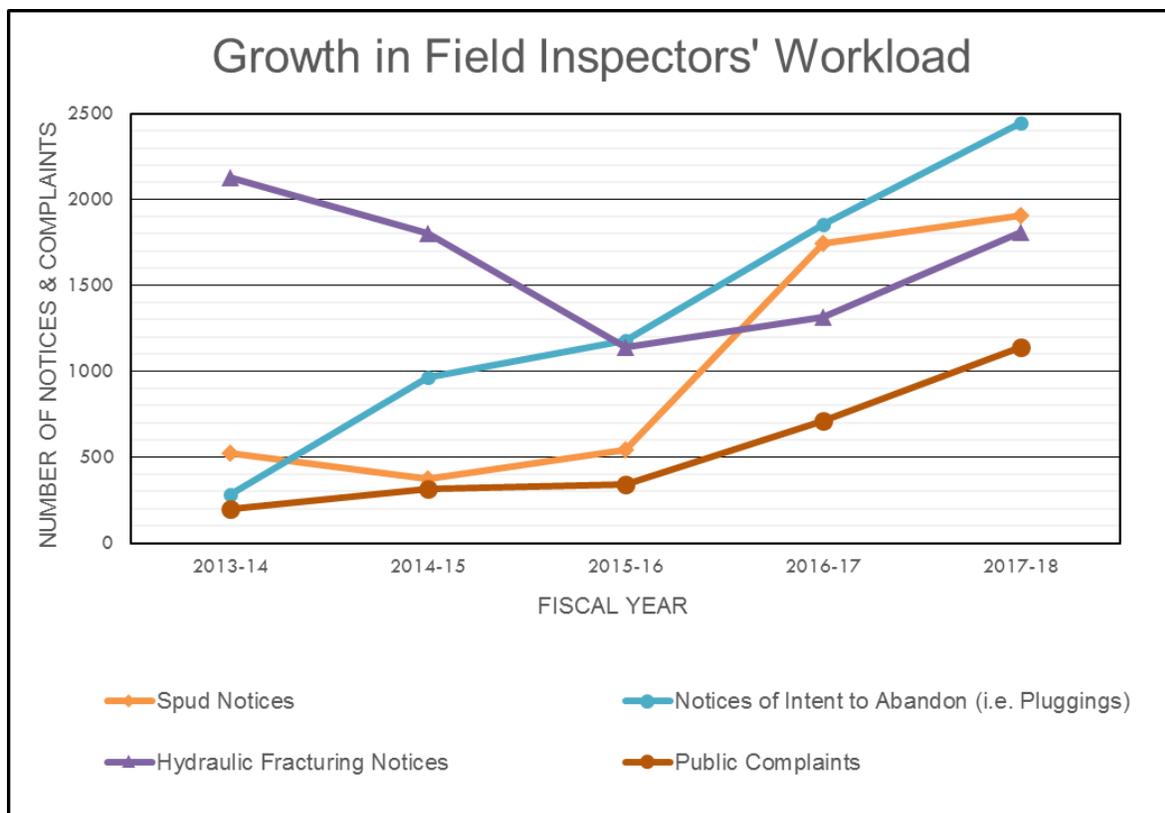
OGCC engineering staff frequently receives requests from industry for completion reports that have not yet been approved and made available online. OGCC staff responds by immediately locating the requested report, reviewing it, and, if approved, posting it online. This is inefficient and unsustainable, as staff must frequently stop and restart other work, potentially delaying for months and even years the review of reports that may be less pressing at the time, but equally important in the end. When OGCC staff does not spot errors until months after a report is submitted, fixing the problem and/or enforcing against repeat errors or oversights by an individual operator, can take hundreds of hours of extra work. Too often, OGCC management must add a note to the file indicating the report was approved without complete information, meaning the OGCC has no means of verifying adequate protection of aquifers. Future operators of that particular well or nearby wells could incorrectly assume the well was properly completed and conduct operations as though it were, potentially harming groundwater and/or surface lands. The OGCC could provide much higher quality regulatory oversight if it could keep pace with industry activity and address problems as they arise, or soon thereafter.

The table below summarizes the backlog situation for the regulatory forms discussed above. All are reviewed to some extent by both permitting and engineering staff. While the APD backlog grew significantly in FY 2017-18, even with help from temporary permitting staff equivalent to 2.5 FTE, the backlogs in Sundry Notices, Well Abandonments, and Completion Reports dropped slightly over the course of the year. Assistance from temporary engineering staff, equivalent to 3.0 FTE since October 2017, kept these backlogs from rising.

Regulatory Form	Backlog as of 6/30/17	# Received in FY 17-18	# Processed in FY 17-18	# Rejected or Withdrawn	Backlog as of 6/30/18	Percent Change in Backlog
Applications for Permit to Drill (APDs)	1,652	8,127	3,804	1,085	4,890	196%
Sundry Notices	928	4,159	4,351	-	736	-21%
Well Abandonments (Notices of Intent and Subsequent Reports combined)	1,961	5,238	5,470	-	1,729	-12%
Completion Reports	2,051	2,557	2,651	-	1,957	-5%

Field Inspections. The rise in these regulatory reports also cause workload increases for field inspectors. Notices of Intent to Abandon, for instance, mean additional on-the-ground work for inspectors, as plugging operations are considered high priority activities to witness, especially when the wells to be plugged are in proximity to existing homes and/or future development. An inspector's workload also directly correlates with Spud Notices and Hydraulic Fracturing Notices, as these operational phases generate a significant number of citizen complaints due to increased truck traffic, dust, odors, and noise. Moreover, hydraulic fracturing activities, specifically identified as high risk in the OGCC's 2014 Risk-Based Inspections report, receive a heightened level of attention to ensure operators follow conditions of approval placed on drilling permits. Observing materials management practices is important in all of the aforementioned activities.

The figure below demonstrates the overall increase in this portion of a field inspector's workload, including public complaints, the growth of which is partially responsible for the reduction in total well inspections over the last few years. The number of inspections dropped from approximately 42,000 in FY 2015-16 to about 30,000 in FY 2017-18.



The recent increased emphasis on the OGCC's orphaned well program also factors into the reduced inspection count. Inspectors, due to their operational knowledge and proximity to many of these activities, are frequently called upon to serve as onsite project managers during plugging operations, to conduct site walks for contractor bidding purposes, and to assist in retaining contractors to remove old oil field equipment. In FY 2016-17 and 2017-18, field inspectors participated in 10 and 28 of these orphaned well projects, respectively.

Reclamation. Currently there is a backlog of approximately 19,284 wells (Plugged and Abandoned, Dry and Abandoned, and Abandoned Locations) requiring final reclamation inspections. Assuming two wells per location, the backlog is equivalent to about 9,642 locations that require reclamation inspection. At an average annual rate of about 500 final reclamation inspections per FTE, the current staff of 5.0 reclamation specialists could eliminate the backlog in about 4 years, assuming no increase in locations or other responsibilities. However, as indicated in the engineering and field inspection sections, plugging and abandonment of wells has increased significantly since FY 2013-14, and the OGCC expects this trend to continue, thus increasing the number of locations requiring final reclamation inspections. Visiting these sites as soon as possible and working with the operator lead to quicker remediation of common problems such as:

- noxious weeds, which prevent growth of native grasses, forbs, and shrubs and, therefore, reduce crop production and wildlife habitat;

- gullies that have developed on location and traveled offsite onto adjacent property;
- salt kills, which harm cropland and reduce wildlife habitat; and
- un-reclaimed pits, which are potential sources of both groundwater contamination and wildlife entrapment due to steep banks, even if all fluid has evaporated.

A high priority resulting from the 2014 Risk Strategy Report was to conduct inspections during site construction activities. With the increase in applications for new oil and gas locations, 792 in FY 2017-18, up from 459 and 538 in fiscal years 2015-16 and 2016-17, respectively, the workload for reclamation specialists is expected to increase in this area, as well.

Additionally, the reclamation team plans, organizes, and acts as the project manager for final reclamation projects at locations where the commission has claimed a bond from a delinquent operator, resulting in an orphaned well location. The work includes site inspections, the development of project scopes of work, contract management and onsite review. Final reclamation may include an entire suite of tasks from recontouring to natural grade, de-compacting soils, soil sampling, seed mix identification, and seeding application plus the addition of mulches or other erosion control methods. Final reclamation projects involving construction conducted by the OGCC require the preparation of stormwater management plans and permits, stormwater inspections and weed management until vegetative standards have been met. Reclamation Specialists participated in 15 of these projects in FY 2016-17 and 26 in FY 2017-18. With Executive Order D 2018-012 directing the OGCC to plug, remediate, and reclaim all medium- and high-priority orphaned oil and gas wells and sites by July 2023 the workload for reclamation specialists is expected to increase substantially. Of the additional 4.0 FTE appropriated for the orphaned well program in FY 2018-19, only one will be dedicated to reclamation work.

Data Analysis. The OGCC receives vast quantities of data that require tens of thousands of lines of code to access and manage in the Colorado Oil and Gas Information System (COGIS). The OGCC is committed to transparency and making this data public, so multiple analysts are required to write these lines of code as well as the queries needed to generate requested reports or informational tools in a readily understandable format.

As with many industries, oil and gas is constantly changing in technology, practices, and procedures. These changes and events, such as the 2017 Firestone home explosion, lead to regulatory and programmatic updates that can profoundly affect the OGCC's database. For example, the adoption of new flowline rules requires the submission of Flowline Reports for over 100,000 flowlines. That alone, in addition to the ongoing development and updating of eForms, has driven the workload associated with receiving, archiving, and retrieving the state's oil and gas-related data to a level far exceeding the capacity of the two existing data analysts, often slowing overall workflow and OGCC's response to incidents and stakeholder requests for data. Most OGCC staff members use COGIS on a daily basis, and as overall staff size increases, so do the demands for data and the development of new queries.

Proposed Solution:

The OGCC is requesting an increase of \$648,304 from the Oil and Gas Conservation and Environmental Response Fund and 5.0 FTE to address the workload issues discussed above before they reach a level that is both disruptive to the industry and risky for the public and environment. This includes a permit technician, an engineer, a field inspector, a reclamation specialist, a data analyst, two state vehicles, and two state temps. The OGCC continues to seek non-FTE solutions, such as developing new eForms, improving existing eForms, and making wholesale changes to longstanding programs, as was accomplished

recently with the orphaned well program. However, the requested additional resources are the bare minimum required to slow the growth of backlogs while these additional solutions are sought. Ongoing costs would be \$628,113; no statutory change is required.

The requested data analyst would accelerate the development of potential non-FTE solutions as they pertain to database management and eForms. In fact, the OGCC is currently pursuing these types of process improvements in the hearings unit to address the record high numbers of hearing applications. After changes to the program are fully implemented, the OGCC will be in better shape to assess the need for additional hearing officers. The OGCC always considers process improvements before requesting more FTE. Data analysts are key to this approach, though. A strong data analysis team with expertise in the Colorado Oil and Gas Information System can help a program find information technology solutions to make routine tasks easier and faster, staving off the hiring of additional FTE until no other options exist.

The requested two state temps are consistent with OGCC's measured approach to requesting additional resources. Process improvements take time, and it is difficult to do them when staff is always racing to keep up with a fast moving industry that is constantly challenging it with new technologies. So state temps are a stopgap measure to prevent the OGCC from falling significantly further behind in processing APDs and other regulatory reports while determining the need for permanent staff. In FY 2017-18 the OGCC employed a series of nine month state temps, equivalent to 5.5 FTE, to support the permitting and engineering units. And while 1.0 FTE is more productive in the long run than a state temp, because of the short-term nature of the latter and the ongoing need to retrain, it is not practical to think a total of 2 additional FTE in the permitting and engineering units will immediately offset the state temp equivalent of 5.5 FTEs. If oil and gas activity continues to pick up steam, the OGCC may need as many as four or five state temps. As appropriate, the OGCC will use vacancy savings to hire additional temporary employees.

The proposed solution is expected to affect all but one of the OGCC's Performance Plan measures, as noted below. While goals would still be difficult to meet, the outcomes will likely be better than if the requested staff were not approved.

- *Automate 80% of hearing application processes* – The requested data analyst would help in this high priority effort to improve efficiency in the hearings unit by making the newly developed eForms interact well with the database.
- *Reduce median number of days to process drilling permits to 65 days* – An additional permit tech and engineer would help reduce or hold flat the APD backlog and likely prevent processing times from worsening.
- *Reduce average wait time for processing Completion Reports to 6 months* – Both permit techs and engineers work on these reports. Therefore, additional staff in these areas would help bring the OGCC to a 6-month wait time that, while still much longer than ideal, is somewhat more acceptable.
- *Reduce average wait time for processing Subsequent Reports of Abandonment to 6 months* – Both permit techs and engineers work on these reports. Therefore, as with Completion Reports, additional staff would help bring the OGCC closer to real-time processing.
- *Update/revise electronic forms* – The data analyst would work with developers to ensure electronic forms that need updating or revising seamlessly interface with the database.

- *Inspect 90% of high-priority wells each year* – With increasing activity on the ground, which leads to more public complaints and operational phases to observe, an additional field inspector would allow an additional 1,000 inspections per year, of which about 40% would be conducted on high priority wells, improving the OGCC’s efforts to inspect at least 90% of high priority wells.
- *Increase percent of citizen complaints that are resolved or subjected to enforcement action within 30 days* – Field inspectors typically take the lead on resolving citizen complaints. Therefore, spreading the workload to one more inspector would help the OGCC resolve complaints or move them to enforcement at a quicker pace.
- *Increase percent of corrective actions for high priority wells that are resolved or turned over to enforcement within 30 days following corrective action deadline* – Rule violations discovered at high priority wells require immediate attention and timely follow-up by the field inspection team; therefore, an additional inspector would help the OGCC improve its performance in this area.
- *Increase number of orphaned wells plugged annually* – The number of orphaned wells and the recent increased emphasis on addressing them has led to an all-hands-on-deck approach; and this is expected to continue through at least 2023, given Executive Order D 2018-012. The five-person orphaned well team cannot possibly meet the goals of that order without significant assistance from the engineering and field inspection teams. Both teams have been and expect to continue spending 15% to 20% of their time on projects related to plugging orphaned wells (*i.e.* site walks with contractors, the design of plugging operations, the oversight of contractors performing the work, and the removal of old equipment from the site). Additional engineering and inspection staff would accelerate this work.
- *Increase number of orphaned locations reclaimed annually* – Similar to the discussion above on orphaned well plugging projects, reclamation specialists have been spending at least 20% of their time on reclamation work associated with orphaned locations. An additional reclamation specialist would increase the number of sites reclaimed.

Consequences if Not Approved

The workload increases and resulting backlogs, along with others that threaten to reach critical levels in the next year or two, jeopardize the OGCC’s goals for its customers. Any diminished level of service, whether it be a slow permitting process that leads to idle drilling rigs or engineering reviews of wellbore remediation plans that are weeks behind the actual work on the ground, adds either unnecessary cost to the industry or risk to the public and the environment.

Colorado has a national reputation for its robust regulatory environment in service of the public, the environment, and industry. In order for this high level of service to continue, it is essential to maintain a strong information management system and a talented staff of adequate size that not only has a good grasp of oil and gas technologies but is equipped to help the industry find solutions to challenging problems, particularly those related to public health, the environment, and the protection of wildlife.

<i>Anticipated Outcomes:</i>

The OGCC is under no illusion that this request will eliminate the potential problems discussed here, but all incremental improvements are a step in the right direction. The additional resources are expected to slow the growth of existing backlogs or hold them flat, but the division’s success will partly depend on the rate

of the current industry expansion and staff's ability to find non-FTE solutions through the development of eForms, better data management, and Lean initiatives. The multiple workarounds and short-term or temporary resources currently in place are not sustainable in a multi-year industry growth cycle. They are ultimately inefficient and only delay the full impacts of the backlogs instead of reducing them.

Assumptions and Calculations:

Salaries

Due to competition with the oil and gas industry, the OGCC must typically offer above-range-minimum pay to attract candidates for technical positions such as the Professional Engineer, Reclamation Specialist, Permit Tech, and Field Inspector. Therefore, this request assumes the following monthly salaries:

- Engineer (Professional Engineer I): \$7,320 (18% above range minimum)
- Reclamation Specialist (Environmental Protection Specialist I): \$5,400 (16% above range minimum)
- Permit Technician (Engineer/Physical Science Tech II): \$5,250 (21% above range minimum)
- Field Inspector (Engineer/Physical Science Tech II): \$5,250 (21% above range minimum)

The salary for the Data Analyst (Data Management III) is requested at the range minimum of \$4,200 because the OGCC does not compete directly with the oil and gas industry for this skill set.

State Temporary Staff

- 2 temps @ \$35.15/hr (includes PERA & Medicare) x 2080 hrs = \$146,224.

Operating Expenses

For the home-based field inspector and reclamation specialist positions, the request includes a laptop; travel and training expenses; field and safety equipment; home office equipment, including voice and data plans; a cell phone; and an individually assigned state vehicle.

Vehicles (Lease Rates and Mileage Costs): The estimated monthly lease rate is \$534.60 for the type of four-wheel drive vehicle the OGCC needs for accessing oil and gas locations, which are frequently located in rough terrain. Because the requested vehicles would not arrive until the third quarter of FY 2019-20, the request includes only four months of lease payments during the first year. The mileage estimates are based on the annual average of 16,000 miles driven by current OGCC field inspectors at the estimated FY 2019-20 variable rate of \$0.312 per mile. The requested vehicles include twelve months of mileage charges, because the field inspector and reclamation specialist would use temporary vehicles until the new permanent vehicles are delivered.

Laptops: The field inspector and reclamation specialist require a laptop with upgraded processors and storage to allow for the use of GIS software and OGCC custom applications, both of which are necessary to carry out the agency's mission. The most recent of these laptops were purchased for \$2,062 each in June 2018, an \$832 differential over common policy. The laptops include a 500 GB solid state hard drive, 16 GB of memory, and a 3.5 GHz CPU. These upgrades are needed to allow the inclusion of the complete OGCC database, GIS applications, and new electronic inspection forms, all of which run locally on the laptops.

Due to the rugged conditions in which OGCC laptops are operated, and because the agency follows the standard practice of replacing most computers on a three year schedule, a replacement allowance equal to one-third of the first year cost has been included as an ongoing operating expense for each requested FTE.

Travel and Training Expenses: The OGCC estimates that three of the five requested FTE will travel, annually, as follows:

- Engineer – 2 overnight trips at \$225/trip = \$450,
- Reclamation Specialist – 8 overnight trips at \$225/trip = \$1,800
- Field Inspector – 4 overnight trips at \$225/trip = \$900

Training: Ongoing oil and gas industry technical training is essential and often very expensive. Annual technical training expenses range between \$250 and \$750 per FTE.

Field and Safety Equipment: The table below details the first year cost of essential equipment. An ongoing \$350 per year is requested, as well, for the field inspector and reclamation specialist to cover expenses such as routine equipment maintenance, the annual service plan for each SPOT Tracker, and the purchase of new equipment, as needed.

Field and Safety Equipment (Year 1)		
Item	Field Inspector & Reclamation Specialist	Engineer
Gas Monitor	\$ 600.00	\$ -
SPOT Tracker	\$ 150.00	\$ -
Flame Resistant Clothing	\$ 600.00	\$ 400.00
Steel Toed Boots, 2 pair / 1 pair	\$ 300.00	\$ 150.00
GPS Unit	\$ 150.00	\$ -
Jumper Cables	\$ 50.00	\$ -
Tow Straps	\$ 30.00	\$ -
Hand Tools	\$ 500.00	\$ -
Tool Boxes	\$ 30.00	\$ -
Total Per Position	\$ 2,410.00	\$ 550.00

OGCERF Fund Balance Projections

Cash Fund Name	Cash Fund Number	FY 2016-17 Expenditures	FY 2016-17 End of Year Cash Balance Actual	FY 2017-18 End of Year Cash Balance Estimate	FY 2019-20 End of Year Cash Balance Estimate*	FY 2020-21 End of Year Cash Balance Estimate*
Oil and Gas Conservation and Environmental Response Fund	1700	\$7,151,254	\$6,920,189	\$7,963,318	\$8,340,630	\$6,306,350

*Includes this decision item, and assumes no levy rate increase and that all appropriations, with the exception of Emergency Response, are fully expended. The five-year average Emergency Response expenditure of \$152,868 is used instead of the annual appropriation of \$750,000.

Calculation Assumptions:

Personal Services -- Salaries are determined by hiring experience in the same job classes.

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).

Expenditure Detail		FY 2019-20		FY 2020-21	
<i>Personal Services:</i>		FTE	\$	FTE	\$
	Monthly Salary				
Staff Engineer - Engineer I	\$ 7,320	1.0	87,840	1.0	87,840
PERA			9,135		9,135
AED			4,392		4,392
SAED			4,392		4,392
Medicare			1,274		1,274
STD			149		149
Health-Life-Dental			8,000		8,000
Subtotal Position 1, 1.0 FTE		1.0	\$ 115,182	1.0	\$ 115,182
	Monthly Salary				
Reclamation Specialist - EPS I	\$ 5,400	1.0	64,800	1.0	64,800
PERA			6,739		6,739
AED			3,240		3,240
SAED			3,240		3,240
Medicare			940		940
STD			110		110
Health-Life-Dental			8,000		8,000
Subtotal Position 2, 1.0 FTE		1.0	\$ 87,069	1.0	\$ 87,069
	Monthly Salary				
Permit Tech - Eng/PhysSciTech II	\$ 5,250	1.0	63,000	1.0	63,000
PERA			6,552		6,552
AED			3,150		3,150
SAED			3,150		3,150
Medicare			914		914
STD			107		107
Health-Life-Dental			8,000		8,000
Subtotal Position 3, 1.0 FTE		1.0	\$ 84,873	1.0	\$ 84,873
	Monthly Salary				
Field Inspector - Eng/PhysSciTech II	\$ 5,250	1.0	63,000	1.0	63,000
PERA			6,552		6,552
AED			3,150		3,150
SAED			3,150		3,150
Medicare			914		914
STD			107		107
Health-Life-Dental			8,000		8,000

Subtotal Position 4, 1.0 FTE		1.0	\$	84,873	1.0	\$	84,873
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	Monthly Salary						
Data Analyst - Data Management III	\$ 4,200	1.0		50,400	1.0		50,400
PERA				5,242			5,242
AED				2,520			2,520
SAED				2,520			2,520
Medicare				731			731
STD				86			86
Health-Life-Dental				8,000			8,000

Subtotal Position 5, 1.0 FTE		1.0	\$	69,499	1.0	\$	69,499
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Subtotal Pers Services, Including Potted Costs		5.0	\$	441,496	5.0	\$	441,496
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Operating Expenses

Staff Engineer - Engineer I	500	1.0		500	1.0		500
Telephone Expenses (ongoing)	450	1.0		450	1.0		450
PC, One-Time, \$410 yr2 (ongoing)	1,230	1.0		1,230	1.0		410
Office Furniture, One-Time	3,473	1.0		3,473	-		-
Field & Safety Eqpmt	550	1.0		550	-		-
Annual Technical Training - \$750 yr2 (ongoing)	750	1.0		750	1.0		750
Travel Exp. - \$225/trip	225	2.0		450	2.0		450

Subtotal Position 1, 1.0 FTE			\$	7,403		\$	2,560
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Reclamation Specialist - EPS I	500	1.0		500	1.0		500
Telephone Expenses (ongoing)	450	1.0		450	1.0		450
PC, One-Time, \$410 yr2 (ongoing)	1,230	1.0		1,230	1.0		410
Office Furniture, One-Time	3,473	1.0		3,473	-		-
Add'l home office phone/data (in excess	1,307	1.0		1,307	1.0		1,307
Cell Phone, \$480/yr (ongoing)	480	1.0		480	1.0		480
Fld Laptop Surchg - \$832/FTE (1-time)	832	1.0		832	1.0		277
Vehicle Mileage 16K mi/yr @ \$0.312/mile	4,992	1.0		4,992	1.0		4,992
Field & Safety Eqpmt - \$350 yr2 (ongoing)	2,410	1.0		2,410	1.0		350
Annual Technical Training - \$450 yr2 (ongoing)	450	1.0		450	1.0		450
Travel Exp. - \$225/trip (8X per yr/FTE)	225	8.0		1,800	8.0		1,800

Subtotal Position 2, 1.0 FTE			\$	17,924		\$	11,016
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Permit Tech - Eng/PhysSciTech II	500	1.0		500	1.0		500
Telephone Expenses (ongoing)	450	1.0		450	1.0		450

PC, One-Time, \$410 yr2 (ongoing)	1,230	1.0	1,230	1.0	410
Office Furniture, One-Time	3,473	1.0	3,473	-	-
Field & Safety Eqpmt - \$350 yr2 (ongoing)	-	-	-	-	-
Annual Technical Training - \$750 yr2	250	1.0	250	1.0	250
Travel Exp. - \$225/trip (3X per	225	-	-	-	-
Subtotal Position 3, 1.0 FTE			\$ 5,903		\$ 1,610
Field Inspector - Eng/PhysSciTech II	500	1.0	500	1.0	500
Telephone Expenses (ongoing)	450	1.0	450	1.0	450
PC, One-Time, \$410 yr2 (ongoing)	1,230	1.0	1,230	1.0	410
Office Furniture, One-Time	3,473	1.0	3,473	-	-
Add'l home office phone/data (in excess of base) (ongoing)	1,307	1.0	1,307	1.0	1,307
Cell Phone, \$480/yr (ongoing)	480	1.0	480	1.0	480
Fld Laptop Surchg - \$832/FTE (1-time)	832	1.0	832	1.0	277
Vehicle Mileage 16K mi/yr @ \$0.312/mile	4,992	1.0	4,992	1.0	4,992
Field & Safety Eqpmt - \$350 yr2 (ongoing)	2,410	1.0	2,410	1.0	350
Annual Technical Training - \$450 yr2 (ongoing)	450	1.0	450	1.0	450
Optical Camera Training - \$2K first yr, & every 4 yrs, thereafter.	2,000	1.0	2,000	0.3	500
Travel Exp. - \$225/trip (4X per yr /FTE)	225	4.0	900	4.0	900
Subtotal Position 4, 1.0 FTE			\$ 19,024		\$ 10,616
Data Analyst - Data Management III	500	1.0	500	1.0	500
Telephone Expenses (ongoing)	450	1.0	450	1.0	450
PC, One-Time, \$410 yr2 (ongoing)	1,230	1.0	1,230	1.0	410
Office Furniture, One-Time	3,473	1.0	3,473	-	-
Field & Safety Eqpmt - \$350 yr2 (ongoing)	-	-	-	-	-
Annual Technical Training - \$750 yr2 (ongoing)	400	1.0	400	1.0	400
Travel Exp. - \$225/trip (3X per month/FTE)	225	-	-	-	-
Subtotal Position 5, 1.0 FTE			\$ 6,053		\$ 1,760
Vehicle Lease	535		\$ 4,277		\$ 12,830
Subtotal Operating Expenses, Including Potted Costs			\$ 60,584		\$ 40,393
State Temps 2080 hrs @ \$35.15/hr	73,112	2.0	146,224	2.0	146,224
Subtotal State Temporary Services			\$ 146,224		\$ 146,224

<u>TOTAL REQUEST</u>	5.0	<u>\$ 648,304</u>	5.0	<u>\$ 628,113</u>
<i>General Fund:</i>				
<i>Cash funds:</i>	5.0	648,304	5.0	628,113
<i>Reappropriated Funds:</i>				
<i>Federal Funds:</i>				



Cost and FTE

- Colorado Parks and Wildlife (CPW) requests \$2,043,120 in increased cash spending authority to fund a permanent Wildlife Small Capital Program.

Current Program

- For more than 15 years, the State Parks branch of CPW has dedicated a portion of its overall budget to small construction projects, defined (via internal policy) as projects with a total cost of between \$5,000 and \$100,000 and located within state parks. These projects are primarily maintenance in nature and address fire/safety/health issues or repair minor problems before they become major. The Small Capital Program, as it has come to be known, is very successful and averages about 120 projects a year. The budget is \$2.0 million annually and is supported with Lottery funding.

Problem or Opportunity

- CPW manages 574 wildlife facilities statewide, and the maintenance needs for these facilities are significant.
- Prior to Fiscal Year 2018-19 CPW did not have a corresponding Small Capital Program for maintaining assets located in wildlife areas or hatcheries. In FY 2018-19 CPW has initiated a trial run of a Wildlife Small Capital program, using a combination of funding sources. Among these is a \$2.0 million grant from Great Outdoors Colorado (GOCO). CPW is also using existing cash spending authority and an assortment of federal funding for a total budget of almost \$3.2 million.
- CPW is very appreciative of GOCO and its support, but in approving the grant the GOCO Board indicated that this funding was intended to help initiate the program and should not be considered a long-term funding source. GOCO is unlikely to fund all or even most of a Wildlife Small Capital program in future years. Federal funds may not consistently be available to fund the program.

Consequences of Problem

- Without a dedicated, reliable funding source, CPW cannot efficiently manage a Wildlife Small Capital program on an annual basis. CPW's maintenance needs are extensive, and the agency is requesting additional FTE resources in another decision item to help address this.

Proposed Solution

- CPW requests \$2,043,120 in increased spending authority, supported from the Wildlife Cash Fund and allocated to the agency's existing Asset Maintenance and Repair line item. CPW is also requesting a net-zero reallocation of \$350,000 in cash spending authority from the Wildlife Operations line item to the Asset Maintenance and Repair line item. These two changes, in conjunction with existing cash spending authority in the AMR line, will allow CPW to manage a Wildlife Small Capital program with an annual budget of \$3.0 million.



COLORADO

Department of Natural Resources

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Robert Randall
Executive Director

Department Priority: R-03

Request Detail: Spending Authority for Asset Maintenance and Repairs

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Cash Funds
Spending Authority for Asset Maintenance and Repairs	\$2,043,120	0.0	\$0	\$2,043,120

Problem or Opportunity:

Maintaining existing facilities is one of the top priorities of the CPW Capital Development program. To this end, for more than 15 years the State Parks branch of CPW has dedicated a portion of its overall budget to small capital projects, defined (via internal policy) as projects with a total cost between \$5,000 and \$100,000 and located within state parks. These projects are primarily maintenance in nature and address fire/safety/health issues or repair minor issues before they can become major problems.

This program has proved to be very successful. Each region is assigned an annual budget for its small capital program. Projects are selected and prioritized at the regional level and managed by regional staff and park managers. In this regard, it is important to know that CPW has four regions: Northeast, Northwest, Southeast, and Southwest. The small capital program provides each region with consistent, continuous funding to address projects of regional priority. Projects are added to a central Capital Development project database for tracking and record-keeping purposes. In some instances, central Capital Development program staff assist with project design, but for the most part, projects are managed entirely at the region level. The total budget for the State Parks Small Capital Program is currently \$2.0 million dollars annually. The State Parks Small Capital Program is supported with Lottery funding; this funding is included as an informational item in the agency's Asset Maintenance and Repairs line item.

The current state parks process averages around 120 projects per year and has worked very well, but until Fiscal Year 2018-19 CPW did not have a corresponding process or budget for maintaining assets located in wildlife areas or hatcheries. With 574 wildlife facilities statewide, the maintenance needs are significant. Maintenance of existing CPW facilities was an important component of Senate Bill 18-143, passed during the 2018 legislative session. The bill's legislative declaration specifically called out the need to reduce the Division's known capital construction and maintenance backlog.

Prior to FY 2018-19, CPW has conducted wildlife small maintenance projects and heavy equipment purchases to support these projects through two existing programs.

- The Asset Maintenance and Repair Program existed at the Colorado Division of Wildlife prior to the agency’s merger with Colorado State Parks in 2011. The Asset Maintenance and Repair (AMR) Program manages maintenance on its Wildlife facilities with an annual budget of \$606,880 in Wildlife cash. This level of funding has remained static since FY 2010-11 despite an ever-increasing list of maintenance projects. The infrastructure and facilities on CPW’s wildlife areas and in hatcheries are in constant need of maintenance, repairs, and improvements; a small capital budget dedicated to these projects will help maintain agency assets and help prevent more extensive (and more expensive) repairs in the future. This spending authority, supported from the Wildlife Cash Fund, is located in the Asset Maintenance and Repairs line item.
- The Heavy Equipment Program is also a legacy program (i.e., existed at the Division of Wildlife prior to the merger). This program is funded with \$350,000 annually and supports the purchase of heavy equipment for the purposes of facility and/or habitat maintenance. This spending authority, supported from the Wildlife Cash Fund, is located in the Wildlife Operations line item.

For Fiscal Year 2018-19, CPW has initiated a trial run of a Wildlife Small Capital Program, using a combination of funding sources: The existing cash spending authority that the agency has for wildlife maintenance (the AMR Program and Heavy Equipment Program mentioned above), a small amount of the agency’s existing Capital Outlay spending authority, an assortment of federal funding, and, crucially, a grant from Great Outdoors Colorado (GOCO) in the amount of \$2.0 million. The total budget for the trial FY 2018-19 Wildlife Small Capital Program is just under \$3.2 million:

FY 2018-19 Wildlife Small Capital Funding		
Funding Source	Line Item	Amount
Existing Asset Maintenance and Repair budget	Asset Maintenance and Repairs	\$606,880
Existing Heavy Equipment budget	Wildlife Operations	\$350,000
Capital Outlay spending authority	Capital Outlay	\$103,000
FY 2018-19 GOCO grant	unappropriated	\$2,000,000
Miscellaneous federal funding	unappropriated	\$135,120
Total:		\$3,195,000

CPW is in the process of implementing this program this year and has every reason to believe that it will be extremely successful in addressing the maintenance and rehabilitation needs of the agency’s wildlife areas. Region staff are extremely enthusiastic about the new wildlife component of the Small Capital Program. Projects selected by the regions for completion in FY 2018-19 include electrical system upgrades, renovation of housing for temporary staff, rehabilitation of wells, shooting range improvements, roof repairs, fencing projects to protect sensitive habitat, minor road repairs, and many other projects. For a list of projects funded by the Wildlife Small Capital Program in FY 2018-19, please see Attachment A.

CPW is appreciative of the GOCO Board’s assistance in initiating the wildlife component of the program. However, in approving the grant, the GOCO Board indicated that this funding was intended to be “seed” money to help CPW initiate the wildlife small capital program. GOCO is not likely to fund all or even most of the Wildlife Small Capital program in the future and encouraged CPW to develop plans for

alternate funding to continue the program. Further, the use of federal funds and funding from the Capital Outlay line item was used to supplement the program in this year, but may not always be available.

Proposed Solution:

In order to create a permanent Wildlife Small Capital Program with a stable budget consisting entirely of cash from the Wildlife Cash Fund, CPW requests two actions:

- 1) A net-zero reallocation of \$350,000 in cash spending authority from the Wildlife Operations line item to the Asset Maintenance and Repair line item. This represents the agency’s existing Heavy Equipment budget.
- 2) Increased cash spending authority in the amount of \$2,043,120 to the Asset Maintenance and Repairs line item. This spending authority will be supported with cash from the Wildlife Cash Fund.

The combination of these actions and the existing \$606,880 in cash spending authority in the Asset Maintenance and Repairs line item will allow CPW to create a permanent, cash-funded Wildlife Small Capital Program with \$3.0 million in cash spending authority:

Requested Outcome, Wildlife Small Capital Funding		
Funding Source	Line Item	Amount
Existing Asset Maintenance and Repair budget	Asset Maintenance and Repairs	\$606,880
Existing Heavy Equipment budget	Asset Maintenance and Repairs	\$350,000
Wildlife cash	Asset Maintenance and Repairs	\$2,043,120
	Total:	\$3,000,000

CPW is not requesting additional FTE to support the ongoing implementation of the Wildlife Small Capital Program. The increased funding will result in more projects getting completed in the field, but this workload can be absorbed by staff at wildlife areas and regional offices. Each administrative regional office has at least one FTE dedicated to capital development and maintenance, but in many cases this employee will not be impacted at all. The projects are generally small in scope and can be handled in their entirety by a wildlife area manager or other staff. Many projects involve hiring contractors to complete some or all of the work, requiring minimal oversight by area staff. CPW has established internal guidance about the types of projects that are allowed under the Small Capital Program and what types of projects are not suitable for this funding. FTE and temporary staff personal services costs and other costs that are operational in nature (travel, utility costs, etc) are specifically excluded from the Small Capital Program.

CPW considered funding the ongoing Wildlife Small Capital Program with federal funds, but was unable to overcome some of the administrative burdens that accompany federal funding; for projects as small as \$5,000 in total cost, the use of federal funds was simply not practicable in the long term. Cash spending authority represents the most stable and consistent source of funds for the division, and is an appropriate source for a program that is prioritized highly by agency leadership.

Anticipated Outcomes:

With increased spending authority to permanently implement a Wildlife Small Capital Program, CPW can begin to systematically address maintenance and renovation backlogs that have been developing for years. CPW Capital Development staff maintain a database of maintenance needs for facilities statewide and will continue to monitor this list as field staff complete maintenance and renovation tasks. Projects funded by the program will vary annually but all will have some nexus to maintenance, renovation, and/or rehabilitation of existing facilities. CPW may also occasionally use this funding for minor new construction, heavy equipment purchases, and other purchases of supplies and equipment with a direct link to maintenance and renovation.

Senate Bill 18-143 gives CPW the flexibility to adjust fees for the first time in several years. Among the goals of the legislation were enabling CPW to begin addressing the maintenance and repair backlog for dams, reducing the overall capital construction and maintenance backlog, and developing a stable funding stream for future maintenance projects at state wildlife areas and parks. CPW is in the process of implementing S.B. 18-143 and will likely have a package of proposed fee changes for review by the Colorado Parks and Wildlife Commission later this fiscal year. Because of the timing of these changes with respect to hunting and fishing seasons, revenue from these changes will be available for capital projects and other purposes beginning in the fiscal year 2019-20. CPW anticipates that these changes will result in significant increased cash revenue to support the Wildlife Small Capital program.

Assumptions and Calculations:

The CPW State Parks Small Capital Program budget has been established at \$2.0 million annually for several years. In determining the size of the Wildlife Small Capital Program budget, CPW considered the overall condition of agency facilities, the historic funding (or lack thereof) for wildlife maintenance and renovation, and the likelihood of necessary repairs and rehabilitation in the near future. CPW maintains a list of more than 1,400 separate amenities statewide that must be maintained; these vary in size and scope from 10 foot by 10 foot sheds to hatchery facilities encompassing 20,000 square feet. With a historic asset maintenance and repair budget of only \$606,880 annually, CPW has only been able to address the most critical maintenance needs annually. A significant backlog has developed, particularly at the agency's hatcheries, which are very infrastructure-heavy. To address this, CPW hopes to utilize Wildlife Small Capital funding to aggressively pursue maintenance and rehabilitation projects that have been delayed for years. In light of this, CPW believes that \$3.0 million annually is an appropriate funding level for this program.

Attachment A:
Colorado Parks and Wildlife
Wildlife Small Capital Project List, FY 2018-19

<u>Area/Park</u>	<u>Project</u>	<u>Project Budget</u>
<u>Northeast Region</u>		
Area 1	UTV and attachments	\$20,924.00
Area 1	South Park Shooting Range Improvements	\$50,000.00
Area 2	Flail Cutter Head; Boom Mower; Rotary Cutter Head (tractor attachments)	\$42,000.00
Area 2	25 Foot Deckover Trailer	\$15,000.00
Area 3	Dune Ridge Mobile Home Exterior Wood Deck 14X9	\$5,000.00
Area 3	Dune Ridge Mobile Home Exterior Wood Deck 8X8	\$5,000.00
Area 3	Prewitt Double Vault Toilet Replacement	\$75,000.00
Area 3	Tamarack Residence Bunkhouse Front Stoop	\$5,000.00
Area 3	Tamarack Residence Bunkhouse Radon	\$5,000.00
Area 3	Tamarack Residence Bunkhouse Siding	\$33,000.00
Area 3	Tamarack Well Complete System	\$5,000.00
Area 4	Cherokee Park Shop/Garage Heating secondary/electrical system	\$9,000.00
Area 4	Cherokee Park Shop/Garage Window Metal Frame	\$5,000.00
Area 4	Wellington John Deere 5085E 100 HP Tractor	\$67,000.00
Area 5	Woodhouse Residence Concrete Stemwall	\$15,000.00
Area 5	Woodhouse Bunkhouse Windows	\$12,000.00
Area 5	Henderson Repair Walk-in Evidence Freezer	\$7,500.00
Area 5	Henderson Water Lines Run to All Shops	\$7,500.00
Northeast Region (Misc)	HEO - Pintle or Lowboy Trailer	\$40,000.00
Northeast Region (Misc)	Region Contingency	\$48,076.00
	Northeast Region Subtotal:	\$472,000.00
<u>Northwest Region</u>		
Area 6	Beaver Creek Cabin Elec	\$7,000.00
Area 6	Beaver Creek Cabin Wood Stove	\$5,000.00
Area 6	Beaver Creek Metal Roof	\$5,000.00
Area 6	BelAire SWA South Unit Window	\$7,500.00
Area 6	Calloway Cabin Electrical	\$8,500.00
Area 6	Foundation Concrete stemwall	\$5,000.00
Area 6	Concrete Floor Woodring	\$10,000.00
Area 6	Well - Tank, Float, Pipeline	\$6,767.00
Area 6	Pipeline, tank, gravel, cement	\$6,387.00
Area 6	Remove Silt from Pond	\$40,000.00
Area 7	Tractor	\$54,000.00
Area 7	Vinyl Tile Floor	\$7,025.00
Area 7	Vinyl Floor - Region Office	\$12,000.00
Area 7	Headgate Diversion Structure	\$6,000.00

Attachment A:
Colorado Parks and Wildlife
Wildlife Small Capital Project List, FY 2018-19

<u>Area/Park</u>	<u>Project</u>	<u>Project Budget</u>
Area 8	Cooler/Freezer Combo	\$38,000.00
Area 9	Cabin Electrical	\$7,000.00
Area 9	Wood Stove	\$5,000.00
Area 9	Cabin #2 Electrical	\$6,000.00
Area 9	Bunkhouse Wood Stove	\$5,000.00
Area 9	Pole Shed Roof	\$5,000.00
Area 9	Kemp House Road Repair	\$6,136.00
Area 9	Campground Improvement	\$8,806.00
Area 9	Hot Sulphur Shooting Range	\$5,000.00
Area 10	Walden Warehouse Remodel	\$65,000.00
Area 10	Sarvis Creek Bridge	\$20,000.00
Northwest Region (Misc)	Backhoe	\$90,000.00
Northwest Region (Misc)	Region Contingency	\$88,879.00
	Northwest Region Subtotal:	\$530,000.00
 <u>Southeast Region</u>		
Area 11	Spanish Peaks Residence Deck Replacement	\$15,000.00
Area 11	Spanish Peaks Shop Concrete Pad	\$6,000.00
Area 12	Queens Perimeter Security Fence	\$21,000.00
Area 12	Melon Valley Fencing	\$11,000.00
Area 12	Rocky Ford Bunkhouse Remodel	\$7,000.00
Area 12	Midwestern Farms Boat Ramp	\$36,000.00
Area 12	Turks Pond Equipment Storage (SE Portion)	\$15,000.00
Area 12	Turk's Pond Residence Kitchen Remodel	\$16,000.00
Area 12	Lamar Office Lighting	\$8,000.00
Area 12	Rocky Ford & Two Buttes Shop Heaters	\$7,100.00
Area 12	Two Buttes Cabin Roof	\$8,000.00
Area 13	Buena Vista Water Well	\$13,035.00
Area 13	Buena Vista Shop Construction	\$63,000.00
Area 14	SWA Sign Replacement	\$40,000.00
Area 14	Ramah Grazing Management Infrastructure (fence/cattle grates/pipe)	\$25,000.00
Area 14	Painting Equipment	\$12,000.00
Area 14	Welding Equipment	\$12,300.00
Area 14	Flagler Residence Interior Repair	\$10,000.00
Area 14	S. Republican Bunkhouse Roof/Siding	\$24,000.00
Southeast Region (Misc)	John Deere Motor Grader Repairs	\$66,000.00
Southeast Region (Misc)	Region Contingency	\$74,565.00
	Southeast Region Subtotal:	\$490,000.00

Attachment A:
Colorado Parks and Wildlife
Wildlife Small Capital Project List, FY 2018-19

<u>Area/Park</u>	<u>Project</u>	<u>Project Budget</u>
<u>Southwest Region</u>		
Area 15	Echo Road Repair Work	\$40,000.00
Area 15	Joe Moore Vault Toilet	\$40,000.00
Area 15	Skidsteer	\$45,000.00
Area 15	Bayfield Lions Club Vault Toilet	\$70,000.00
Area 16	Cunningham Ditch	\$25,000.00
Area 16	Miller Barn	\$10,000.00
Area 16	Skidsteer	\$45,000.00
Area 16	Gunnison SWA Fence	\$20,000.00
Area 16	Gunnison SWA Archery Range Improvement	\$20,000.00
Area 17	Mountain Home and Platero CXTs	\$40,000.00
Area 17	Jessup Ditch	\$16,000.00
Area 17	Creede and Shriver-Wright Surveys	\$36,000.00
Area 17	Home Lake Pier Repair	\$12,000.00
Area 18	Dan Noble Fence	\$25,000.00
Area 18	Evidence Cooler	\$15,000.00
Southwest Region (Misc)	Frisco Creek Bear Pens	\$20,000.00
Southwest Region (Misc)	Game Damage Trailer	\$8,500.00
Southwest Region (Misc)	Region Bear Trash Cans	\$10,000.00
Southwest Region (Misc)	Region Contingency	\$22,500.00
	Southwest Region Subtotal:	\$520,000.00
<u>Hatcheries</u>		
Bellevue-Watson Hatchery	Bellvue Hatchery Heater Replacement	\$5,600.00
Bellevue-Watson Hatchery	Bellvue Hatchery Wellhouse	\$7,000.00
Bellevue-Watson Hatchery	Net replacement-Watson	\$24,000.00
Chalk Cliffs Hatchery	Recirculation Pump Soft Start	\$18,000.00
Chalk Cliffs Hatchery	Replace Tractor/Backhoe	\$60,000.00
Crystal River Hatchery	Replace Heath Egg Racks	\$6,000.00
Crystal River Hatchery	Degassing Tower Cover Structure	\$20,000.00
Durango Hatchery	Replace Hatchery Bldg Pipes 18"	\$20,000.00
Finger Rock Hatchery	Aluminum Hauling Tank Replacement	\$30,000.00
Glenwood Springs Hatchery	Aluminum Hauling Tank Replacement	\$25,000.00
Las Animas Hatchery	Well Water filtration system for domestic well	\$20,000.00
Las Animas Hatchery	Replace Leach Field- Residence	\$6,000.00
Monte Vista Hatchery	Hatchery Bldg Electrical Upgrade	\$10,000.00
Monte Vista Hatchery	Replace Feed Storage Shed	\$6,000.00
Monte Vista Hatchery	South Well Grout and Repair	\$5,000.00
Native Species Hatchery	Well #1 Replace Shut-off valve	\$6,000.00

Attachment A:
Colorado Parks and Wildlife
Wildlife Small Capital Project List, FY 2018-19

<u>Area/Park</u>	<u>Project</u>	<u>Project Budget</u>
Pitkin Hatchery	Hatchery Bldg- Window/Door	\$17,000.00
Poudre Hatchery	Dredge Inlet Reservoir	\$50,000.00
Poudre Hatchery	Well #2 Rehab	\$27,000.00
Rifle Falls Hatchery	Fill station/ valve replacement	\$50,000.00
Rifle Falls Hatchery	Shop/Breakroom Roof Repair	\$23,000.00
Rifle Falls Hatchery	Replace Tractor/Backhoe	\$60,000.00
Roaring Judy Hatchery	Replace Fish Tanks	\$30,000.00
Salida Isolation Unit Hatchery	Egg Disinfection Building	\$20,000.00
Wray Hatchery	Pond 18 Repair	\$25,000.00
Wray Hatchery	Woodshop/Storage Roof	\$15,000.00
Wray Hatchery	Replace Heaters in Hatchery	\$10,000.00
NE Aquatics	Jackson Lake - Outlet Rotary Fish Screen	\$24,530.00
NW Aquatics	Reservoir Boat, Motor, Trailer	\$43,000.00
SE Terrestrial	Turks Pond Equipment Storage	\$15,000.00
Hatchery Administration	Water Measuring Devices Phase 3	\$50,000.00
Hatchery Administration	Phase I Hatchery Study	\$50,000.00
Hatchery Administration	Region Contingency	\$204,870.00
	Hatcheries Subtotal:	\$983,000.00
 <u>Administration</u>		
Denver HQ	Irrigation Repairs	\$6,666.00
Denver HQ	Painting for Car Barn and Shop	\$25,000.00
Denver HQ	Parking Lot Maintenance	\$35,000.00
Foothills Wildlife Research Center	Office modular repairs (roof, etc.)	\$12,000.00
Foothills Wildlife Research Center	Bighorn handling facility (complete)	\$21,666.00
Foothills Wildlife Research Center	Carnivore pen (chain link sides, roof)	\$12,000.00
Foothills Wildlife Research Center	East side fencing (replace, remove)	\$21,000.00
Aquatic Toxicology Lab	Electrical Updates	\$6,000.00
Parvin Lake Research Center	Floor Repairs	\$8,000.00
Parvin Lake Research Center	Tractor/Plow	\$25,600.00
Parvin Lake Research Center	Pump and Filter Replacement	\$9,000.00
Bellvue Fish Research Hatchery	Raceway Covers	\$18,066.00
Administration Misc	Contingency	\$2.00
	Administration Subtotal:	\$200,000.00
	Grand Total:	\$3,195,000.00



Cost and FTE

- Colorado Parks and Wildlife (CPW) requests \$401,653 in cash fund spending authority for 3.0 FTE to support increased capacity for capital development, maintenance, and renovation of facilities and dams. This will annualize to \$496,454 cash funds and 4.0 FTE in FY 2020-21 and beyond.

Current Program

- The CPW Capital Development Program manages construction, renovation, rehabilitation, and other development projects around the state, ranging in size from small landscaping projects to the development of new state parks. The program manages construction that supports operations at facilities division-wide, including over 350 wildlife areas, 41 state parks, and 19 hatcheries.

Problem or Opportunity

- Despite significant investments of time, effort, and capital over the last several years, CPW's capital assets are in need of increased maintenance, rehabilitation, and renovation, particularly those assets located on state wildlife areas. CPW maintains a list of more than 1,400 separate structures and amenities that must be maintained, ranging from small sheds to 30,000 square foot hatcheries.
- With the passage of S.B. 18-143 in 2018, CPW will have new revenue and the flexibility to adjust fees for the first time in several years. CPW plans to invest increased fee revenue in capital projects statewide, but Capital Development Program staff are already operating at full capacity.

Consequences of Problem

- CPW manages 110 dams statewide. Most of these are at least 50 years old and some are more than 100 years old. Nearly all of these require some level of annual maintenance and many require modernization and other improvements. CPW estimates its dam maintenance and repair backlog at more than \$44 million in construction costs as of FY 2018-19.
- CPW's hatchery system is comprised of 19 hatcheries that breed, hatch, rear, and stock more than 90 million fish every year. The majority of these facilities are between 70 and 100 years old, with rapidly aging water collection systems, pipelines, raceways, pond, and wells.
- Without increased Capital Development staff, CPW will be unable to increase the number and/or frequency of capital renovation and rehabilitation projects annually, regardless of new revenue from license fees.

Proposed Solution

- CPW requests 4.0 new FTE at the Professional Engineer I job classification (plus associated operating) to expand the capacity of the Capital Development Program. CPW requests 1.0 FTE for dam projects, 1.0 FTE for project engineering and design, and 2.0 FTE to function as regional project managers. These staff members would be hired in phases as new capital projects are undertaken, so the request is for 3.0 FTE in FY 2019-20 and 4.0 FTE in FY 2020-21.



COLORADO

John W. Hickenlooper
Governor

Department of Natural Resources

Robert Randall
Executive Director

FY 2019-20 Funding Request | November 1, 2018

Department Priority: R-04
Request Detail: Capital Development Staff and Operating

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Cash Funds
Capital Development Staff and Operating	\$401,653	4.0	\$0	\$401,653

Problem or Opportunity:

The Colorado Parks and Wildlife Capital Development Program manages construction, renovation, rehabilitation, and other development projects around the state, ranging in size from small landscaping projects to the development of new state parks. The program manages construction that supports operations at facilities division-wide, including over 350 state wildlife areas, 41 state parks, and more than 1,400 total facilities, including 19 hatcheries.

General duties of Capital Development include designing capital construction projects; developing and updating maintenance schedules for CPW's properties, roads, infrastructure, dams, and buildings; and performing asset condition assessment. Capital Development also manages the division's Dam Safety Program, including safety inspections, emergency action plans, dam monitoring, and dam maintenance and rehabilitation for the 110 dams under agency jurisdiction. Capital Development includes 14 staff located centrally in Denver and another 13 regional project managers working out of services centers located around the state.

CPW's construction activity is driven by both need and budget concerns, and as such varies annually. Capital projects located on (or otherwise associated with) state parks are generally supported with funding from Great Outdoors Colorado (GOCO) and the Colorado Lottery; several state parks are located on federal property and CPW receives federal funding to help support capital improvements and maintenance on these parks. Construction on state wildlife areas has traditionally been funded with the Wildlife Cash Fund; in the last two fiscal years, CPW has also received crucial funding for a number of dam maintenance projects on wildlife areas from GOCO.

Because of the large visitor base that state parks attract, the need for more amenities (visitor centers, marinas, restrooms, roads, utility infrastructure), and the need to ensure visitor safety, annual capital budgets for state parks are typically significantly higher than those for wildlife areas. The CPW budget for capital development projects for the last three years are as follows:

Historic Capital Development Budgets				
Project Type	Fiscal Year			
	FY 2016-17	FY 2017-18	FY 2018-19	Three- year Average
<u>Wildlife</u>				
Dam projects	800,000	1,020,000	2,200,000	1,340,000
Dam maintenance	600,000	400,000	400,000	466,667
Hatchery projects	765,000	771,000	697,000	744,333
Regional projects	1,634,502	1,017,200	3,537,315	2,063,006
Central projects	0	425,000	25,000	150,000
Subtotal:	3,799,502	3,633,200	6,859,315	4,764,006
<u>Parks</u>				
Dam projects	8,750,000	7,400,000	4,200,000	6,783,333
Dam maintenance	800,000	600,000	600,000	666,667
Regional projects	9,033,320	6,707,200	7,881,130	7,873,883
Central projects	0	100,000	250,000	116,667
Trails in State Parks	1,254,000	800,000	1,209,100	1,087,700
New park acquisition/development	0	1,000,000	2,364,795	1,121,598
Subtotal:	19,837,320	16,607,200	16,505,025	17,649,848
Total:	23,636,822	20,240,400	23,364,340	22,413,854

(“New park acquisition/development” figures are for projects at Staunton State Park, which opened to the public in 2013 but is still being developed.)

Despite significant investments of time, effort, and capital over the last several years, CPW’s capital assets are in need of increased maintenance, rehabilitation, and renovation, particularly those assets located on state wildlife areas. Examples of this include:

- Dams: Colorado Parks and Wildlife manages 110 dams division-wide; most of these dams are at least 50 years old and several are more than 100 years old. Because of their age and other factors, nearly all of the division’s dams require some level of annual maintenance. If dams are determined to be dangerous and deemed a risk to public safety or property, the division may be required to

lower the water level in the reservoir or breach the dam, resulting in the loss of key fisheries, wildlife, and aquatic habitat. Lower water storage levels due to draining dams could severely impact the fisheries and recreational opportunities at the reservoirs; breaching a dam involves these same issues and often results in a higher overall cost than routine maintenance. Despite a large number of dam projects funded and initiated in the last three years (at least 15 between state parks and wildlife areas), CPW Dam Safety Program staff estimate that the dam maintenance and repair backlog for the division's dams is approximately \$44.76 million as of fiscal year 2018-19.

- **Hatcheries:** Colorado Parks and Wildlife's hatchery system is comprised of 19 individual hatcheries across Colorado that breed, hatch, rear, and stock over 90 million fish per year. The majority of these facilities are 70 to 100 years old; some are more than 100 years old. Over the years, infrastructure has been added, maintained and modernized to a certain extent, but budgetary constraints have prevented maintenance to a degree warranted by age and use. The aging infrastructure includes buildings, water collection systems, pipelines, raceways, ponds, wells, etc. When infrastructure components fail, the results can be catastrophic fish mortalities, sometimes with a significant economic value. Regular maintenance and replacement of these facilities is necessary to continue to raise the fish to meet the demands of the angling public. Fish hatchery technology and innovations have made many of our facilities antiquated and inefficient compared to modern, newly constructed fish rearing facilities. As facilities and the infrastructure become more and more outdated, maintaining them will become even more difficult and costly. CPW is currently developing a plan to overhaul and modernize the entire system in an efficient and effective way that will allow us to continue to meet the needs of anglers as well as continuing vital work on Threatened and Endangered Species recovery.
- **Other facilities:** Funding for maintenance and rehabilitation of existing facilities and amenities at wildlife areas has lagged as the agency struggles with competing priorities, decreased spending power, and inflation. CPW maintains a list of more than 1,400 separate amenities statewide that must be maintained; these vary in size and scope from 10 foot by 10 foot sheds to hatchery facilities encompassing 30,000 square feet. During the development of S.B. 18-143, CPW conducted significant outreach with constituents, legislators, and other decision-makers, and an overwhelming majority supported allocating more funding to the renovation and rehabilitation of CPW's existing infrastructure. CPW's capital budgeting process is highly competitive and only a small number of the total projects for consideration end up getting funded. Wildlife projects, in particular, face an extremely competitive environment. It is not uncommon for a region to have only one or two wildlife maintenance projects funded each year.

Proposed Solution:

In spring 2018, the legislature approved Senate Bill 18-143, which increased several hunting and license fees and gives CPW the flexibility to adjust other fees for the first time in several years. Among the goals of the legislation were enabling CPW to begin addressing the maintenance and repair backlog for dams, reducing the overall capital construction and maintenance backlog, and developing a stable funding stream for future maintenance projects at state wildlife areas and parks.

CPW is in the process of implementing S.B. 18-143 and will likely have a package of proposed fee changes for review by the Colorado Parks and Wildlife Commission later this fiscal year. Because of the timing of these changes with respect to hunting and fishing seasons, revenue from these changes will be available for

capital projects and other purposes beginning in the fiscal year 2019-20. The specific package of fee changes approved by the CPW Commission is unknown, but based on some assumptions CPW projects capital budgets for the next three fiscal years as follows:

Projected Capital Development Budgets				
Project Type	Fiscal Year			
	FY 2019-20	FY 2020-21	FY 2021-22	Three-year Average
<u>Wildlife</u>				
Dam projects	1,070,000	5,570,000	5,570,000	4,070,000
Dam maintenance	600,000	1,350,000	1,350,000	1,100,000
Hatchery projects	812,000	2,812,000	2,812,000	2,145,333
Regional projects	876,000	2,876,000	2,876,000	2,209,333
Central projects	170,000	170,000	170,000	170,000
Cameo SRA Shooting Range	0	750,000	750,000	500,000
Subtotal:	3,528,000	13,528,000	13,528,000	10,194,667
<u>Parks</u>				
Dam projects	370,000	370,000	370,000	370,000
Dam maintenance	600,000	1,400,000	1,400,000	1,133,333
Regional projects	14,836,240	14,836,240	14,836,240	14,836,240
Central projects	150,000	150,000	150,000	150,000
Trails in State Parks	800,000	800,000	800,000	800,000
Cameo SRA Shooting Range	0	1,000,000	1,000,000	666,667
New park acquisition/development	0	1,875,000	1,875,000	1,250,000
Subtotal:	16,756,240	20,431,240	20,431,240	19,206,240
Total:	20,284,240	33,959,240	33,959,240	29,400,907

In the case of Wildlife projects, these changes mark the first significant increases to capital budgets in many years, and will allow CPW to begin addressing the capital funding shortfalls for dams, hatcheries, and other important projects with a health and safety nexus.

CPW will seek spending authority for increased capital expenditures via the regular capital budgeting process managed by the Capital Development Committee. CPW Capital Development staff have reviewed current workloads among both central and regional staff, and absorbing the workload associated with an increase in funding of this magnitude does not appear to be feasible. The average capital development budget for the next three fiscal years (\$29,400,907) represents about a 31% increase over the average capital development budget for the last three fiscal years (\$22,413,854). A corresponding percentage increase to the Capital Development program's current staff level of 27.0 FTE would be about 8.0 FTE. CPW believes that by allocating resources to the correct program areas, an increase of 4.0 FTE will be sufficient to manage the increases to capital budgets. New staff will be needed in three areas of the Capital Development Program: Dam operations and maintenance, central design, and regional field staff.

Dam Operations and Maintenance

The CPW Dam Operations and Maintenance Group is responsible statewide for all planning, monitoring, maintenance and construction work on the Division's inventory of 110 dams. In the case of dam maintenance, this request will help the agency get to a staffing level that is sufficient for current workload. The existing staff level of 2.0 FTE is inadequate to design and manage the agency's current volume of dam maintenance and construction projects; existing staff members are routinely working 50-60 hours per week and are relying heavily on regional project managers to help with construction management. Based on this current shortfall, and potential projects for the next several years and their associated workload, CPW Capital Development staff believe that an additional 1.0 FTE at the Professional Engineer I job classification will be necessary to efficiently manage the volume of projects along with ongoing dam safety inspections, design and construction project management on major renovation construction and small dam maintenance projects. This position will be located in Denver but will require significant travel.

Central Design

Project design is a crucial element of all major capital projects. CPW attempts to do as much design as possible "in house," with most project design divided between central staff and regional staff as appropriate. Some projects involved highly specialized design or are otherwise not a good fit for CPW staff and must be contracted out. CPW generally strives for a ratio of five projects designed in-house for every one project designed by an outside contractor.

The proposed increase to capital budgets over the next three years will result in significantly more projects and correspondingly more design. CPW estimates that 1.0 additional FTE at the Professional Engineer I classification will allow the agency to manage the increased workload efficiently. This FTE will be tasked with designing projects directly and managing design consultants. This position will also aid in coordinating and evaluating projects in the agency's Wildlife and Natural Resources branch (mainly Hatcheries), which will help to streamline processes and will give them better internal customer service. This position will be based in Denver and will involve significant travel.

Regional Field Staff

CPW is a geographically dispersed agency, and the model of locating capital development staff both centrally and regionally has proved to be very effective. Many (if not most) of the projects that will result from the projected increase in capital budgets will take place in areas far from Denver. To facilitate project management at the local level, CPW projects that an additional 2.0 FTE will be necessary in the agency's regional offices. The duties of these positions will include project planning, design, and construction

management. CPW believes that the Professional Engineer I classification is appropriate for these positions.

CPW's two predecessor agencies, the Colorado Division of Parks and Outdoor Recreation and the Colorado Division of Wildlife, each operated its own Capital Development section prior to the merger of the two divisions in 2011. As such, the current, merged Capital Development section consists of FTE from both the State Park Operations line item and the Wildlife Operations line item. (The agency's Asset Management and Repair line item does not include any FTE.) Because the more significant increases in the planned capital development budgets (above) will come in the form of wildlife projects, CPW is requesting that three of these positions be allocated to the Wildlife Operations line item and one be allocated to the State Park Operations line item. Costs will be supported by the Wildlife Cash Fund and the State Parks Cash Fund, respectively.

CPW believes that a phased approach to adding these new staff is appropriate, in light of the phased nature of projected increases to capital development budgets in the table above. CPW proposes hiring the first two of these positions as early as possible in FY 2019-20, with the other two positions being hired in January 2020. This results in a total 3.0 FTE in FY 2019-20 (that is, 2.0 for the entire year and 2.0 for half the year), annualizing to 4.0 for FY 2020-21, when all 4.0 staff will be in place for the entire fiscal year.

Anticipated Outcomes:

Increased funding for capital development, in conjunction with additional staff to manage the increased workload, will allow CPW to begin addressing its maintenance and rehabilitation backlogs for dams, hatcheries, and general capital projects in a much timelier fashion than is currently possible. Accelerating the maintenance schedule for projects will presumably extend the lifespan of assets and reduce the number of emergency repairs that are required annually; these repairs can be very costly.

Dam maintenance projects reduce the possibility of a failure or other major dam issues. Significant floods in 2013 and 2015 have clearly demonstrated the destructive power of water; a large number of CPW assets were destroyed or damaged in these floods. Efficiently completing dam repair projects each year will help CPW ensure that its dams are safe and will better protect the health and safety of downstream communities and capital assets.

Increased maintenance of CPW's hatchery system will allow CPW to maintain its current fish production quotas and meet demand statewide. Additional hatchery renovation and modernization projects each year will allow CPW to produce fish cheaper and more efficiently, reducing the use of water and other resources. This in turn will result in cost savings to the division over the long term.

CPW has an existing system for managing and tracking the status of all capital projects, both active and planned. All projects are stored in a central database, in addition to being reviewed and evaluated quarterly (at a minimum) for status. New projects made possible with additional capital funding and additional staff resources will be added to the existing management system. CPW is also in the process of developing a plan to track the overall implementation of S.B. 18-143. The bill contains significant reporting requirements, with the first report due to the Legislature in November 2019. The final format of this report is still being determined, but it will include information about CPW's progress toward reducing the backlog in dam maintenance and overall capital maintenance.

Assumptions and Calculations:

Personal Services: CPW is requesting 3.0 full-time equivalent positions at the Professional Engineer I job classification in FY 2019-20, annualizing to 4.0 FTE in FY 2020-21. Costs have been calculated using the OSPB FTE calculations template for FY 2019-20. (See Attachment A.) There is currently an enormous amount of capital construction taking place in Colorado, and the competition for qualified engineers and project managers is intense. CPW has lost staff in recent years due to higher compensation in the private sector, and it will likely prove very challenging to hire qualified engineers at the minimum of the Professional Engineer class salary range. As such CPW is requesting salaries for these positions at the bottom of the class's second quartile.

The total estimated personal services costs for these FTE (this is, not including operating) is \$331,235 for 3.0 FTE in FY 2019-20, annualizing to \$441,646 for 4.0 FY 2020-21. These costs are summarized in the attached OSPB FTE calculations template for FY 2019-20.

Operating: Operating costs for these positions will include the standard costs in the OSPB FTE calculation template (telephone, PC, furniture, etc.), and other costs that are specific to the positions. Some of these costs will be incurred for the equivalent of 3.0 FTE in FY 2019-20 and then annualize to costs for 4.0 FTE in FY 2020-21. Other costs will be incurred for all 4.0 FTE positions in both FY 2019-20 and FY 2020-21.

Supplies: Each of these positions requires specialized engineering software at an estimated cost of \$2,500 per position. These positions also require safety gear and apparel and other engineering equipment totaling about \$1,500 per position. These are one-time costs that will be incurred for all 4.0 new FTE positions in FY 2019-20, totaling \$16,000.

Overnight Travel: CPW is a geographically distributed agency and many construction projects take place in remote locations; site visits often involve travel. Because of the geographically dispersed nature of CPW's facilities, engineers are on the road for a significant portion of the year. This includes many one-day trips, but CPW staff also make many trips that require more than one day of travel. Based on current dam engineering and other capital development staff, CPW estimates that new staff will make about 20 two-day trips per year, at a cost of about \$200 per trip (hotel and per diem), for a cost of \$4,000 per FTE. CPW will incur these costs for 3.0 FTE in FY 2019-20, totaling \$12,000, and 4.0 FTE in FY 2020-21, totaling \$16,000.

Licensing/Certification and Training: Because these are engineering positions with a public safety component, they require professional certifications and licenses, as well as ongoing training. Based on current staff in the Capital Development section, CPW estimates these costs at \$1,000 per position per year. CPW will incur these costs for all 4.0 new positions in both FY 2019-20 and FY 2020-21, at a cost of \$4,000 per fiscal year.

Variable Mileage: Based on the mileage of current Capital Development staff, CPW estimates that these positions will drive approximately 1,000 miles per month. At 32.1 cents per mile (an estimate provided by DPA), this translates to annual mileage costs of \$3,852 per position. CPW will incur these costs for 3.0 positions in FY 2019-20, totaling \$11,556, and 4.0 FTE in FY 2020-21, totaling \$15,408.

Vehicle Lease Costs: All of these positions will require vehicles. Most Capital Development staff use Ford F150 trucks with 4x4 capability, due to the remote areas and rough terrain that are common to many CPW construction sites. Using figures provided by the Department of Personnel and Administration, CPW

estimates lease costs for each vehicle to be \$325 per month. For four vehicles, this results in annual lease costs of \$15,600. However, in year one of this request, due to the state’s traditional vehicle ordering cycle, CPW will likely only have the vehicles for four months, resulting in year one lease costs of \$5,200, annualizing to \$15,600 in year two.

	FY 2019-20	FY 2020-21
Personal Services	\$331,235	\$441,646
Operating	\$65,218	\$39,208
Vehicle Lease Costs	\$5,200	\$15,600
Total:	\$401,653	\$496,454

As noted above, CPW requests three of the new positions to be allocated to the Wildlife Operations line item and one to be allocated to the State Park Operations line item. This results in the following cash fund splits:

FY 2019-20: \$231,334 in costs supported by the Wildlife Cash Fund, \$115,666 in costs supported by the State Parks Cash Fund, and \$54,653 supported by various sources of cash funds (these funds are for centrally allocated pots like Health/Life/Dental and Vehicle Leases).

FY 2020-21: \$311,188 in costs supported by the Wildlife Cash Fund, \$103,729 in costs supported by the State Parks Cash Fund, and \$81,537 supported by various sources of cash funds.

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 2019-20		FY 2020-21		
Personal Services:					
Classification Title	Monthly	FTE		FTE	
Professional Engineer I	\$6,998	3.0	\$251,928	4.0	\$335,904
PERA			\$26,201		\$34,934
AED			\$12,596		\$16,795
SAED			\$12,596		\$16,795
Medicare			\$3,653		\$4,871
STD			\$479		\$638
Health-Life-Dental			\$23,782		\$31,709
Subtotal Position 1, 4.0 FTE		3.0	\$331,235	4.0	\$441,646
Subtotal Personal Services		3.0	\$331,235	4.0	\$441,646
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	\$500	3.0	\$1,500	4.0	\$2,000
Telephone Expenses	\$450	3.0	\$1,350	4.0	\$1,800
PC, One-Time	\$1,230	4.0	\$4,920	4.0	
Office Furniture, One-Time	\$3,473	4.0	\$13,892	4.0	
Supplies, One-Time	\$4,000	4.0	\$16,000	4.0	
Overnight Travel	\$4,000	3.0	\$12,000	4.0	\$16,000
Licensing/Certification and Training	\$1,000	4.0	\$4,000	4.0	\$4,000
Vehicle Variable Mileage	\$3,852	3.0	\$11,556	4.0	\$15,408
Vehicle Lease Costs	\$1,300	4.0	\$5,200	4.0	\$15,600
Other					
Subtotal Operating Expenses			\$70,418		\$54,808
TOTAL REQUEST		3.0	\$401,653	4.0	\$496,454
<i>General Fund:</i>					
<i>Cash funds:</i>					
			\$401,653		\$496,454
<i>Reappropriated Funds:</i>					
<i>Federal Funds:</i>					



Cost and FTE

- Colorado Parks and Wildlife (CPW) requests \$351,025 in cash spending authority to support 3.0 FTE and operations at the new Cameo State Recreation Area in Mesa County.

Current Program

- CPW is developing a major sport shooting and education complex in western Colorado, approximately three miles east of Palisade. The Cameo Sport Shooting Complex (Cameo) will eventually include several varieties of indoor and outdoor ranges for archery, rifle, pistol, and shotgun shooting recreation, as well as facilities for hunting and environmental education. Cameo opened on a limited basis in August 2018, expanding to full scale operations later in FY 2018-19.
- Phase 1A of construction at Cameo began in 2017 and is nearing completion. This phase includes 20 rifle and pistol bays, 16 archery lanes, shade shelters and toilets, and support infrastructure including electricity, gas, water, and communications. Phase 2A is scheduled to begin soon and is projected to be complete in 2019. This phase includes placement and installation of 54 clay target throwers, installation of 15 shooting benches, about 3,000 linear feet of fencing, and installation of a 40- by 80-foot structure to house equipment.

Problem or Opportunity

- As a new facility, Cameo has no dedicated FTE and is currently being operated with staff and budget reallocated from other cost centers in the CPW system. This will allow the facility to function at a relatively modest capacity for the first few months of FY 2018-19 but will not be sufficient for expanded operations in the longer term.

Consequences of Problem

- The staff resources and operating budgets that have been temporarily reallocated to Cameo are badly needed at their original locations. These cost centers can operate temporarily with slightly reduced staffing but cannot sustain this for long periods of time.
- As phase 1A and later 1B are completed and the facility opens full-time, at full capacity, Cameo will need its own dedicated FTE and operating budget to provide a safe environment.

Proposed Solution

- CPW requests a Park Manager IV, a Technician IV, and an Administrative Assistant III as full-time positions dedicated to the Cameo facility. CPW also requests cash funding to support basic operations at the park, including temporary staff, vehicles, supplies, and safety equipment.
- CPW requests these FTE and funding be allocated to the State Park Operations line item. Costs will be supported by the State Parks Cash fund.



COLORADO

Department of Natural Resources

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Robert Randall
Executive Director

Department Priority: R-05

Request Detail: Staff and Operating for Cameo State Recreation Area

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Cash Funds
Staff and Operating for Cameo State Recreation Area	\$351,025	3.0	\$0	\$351,025

Problem or Opportunity:

Colorado Parks and Wildlife (CPW) is developing a major sport shooting and education complex approximately three miles east of Palisade, on the site of the former Cameo coal mine. The Cameo Sport Shooting Complex (Cameo) will eventually include several varieties of indoor and outdoor ranges for archery, rifle, pistol, and shotgun shooting recreation, as well as facilities for shooting and hunter education and environmental education. CPW's long-term vision for Cameo is to offer a sport shooting facility that offers first-class shooting amenities of every kind, capable of hosting national and even international events. It is anticipated that the facility will attract sport shooting enthusiasts for recreational shooting, shooting competitions, and law enforcement training, with the potential to draw visitors from Colorado and most adjacent states. Cameo is the result of efforts from a large number of partners, including the Town of Palisade, Mesa County and the Board of County Commissioners, the Grand Junction Chamber of Commerce, Club 20, the Colorado Mule Deer Association, the Rocky Mountain Elk Foundation, and Ducks Unlimited. Local support for the project is high and the project has the potential to be a significant boost to local economic development. The full build-out of Cameo has a direct link to the Department of Natural Resources FY 2017-18 Performance Plan, specifically CPW Strategic Policy Initiative #2: *Increase recreational usage and connect people to the outdoors through outdoor education and recreation programs and activities and increasing hunting, angling and wildlife watching public access.* Through shooting opportunities, environmental education, and other education offered at Cameo, CPW hopes to improve sport shooting recruiting and retention and engage more youth and adults in hunting opportunities in Colorado.

CPW has contracted with national shooting range experts and has a master development plan and a business plan for the overall development of the facility. This development will be phased and could take place over an extended timeframe, perhaps as long as 20 years. (This is not atypical; the NRA Whittington Center in New Mexico, a nationally recognized sport shooting facility, took 20 years for full development.) The initial phase of construction (called phase 1A) began in 2017 and is nearing completion. This phase includes:

- 20 rifle and pistol bays
- 16 archery lanes
- A modular office building
- Two vault toilets
- Two group shade shelters
- Recycled Asphalt parking areas
- Utility infrastructure (electricity, gas, communications, water)

The budget for phase 1A is \$1.7 million. Phase 1B is scheduled to commence early in FY 2018-19 and includes additional basic amenities that will be necessary to open the facility to the public, including:

- A 40- by 80-foot structure to house equipment
- About 3,000 linear feet of fencing
- Placement and installation of 54 clay target throwers
- Installation of 15 shooting benches
- Point of sale equipment and other business infrastructure

Projected costs for phase 1B are approximately \$1.6 million. Construction to date (phase 1A) has been funded by a grant from the Department of Local Affairs secured by the town of Palisade, and by federal Pittman-Robertson section 4 and section 10 grants. These will also be the funding sources for the next phase of development (phase 1B). Because these funding sources are not appropriated. Future development of Cameo will likely be funded with a mix of funds from federal grants, Great Outdoors Colorado, and the Colorado Lottery. CPW also sees strong potential for partnerships with companies and other organizations that support shooting sports, outdoor education, and hunter education.

With most of phase 1A complete, CPW held a grand opening event for August 25 of this year. CPW Licensing Program and Retail Management staff are finalizing the fee structure for Cameo, and Regulations Management staff are preparing to take this fee schedule to the CPW Commission for approval in November. Between August and November, Cameo will be open to the public for limited use and to private groups via Special Activity Agreements. Hours of operation are projected to be 8:00 AM to 5:00 PM, Tuesday through Saturday. Because the facility's fee structure will not yet have been adopted into regulation by the Commission, CPW cannot charge for the use of Cameo during this period; but allowing a limited number of shooters on-site under supervised conditions offers CPW the opportunity to observe the park's day-to-day operations, "shake down" any equipment or other issues that may arise, and generally prepare for the facility's ultimate use as a fully open, paid amenity beginning in November.

To support this reduced level of operating in the first half of FY 2018-19 and full scale operations in the second half, CPW has reallocated full-time staff, temporary staff, and operating funding from other facilities in the region, including the Northwest Region regional office. CPW also plans to rely heavily on volunteers, and is actively recruiting experienced sports shooters from the region. This will allow the facility to function at the relatively modest capacity that is anticipated for the first several months of operations, but this is not a permanent or sustainable solution. As all of the amenities in phase 1A and the new amenities in phase 1B come on-line later in FY 2018-19, increased visitation will strain this approach. The staff resources and operating dollars that have been temporarily reallocated to Cameo are badly needed at their original locations; the regional office and other facilities can operate temporarily with slightly reduced staffing, but cannot sustain this for a long period of time. Further, Cameo's hours of operations will also likely be expanded in FY 2019-20. CPW is still examining operating scenarios, but an expansion to seven day a week operations is likely.

Proposed Solution:

To support operations of the phase 1A and 1B amenities at the Cameo Sport Shooting Complex during FY 2019-20 and beyond, CPW requests 3.0 full-time equivalent positions and other funding to support day-to-day operations at the facility.

CPW has hired one FTE to oversee the initial phases of Cameo's development (phases 1A, 1B, and 2 at a minimum). However, this position is envisioned to eventually serve as the overall Shooting Range Program Manager for CPW; once Cameo is functional and supported with its own FTE, temporary staff, and volunteers, this position will have a more statewide role, contributing to the management of all agency shooting ranges, not just Cameo. The following new positions will be necessary to support Cameo's operations:

- **Park Manager IV:** This position will serve as the overall facility manager and will be responsible for all aspects of day-to-day operations. In the CPW system, park managers are POST-certified law enforcement officers and this position will serve as on-site law enforcement.
- **Technician IV:** Cameo will be a fairly equipment-intensive facility, including clay target throwers and other equipment that is either specialized or relatively uncommon in the rest of the CPW system. As such a Technician IV, which is on the higher end of the Technician job classification, will be necessary to keep things in working order.
- **Administrative Assistant III:** Cameo will require front desk staff to manage reservations, collect payments, organize tours and educational activities, coordinate volunteers, and many other administrative functions.

Costs have been calculated using the OSPB FTE calculations template for FY 2019-20. (See Attachment A.) In the case of the Park Manager IV position, CPW is requesting a salary that is at the bottom of the class's second quartile, rather than the range minimum. This position will be Peace Officer Standards and Training (POST) certified. In the past CPW has had trouble recruiting and (especially) retaining staff with this certification due to salary competitiveness. In order to recruit and retain a qualified individual for this position, CPW believes that a higher salary than range minimum is required.

CPW expects to incur general operating expenditures in the following categories:

- **Temporary staff, \$72,000:** Temporary staff support is vital to the operations of most state parks. Facility managers can increase temp staffing during busy periods (summer and fall, typically) and scale back in the winter and early spring, flexibility that cannot be achieved with FTE. Temporary staff will be an important component of the facility management as operations scale up and more amenities become available. This funding corresponds to a total of 6,000 temporary staff hours at \$12 per hour. This portion of the operating budget is expected to increase in out-years.
- **Supplies, tools, and equipment, \$22,500:** As a new facility Cameo does not have much of the basic equipment that is needed to operate over the course of a year. The facility can operate with borrowed equipment and tools for most of FY 2018-19 but eventually will need equipment of its own. This cost estimate includes some signage and shared safety gear (for FTE, temps, and volunteers).
- **Utilities, \$9,600:** Cameo's utility usage should be fairly modest. The facility does not offer full-amenity campsites or RV hookups, which are major consumers of water and electricity. Cameo will have significant information technology infrastructure, which will drive some electrical costs.

- Staff training, \$2,000: As currently envisioned, Cameo's operations will involve volunteers at a significant level. Training in areas such as basic firearm safety, first aid (including CPR), and basic customer service will be necessary to ensure visitor safety.
- Miscellaneous purchased services, \$6,000: CPW will require contract services for cleaning, landscape maintenance, parking lot maintenance, and other basic operating functions that will not be able to be completed by the small staff of 3.0 FTE.
- Vehicles (fixed lease costs), \$3,440: At this stage of the facility's overall build-out, CPW will require one additional truck for daily operations and one larger truck to facilitate ongoing construction, transportation of equipment, and other functions beyond the capability of a standard pickup. Based on experience at other state parks, a Ford F250 4x4 and a Ford F350 flatbed 4x4 are suitable for operations at Cameo. Based on cost estimates provided by the Department of Personnel and Administration, the cost for these vehicles will be \$3,440 in FY 2019-20, annualizing to \$10,320 in FY 2020-21.
- Vehicles (variable mileage costs), \$6,164: CPW estimates that each vehicle will drive about 800 miles per month, at a variable rate of 32.1 cents per mile. This translates to \$6,164 for two vehicles. CPW anticipates getting temporary vehicles from the State Fleet Management motor pool before the permanent vehicles arrive (hence, we are asking for twelve months of variable mileage costs even in FY 2019-20).

CPW examined the possibility of continuing to operate Cameo with reallocated resources, but this is not sustainable in the long term, as more amenities come online and visitation (presumably) grows. More fundamentally, Cameo is a new facility that offers new shooting and other recreation opportunities that do not currently exist. CPW believes that the correct way to manage the facility and support its operation is to request additional resources, rather than making reductions and potentially reducing recreational opportunities elsewhere.

Cameo is designated as a state recreation area, which corresponds more closely to a state park than a state wildlife area, and as such CPW is requesting these FTE and requested budget be added to the State Park Operations line item. Funding for this request will be supported out of the State Parks Cash Fund.

Anticipated Outcomes:

With phases 1A and 1B complete, and the recreation area fully staffed and open to the public, Cameo will offer a shooting sports opportunity that does not currently exist in the Grand Junction area. Planned future phases of development will expand on this and eventually Cameo could emerge as a premier shooting destination in the western United States. Colorado will benefit from Cameo in many ways, including the recruitment and retention of sportsman, hosting State and National events, and providing incredible outdoor education opportunities. A new facility would provide needed opportunities for law enforcement training, gun and hunter safety education, concealed carry classes, in addition to providing an opportunity for the general public to engage in recreational shooting. Beyond shooting and archery, Cameo will offer hunter education and environmental education opportunities that will have tremendous appeal to schools and other groups.

The business plan for Cameo follows a proposed development schedule and scaling up of operations that is ambitious, but will ultimately not be followed by CPW. The agency must proceed with development as funding is available, and cannot necessarily bring amenities online as quickly as might be desired. Regardless, as early as the second half of FY 2018-19, Cameo is likely to begin generating significant revenue from the sale of entrance passes, ammunition, targets, clay pigeons, and other items related to sport

shooting (Cameo will not sell or rent firearms of any type). Cameo will also likely earn revenue from league shooting events, competitions, and other large-scale public events. Because the fee structure for Cameo is still being finalized, CPW cannot project revenue at this time, but has reason to believe that the facility could be a significant revenue generator.

Assumptions and Calculations:

While CPW does not operate any other recreation areas that will offer the range and scope of activities that Cameo eventually will, the agency has extensive experience operating busy outdoor recreational sites with a significant capital infrastructure. To estimate the number of FTE and approximate operating budget for Cameo, CPW examined current state parks to find an analogous situation: A land-based park with no water feature (lake, river, etc) and no camping, located somewhat near a metro area. Roxborough State Park south of Denver emerged as a good starting point for budget development.

FTE costs have been calculated using the OSPB FTE calculations template for FY 2019-20 (see Attachment A). Operating costs for these positions (computer, office furniture, phone, etc) are also calculated in this spreadsheet.

Fleet costs use estimates provided by DPA and are based on the assumption that, due to the state's vehicle ordering cycle, requested vehicles will only be available for four months in year one of the request.

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 2019-20		FY 2020-21	
Personal Services:					
	Classification Title	Monthly	FTE	FTE	
	Park Manager IV	\$5,416	1.0	\$64,992	\$64,992
	PERA			\$6,759	\$6,759
	AED			\$3,250	\$3,250
	SAED			\$3,250	\$3,250
	Medicare			\$942	\$942
	STD			\$123	\$123
	Health-Life-Dental			\$7,927	\$7,927
	Subtotal Position 1, ## FTE		1.0	\$87,243	\$87,243
	Classification Title	Monthly	FTE	FTE	
	Technician IV	\$3,933	1.0	\$47,196	\$47,196
	PERA			\$4,908	\$4,908
	AED			\$2,360	\$2,360
	SAED			\$2,360	\$2,360
	Medicare			\$684	\$684
	STD			\$90	\$90
	Health-Life-Dental			\$7,927	\$7,927
	Subtotal Position 2, ## FTE		1.0	\$65,525	\$65,525
	Classification Title	Monthly	FTE	FTE	
	Admin Assistant III	\$3,528	1.0	\$42,336	\$42,336
	PERA			\$4,403	\$4,403
	AED			\$2,117	\$2,117
	SAED			\$2,117	\$2,117
	Medicare			\$614	\$614
	STD			\$80	\$80
	Health-Life-Dental			\$7,927	\$7,927
	Subtotal Position 2, ## FTE		1.0	\$59,594	\$59,594
	Subtotal Personal Services		3.0	\$212,362	\$212,362
Operating Expenses:					
			FTE	FTE	
	Regular FTE Operating Expenses	\$500	3.0	\$1,500	\$1,500
	Telephone Expenses	\$450	3.0	\$1,350	\$1,350
	PC, One-Time	\$1,230	3.0	\$3,690	\$3,690
	Office Furniture, One-Time	\$3,473	3.0	\$10,419	\$10,419
	Temporary staff			\$72,000	\$72,000
	Supplies			\$22,500	\$22,500

Utilities		\$9,600		\$9,600
Training		\$2,000		\$2,000
Purchased Services		\$6,000		\$6,000
Fixed Vehicle Leases		\$3,440		\$10,320
Variable Vehicle Mileage		\$6,164		\$6,164
Other				
<i>Subtotal Operating Expenses</i>		\$138,663		\$131,434
<u>TOTAL REQUEST</u>	3.0	<u>\$351,025</u>	3.0	<u>\$343,796</u>
<i>General Fund:</i>				
<i>Cash funds:</i>				
<i>Reappropriated Funds:</i>				
<i>Federal Funds:</i>				



Cost and FTE

- Colorado Parks and Wildlife (CPW) requests \$1,100,000 in increased cash spending authority to expand opportunities to provide public education about the benefits of wildlife, wildlife management, and wildlife-related recreation opportunities in Colorado.

Current Program

- The Wildlife Management Public Education Advisory Council (Wildlife Council) was conceived by a coalition of hunters, anglers, and conservationists and created in statute (33-4-120 C.R.S.) in 1998. The Council's general goal is to educate the public about the role that hunting and fishing plays in preserving and enhancing many aspects of Colorado's outdoor recreation opportunities.
- Since 2011, the Wildlife Council has achieved its goals primarily through the Hug a Hunter/Hug an Angler program, a comprehensive multi-media campaign.
- Council activities are funded by a \$0.75 surcharge on all hunting and fishing licenses sold in Colorado. CPW currently has \$1.1 million in cash spending authority in the State Park Operations line item for Wildlife Council expenditures.

Problem or Opportunity

- Rising media costs are significantly impacting the program. For example, television advertising costs have risen 101% since 2014. Increasing advertising costs have resulted in a decline in the number of television advertisements that can be purchased with the fixed Wildlife Council appropriation. A reduction in purchased advertisements threatens the ability of the Wildlife Council to meet its goals.
- The passage of S.B. 18-143 in 2018 gives the Wildlife Council the authority to increase the license surcharge to \$1.50. This would result in significant new revenue for the program.

Consequences of Problem

- The ability to increase funding for Wildlife Council activities will not increase effectiveness without a corresponding increase in spending authority.
- Many hunters and anglers are strong supporters of the Wildlife Council. A decline in the program's effectiveness and visibility could lead to a loss of support.

Proposed Solution

- CPW requests increased cash spending authority of \$1.1 million in the State Park Operations line item, bringing the total Wildlife Council spending authority in the line item to \$2.2 million. This increase will be supported by an increase of the license surcharge to \$1.50. The increased spending authority will allow the Wildlife Council to expand education programs and increase awareness about the importance of hunting and fishing in Colorado.



COLORADO

Department of Natural Resources

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Robert Randall
Executive Director

Department Priority: R-06

Request Detail: Increased Spending Authority for the Wildlife Council

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Cash Funds
Increased Spending Authority for the Wildlife Council	\$1,100,000	0.0	\$0	\$1,100,000

Problem or Opportunity:

The Wildlife Management Public Education Advisory Council (Wildlife Council) was conceived and developed by a coalition of hunters, anglers and conservationists working together with livestock and agriculture organizations, and created by Colorado legislature in 1998.

In accordance with Section 33-4-120, C.R.S., the purpose of the Wildlife Council is to:

1. Oversee the design of a comprehensive media-based public information program to educate the general public about the benefits of wildlife, wildlife management, and wildlife-related recreational opportunities in Colorado, specifically hunting and fishing.
2. Prepare an annual operational plan for approval by the Director of Colorado Parks and Wildlife in coordination with the Wildlife Council Director and staff. The budget in the annual operational plan shall reflect the State fiscal year.
3. Expend monies from the Wildlife Management Public Education Fund in accordance with the operational plan approved by the CPW Director; except that all such expenditures shall be within the scope of the activities and funding levels authorized in such operational plan.

Wildlife Council activities are funded by a surcharge on each hunting and fishing license sold in Colorado. Revenue is credited to the Wildlife Management Public Education Fund, created in Section 33-1-112 (3.5)(a), C.R.S. Prior to 2018, the amount of the surcharge was specified as \$0.75 in Section 33-4-102 (8.5), C.R.S. However, S.B. 18-143 changed statutory language such that the amount may be set by the Colorado Parks and Wildlife Commission, up to \$1.50. As of October 2018 the fee remains at \$0.75 per license.

There is no statutory cap on these annual revenues or expenditures by the Wildlife Council. Appropriations from the fund in the FY 2018-19 Long Appropriations bill are \$1.1 million, expended out of the Wildlife Operations line item. The balance of the Wildlife Management Public Education Fund

varies depending on the number of licenses sold and the level of annual expenditures. The Wildlife Council budget and actual expenditures for the last five years are as follows:

Wildlife Council Historic Budget and Expenditures						
FY	Budget			Expenditures		
	Operating	Contract Advertising	Total	Operating	Contract Advertising	Total
2012-13	\$50,000	\$850,000	\$900,000	\$12,281	\$731,542	\$743,823
2013-14	\$70,000	\$1,030,000	\$1,100,000	\$19,396	\$1,007,730	\$1,027,126
2014-15	\$60,000	\$830,000	\$890,000	\$17,203	\$847,141	\$864,344
2015-16	\$20,000	\$1,080,000	\$1,100,000	\$19,267	\$1,077,672	\$1,096,939
2016-17	\$25,000	\$850,000	\$875,000	\$23,442	\$841,326	\$864,768
Average:	\$45,000	\$928,000	\$973,000	\$18,318	\$901,082	\$919,400

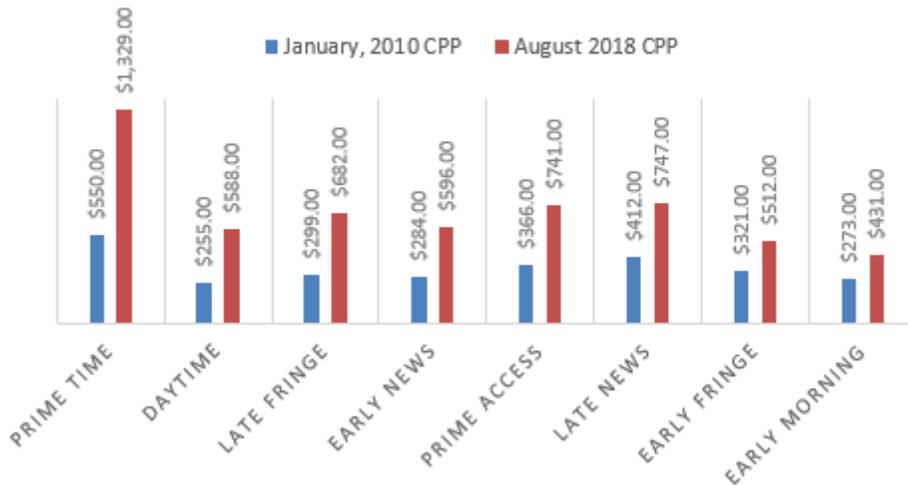
Years with higher expenditures (in excess of \$1.0 million) are years when the Council created and launched new commercials and campaign materials.

Since 2011, the contract advertising portion of the budget has gone toward the design, implementation and oversight of the comprehensive media-based public information program, Hug a Hunter/Hug an Angler. The media-based campaign includes commercials created and produced every two years, radio spots, social media outlets, and a website. This campaign was developed in direct response to consumer benefit testing, which encouraged the Wildlife Council to develop messaging that engages non-sportsmen in a compelling way and demonstrates that sportsmen share the same concerns for Colorado as the general public.

The Wildlife Council and CPW are confident that the Hug a Hunter campaign has been broadly successful in conveying the Council’s fundamental message. However, significant changes to the media landscape since the Council’s inception will create challenges for the ongoing program:

- The increased cost of traditional advertising media is a major factor impacting Wildlife Council activities. In Colorado, there has been a significant increase in cost per point (CPP), which is the method used for evaluating media efficiency and is a ratio based on how much it costs to buy one rating point, or one percent of the population for broadcast media. The chart below illustrates CPP pricing starting in 2010 compared to pricing today. The Prime Day segment has experienced a 146% increase in cost since 2010, meaning that advertisers (including the Wildlife Council) are having to buy more units to achieve baseline audience deliveries

DENVER CPP CHANGE 2010-2018



Because of these increased media costs, media “flights” (a defined time frame) for the Hug a Hunter campaign have been restricted to being live for two short 8-week flights, focused exclusively on broadcast television. The Council has been unable to afford media like terrestrial radio (FM/AM) and “out-of-home” media (billboards, bus shelters, etc.).

- Increased costs for digital media are also limiting the exposure of the campaign. Digital media has become the preferred way consumers get their information. In an effort to utilize digital media targeting capabilities, Wildlife Council has made a concerted effort to allocate more paid media funds to digital platforms. Digital media does not track market rates in a similar manner as traditional channels, however, a recent study by Adobe saw that the cost of digital advertising is rising five times faster than inflation in the US and 71% faster than the cost of TV ads.

In addition to the actual cost of digital inventory rising, there is also a surge on the backend costs. The industry is incurring incremental charges in order to ensure ads are serving in brand safe environments, not being clicked on by bot fraud, and are leveraging the highest quality data for more accurate targeting. The combination of these factors have made what was once a highly efficient space to a more competitive environment that comes with a higher price tag.

With the passage of S.B. 18-143, the Wildlife Council sees an opportunity to increase the amount of the license surcharge, with the goal of expanding outreach to educate the general public about the benefits of wildlife, wildlife management, and wildlife-related recreational opportunities in Colorado, specifically hunting and fishing. Colorado’s population anticipated to reach over 6 million in the next few years, with high concentrations of new population in urban locations; it is now more important than ever to reach this demographic and help them understand the benefits of hunting and fishing. Increased spending authority will provide the Council the flexibility to reach a larger audience, target new audiences, and increase outreach through social/traditional media. In addition, the increase will support additional research to determine the efficacy of the campaign. As such, the Wildlife Council has submitted a request to the Director for consideration of the Parks and Wildlife Commission in November 2018 to increase the education surcharge from \$0.75 to \$1.50 per license.

Recent research conducted by R&R Partners (the advertising firm currently under contract by the Wildlife Council) shows that about 6 in 10 Coloradoans say they support hunting and about 8 in 10 say they support

fishing. While fewer recall general hunting/fishing messaging, the number of people who recall Hug a Hunter/Hug an Angler has remained the same. It appears that the campaign's message is resonating among those who have seen it. Those surveyed are more knowledgeable of the benefits of license fees, including the benefits to the state and wildlife management.

However, regardless of ad recall and increased knowledge of how fees benefit Colorado, the number of residents who would support a ballot initiative to further restrict hunting and fishing slightly increased from previous research. Interestingly, those who have seen wildlife management messaging are more likely than those who haven't to say they would support this ballot initiative.

The increase in population is a major factor for the Wildlife Council and the Hug a Hunter campaign because the increase in new people coming to the state, means they are likely unfamiliar with the campaign and perhaps hunting and fishing in general. This puts even more importance on getting the Hug a Hunter message in front of them, so they can understand sooner rather than later and become an advocate for the message. According to a Facebook study on media frequency, "New brands and brands with low market share, for example, are likely to benefit from higher frequency levels. The same is true of brands who want to cut through the high volume of media advertising during holiday seasons" or during election seasons. This study makes the important point that higher media frequencies are required to affect greater behavior change – especially with messages of lower awareness, which is exactly the purpose of the Hug A Hunter campaign from the Wildlife Council.

Proposed Solution:

Current spending authority for the Wildlife Management Public Education Fund in the Wildlife Operations line item is \$1.1 million. Colorado Parks and Wildlife requests an increase of this amount to \$2.2 million. This increase will be supported by a proposed increase in the surcharge from \$0.75 to \$1.50 per license. This increased spending authority will allow the Wildlife Council to expand the media-based education programs and increase awareness about the importance of hunting and fishing in Colorado. PEAC income has increased steadily over the last five years (see chart in the Assumptions and Calculations section) and CPW has no reason to believe that this will not continue.

Anticipated Outcomes:

CPW will apply new revenue and associated spending authority to the following activities:

Increased Media Placements: Additional funding for media placements will allow the Council's message to be in market longer by increasing media flight lengths. Other strategic considerations that could be explored include further aligning media flights with license windows for hunters and anglers when they are more likely to be visible. The Wildlife Council will also be able to extend into traditional media like broadcast radio and billboards.

Creative Production: Two important parts of ad campaigns that change behavior are media frequency and compelling creative. Investing in creative development and production is important for our message to be able to cut through the clutter. The demand for new content has never been higher and constant production is now the norm as gone are the days where one large video production captured the content needed for a campaign. Reaching the Council's target audience via multiple channels and touchpoints requires robust production budgets to ensure a vast amount of assets are developed. The account is currently structured where a large production effort can only be executed every other year; however, the Council has seen signs

of the campaign’s effectiveness being impacted by audience fatigue of seeing the same advertisement too many times. A drop in engagement levels was seen and that can be directly correlated to overuse of creative assets. The Council’s goal is to have increased production efforts occurring annually instead of bi-annually and to expand the types of assets created.

In order for the Hug a Hunter campaign to fully resonate with Colorado residents and grow and strengthen community partnerships, the campaign must have a presence on the ground with experiential and community events. Public relations is needed to generate a buzz around these events to further amplify the visibility of the campaign and it’s message statewide, while also increasing the opportunity for earned media on the campaign efforts.

Increased social media support is also vital to a successful campaign. Social media is intended to be a two-way conversation, requiring responses and dialogue with those engaging with content. At this time, not enough hours are able to be dedicated to this aspect of the campaign, therefore questions and engagement are going untouched, potentially allowing for missed opportunities to engage with the target audience who may be in a position to be open to learning more about the message. Also, as population changes, it is important to stay relevant and active on social media channels that the target audience is engaging with. At this time the Council is capped at participating on two social platforms; increased funding would allow expanding across other platforms.

Research and Planning: Qualitative testing on an annual basis will help ensure that the Council’s messages resonate and are compelling. In the most recent focus groups held, concerns were raised about the Hug a Hunter campaign name and the credibility of the organization. Further research would allow the Council to probe this concern deeper to find out if it is indeed something that needs to be addressed.

Over the last few years, a sample size of 400 participants has been used for a tracking study to gauge the campaign’s effectiveness. This sample size yields a margin of error of 4.9 percent; a sample size of 800 yields a margin of error of 3.4 percent at a confidence level of 95 percent (using a figure of 5.6 million as the population of Colorado). The Council would like to increase future tracking studies to a minimum of 800 participants to lower the margin of error. An additional benefit of a larger sample size is larger subgroups for more accurate cross-comparisons and richer data on core audience groups. Increased funding is necessary to increase the sample size of this annual study.

Basic Compensation: An expanded media presence will require increased contractor work and support.

Budget Categories	Actual FY 16/17	Actual FY 17/18	Planned 18/19	Proposed 19/20
Media Placements	\$520,000.00	\$620,000.00	\$618,980.00	\$1,268,980.00
Creative Production	137,881.91	123,794.00	149,525.00	349,525.00
Research & Planning	41,139.13	47,072.00	54,245.00	154,245.00
Basic Compensation	142,305.00	193,685.00	177,250.00	427,250.00
TOTAL:	841,326.04	984,551.00	1,000,000.00	2,200,000.00
Operational Budget	20,210.50	24,447.58	35,000.00	35,000.00

Assumptions and Calculations:

The Council currently receives a \$0.75 surcharge per hunting/fishing license sales.

Current spending authority is \$1.1 million.

The Council maintains a \$400,000 reserve fund balance.

Average revenue over the last five fiscal years: \$937,778.

FY	PEAC Revenue
2012-13	\$864,588
2013-14	\$894,617
2014-15	\$932,377
2015-16	\$982,157
2016-17	\$1,015,153
Average:	\$937,778