



Colorado
Legislative
Council
Staff

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MEMORANDUM

March 4, 2009

TO: Capital Development Committee

FROM: Kori Donaldson, Senior Research Assistant, (303) 866-4976

SUBJECT: Revised FY 2009-10 Cash Request, Colorado Historical Society

This memorandum provides an overview of changes to the scope and request amount for one FY 2009-10 cash request from the Colorado Historical Society (CHS) for the Regional Museum Preservation project. Table 1 below summarizes the changes to the request amount. Table 2, beginning on the page 2, summarizes the changes to the project scope.

Table 1
Change to Total Request Amount, Regional Museum Preservation Projects

Request	Total Request Amount	Source of Funds	Fiscal Year
Original Request	\$960,000	State Historical Fund	2009-10
Revised Request	\$1,362,878	State Historical Fund: \$500,000; Georgetown Loop Railroad Foundation Account: \$100,000; and federal funds: \$762,878	2009-10
<i>Difference</i>	<i>\$402,878</i>		

Source of cash funds. According to CHS, the amended request reflects an anticipated decline in available cash funds from the State Historical Fund, which receives 80 percent of all revenue generated by limited gaming in the state. The law directs that the majority of the gaming revenue deposited in and available from the State Historical Fund be administered by CHS for historical preservation grants.¹ CHS says it is reducing its request for cash funds from the State Historical Fund in order to comply with the spending limits in state law and because it anticipates an overall decline in available gaming revenue for FY 2009-10.

¹Section 12-47.1-1201 (5), C.R.S.

CHS is also requesting additional cash and federal funds for the project, including \$100,000 from the Georgetown Loop Railroad foundation account and \$762,878 in federal funds from the U.S. Department of Energy. CHS says the federal funds will be available in the fall of 2009, once spending authority from the state has been granted.

**Table 2
Changes to Project Scope, Regional Museum Preservation Projects**

Project Name	Revised Project Scope	Original Request Amount	Difference in Request Amount	Revised Request Amount	Fiscal Year
Grant-Humphreys Mansion (Denver)	Makes minor improvements to the interior	\$40,000	(\$10,000)	\$30,000	2009-10
Byers-Evans House (Denver)	Paints exterior porch	55,000	(50,000)	5,000	2009-10
El Pueblo History Museum (Pueblo)	Renovates office and retail areas to improve efficiency	50,000	(40,000)	10,000	2009-10
Trinidad History Museum (Trinidad)	Makes minor repairs to adobe walls and paths	75,000	(70,000)	5,000	2009-10
Fort Garland Museum (Fort Garland)*	Project scope is expanded to include geothermal system installation, adobe repairs, and interior renovations	75,000	697,878	772,878	2009-10
Museum Support Center (Lowry)	Upgrades HVAC monitoring system	25,000	(20,000)	5,000	2009-10
Healy House (Leadville)	Makes structural repairs	50,000	(20,000)	30,000	2009-10
Fort Vasquez Museum (Platteville)	Makes repairs to adobe	20,000	(10,000)	10,000	2009-10
Pearce McAllister Cottage (Denver)	Request withdrawn	50,000	(50,000)	0	2009-10
McFarlane House (Central City)	Request withdrawn	30,000	(30,000)	0	2009-10
Lebanon Mill Dam (Georgetown)	Designs project	100,000	(90,000)	10,000	2009-10
Georgetown Loop Mining & Railroad Park (Georgetown / Silver Plume)**	Project scope is expanded to include rolling stock repairs, lease payments, and track repairs	315,000	155,000	470,000	2009-10
Pike Stockade (Stanford)	Request withdrawn	15,000	(15,000)	0	2009-10
Museum Support Center (Pueblo)	Makes exterior repairs	30,000	(25,000)	5,000	2009-10
Historic Marker program (statewide)	Repairs a limited number of signs	30,000	(25,000)	5,000	2009-10
Ute Indian Museum (Montrose)	Performs garden maintenance	0	5,000	5,000	2009-10
Grand Totals		\$960,000	(\$462,878)	\$1,362,878	
State Historical Fund		\$960,000	(\$460,000)	\$500,000	
Georgetown Loop Railroad Foundation Account		0	100,000	100,000	
Federal Funds		0	762,878	762,878	

*This amount is from federal funds from the U.S. Department of Energy.

** Of this amount, \$100,000 is from the Georgetown Loop Railroad foundation account

CDC Staff Questions

1. What is the projected available current balance of the Georgetown Loop Railroad foundation account?

At the present time, there is \$236,858. After all anticipated payments from the 2008 season are paid there will be a balance of about \$40,000. Next season, it is anticipated that \$100,000 will be available to invest in locomotive lease payments.

2. Please describe any additional obligations to this fund.

The obligations to the funds include the final year-end management fee to the vendor, insurance payments and user-fee payments for the railroad right-of-way.

3. How do moneys in this fund accrue?

The funds are accrued through revenue earned from railroad operations of the Georgetown Loop Railroad.

4. The revised request indicates that the Georgetown Loop Mining & Railroad Park project includes lease payments. Please elaborate on any lease obligations related to this project. What are the terms of the lease?

The lease will be for a locomotive to use on the railroad. It is a Shay locomotive able to pull the required load capacity which will increase future revenue. The lease is still to be negotiated and no details are available at this time. It is anticipated it will be a lease-purchase over a five year term.

5. Are the requested federal funds part of a grant from U.S. Department of Energy? If so, has CHS already been awarded a grant for the Fort Garland Museum project?

The federal fund request is through the U.S. Department of Energy. The funding request is pending. It is anticipated that funds would be available September/October 2009.

6. Why was the Ute Indian Museum garden maintenance project added to the revised request?

With the freezing of funds for the museum's expansion and the reduction in future years' State Historical Funds for regional museums, the funds are needed to maintain the property for on-going operations to meet general public demands during a time the property was scheduled to be closed.