



**Colorado  
Legislative  
Council  
Staff**

Room 029 State Capitol, Denver, CO 80203-1784  
 (303) 866-3521 • FAX: 866-3855 • TDD: 866-3472  
[www.colorado.gov/lcs](http://www.colorado.gov/lcs)  
 E-mail: [lcs.ga@state.co.us](mailto:lcs.ga@state.co.us)

**M E M O R A N D U M**

March 16, 2015

**TO:** Capital Development Committee

**FROM:** Kori Donaldson, Principal Research Analyst, 303-866-4976

**SUBJECT:** Budget Amendment 6, DTRS Tower

**Summary**

The Governor's Office of Information Technology (OIT), at the direction of the Joint Budget Committee, has submitted a real property transaction to the CDC for review. OIT proposes to acquire fee simple title to nine acres of real property owned by the Colorado Department of Transportation (CDOT) at 1420 2nd Street in Greeley. The property title will be held by the Department of Personnel and Administration (DPA) on behalf of OIT, and the property will be operated and maintained by OIT.

CDOT is relocating its Region 4 transportation headquarters later this year to a new facility in west Greeley. The Region 4 headquarters is currently located on a nine-acre parcel at 1420 2nd Street in Greeley. The parcel also houses various equipment and functions associated with the state's Digital Trunked Radio System (DTRS), the statewide public safety, two-way radio communication system operated by OIT. Specifically, the site hosts a DTRS tower and an installation, repair, and maintenance shop used by the region's technical staff. According to OIT, the site serves as a major hub for fiber and microwave connectivity for DTRS sites in northeastern Colorado.

CDOT has requested that OIT relocate its operations and equipment in order to facilitate the sale of the parcel to a land development company. In lieu of relocating, OIT proposes to acquire the property in order to maintain its on-site operations. OIT says that the loss or interruption of tower service at the site would result in lost network coverage in the Greeley area and negative repercussions for the overall operability of the DTRS. The DTRS tower is located near the geographic center of the property. OIT indicates that the existing tower is in poor condition and will need to be replaced in the near future.

**Background**

The DTRS is used by state and local government agencies and local sheriffs for day-to-day communications and to improve interagency cooperation and coordination in first-responder

situations. According to OIT, about 1,000 local, state, and federal government agencies currently use the DTRS. The system processes about 91 million transmissions a year. The primary stakeholders of the DTRS include the Departments of Corrections, Natural Resources, Public Safety, and Transportation, local government public safety entities, and several federal agencies. An agency may opt to use the DTRS as its primary radio system or for interoperability only, especially during first responder situations.

### **Statutory Requirements**

State law requires the executive director of DPA to submit a report to the CDC prior to the acquisition of fee simple title to any real property for current or future use by the state. The CDC must review the report and provide recommendations to the executive director. The report must include the following information about the property:

1. the anticipated use of the property;
2. the maintenance costs related to the property;
3. the current value of the property;
4. any conditions or limitations that may restrict the use of the property; and
5. any potential liability to the state which will result from the acquisition.

### **Proposed Fee Title Acquisition**

OIT provided the following information about the proposed acquisition:

1. The property will continue to be used as the site of a DTRS tower and shop. OIT will offer any unused property to other state agencies or for sale or development.
2. Maintenance costs for the operations on the site are already included in OIT's operating budget and are not anticipated to increase.
3. The estimated appraised market value of the property is between \$1.2 and \$1.5 million.
4. There are no known conditions or limitations that will restrict the use of the property.
5. OIT identified liabilities associated with removal of the existing tower structure. No liabilities were identified associated with the proposed property acquisition. OIT's current use of the property will not change under the acquisition.

### **Action Required by the CDC**

The CDC must review the report and provide recommendations to the executive director. A letter with the CDC's recommendations will be drafted and sent to the executive director. In addition, the JBC forwarded an operating budget amendment concerning the proposed real property transaction to the CDC for consideration (see Attachment A). A suggested motion based on the OIT request and two alternate motions are listed below.

***Suggested motion (based on OIT request).*** Recommend to DPA approval of the proposed fee title acquisition of nine acres at a cost of \$1.5 million. Further, recommend to the JBC that it include funding for the acquisition in the 2015 Long Bill.

Note: This option assumes that OIT will either sell or transfer to another state agency part of the property at a later date.

***Suggested alternate motion #1 (based on the project alternative identified in OIT submittal documents and information in the JBC staff briefing document).*** Recommend to DPA that it purchase, on behalf of OIT, 22,800 square feet in the northwest corner of the nine-acre parcel, including an existing building, for \$400,000. Further, recommend to the JBC that it include funding for the acquisition and for the construction of a new tower in the 2015 Long Bill (a total cost of \$1,843,283, including \$400,000 for the property acquisition and \$1,443,283 for the construction of a new tower).

Note 1: This option allows OIT to construct a new tower before dismantling the existing tower.

Note 2: The CDC could also recommend legislation requiring CDOT to transfer part of the property to OIT. An appropriation of \$1.4 million would still be required to construct a new tower on the northwest corner of the property.

***Suggested alternate motion #2 (based on information included in the JBC staff briefing document).*** Do not recommend the acquisition to DPA. Rather, recommend to the JBC that it fund the construction of a new tower on the site of the new CDOT Region 4 headquarters in west Greeley. An appropriation of \$1.4 million would be required to construct a new tower.

Note: It is not known whether this is a viable option and whether a tower can be constructed on the site of the new Region 4 headquarters. Should the committee wish to recommend this project alternative, CDC staff recommends that it question OIT representatives about the feasibility of locating the tower on the site of the new CDOT Region 4 headquarters.



## STATE OF COLORADO

SENATORS  
 Kent Lambert, Chair  
 Kevin Grantham  
 Pat Steadman

REPRESENTATIVES  
 Millie Hamner, Vice-Chair  
 Dave Young  
 Bob Rankin



STAFF DIRECTOR  
 John Ziegler

## JOINT BUDGET COMMITTEE

200 East 14th Avenue, 3rd Floor  
 LEGISLATIVE SERVICES BUILDING  
 Denver, CO 80203  
 Telephone 303-866-2061  
[www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/jbchome.htm](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/jbchome.htm)

March 11, 2015

Representative Edward Vigil, Chair  
 Capital Development Committee  
 200 East Colfax Avenue, Room 029  
 Colorado State Capitol  
 Denver, CO 80203

Dear Representative Vigil:

In accordance with the provisions set forth in Section 24-82-102, C.R.S., on March 6, 2015 the Joint Budget Committee voted to refer an executive branch operating budget request to the Capital Development Committee for action. The request, entitled "Budget Amendment 6, DTRS tower," seeks an appropriation of \$1.5 million General Fund for FY 2015-16 for the Governor's Office of Information Technology (OIT) and the Department of Personnel to purchase land from the Colorado Department of Transportation (CDOT). The land in question is currently host to key public safety radio communications equipment.

JBC staff provided the following analysis in the Figure Setting Recommendation for the Office of the Governor:

***Background***

CDOT owns a nine acre property at 1420 2nd Street in Greeley that includes administrative offices and garages. Additionally, a Digital Trunked Radio System (DTRS) transmitting tower and supporting facilities managed by the Governor's Office of Information Technology (OIT) are located near the geographical center of this property.

***Issue***

CDOT is currently constructing a new facility in west Greeley on the US 34 Business Loop, and will be moving its operation in late 2015 from the 1420 2nd Street property. CDOT has announced their intention to sell this property to a land development company. The agency has requested that OIT remove the DTRS tower and equipment from this property as soon as possible in an effort to increase the value of the property for immediate sale. Local, state, and federal agencies rely on the communications service provided by this Greeley DTRS site. Loss or interruption of service from this site would leave all State of Colorado agencies, including the Colorado State Patrol, Department of Natural Resources, CDOT, Department of Corrections, as well as local public safety first responders, with no

means of radio communication.

***Request***

The Office requests an appropriation of \$1,500,000 General Fund for FY 2015-16 to purchase the property from CDOT through the Department of Personnel at the estimated appraised market value so that DTRS does not experience any change in service delivery. OIT would then offer space to other State agencies or offer for sale the balance of the property.

***Recommendation***

Staff has two recommendations on this request. First, the request should be submitted to the Capital Development Committee, per the provisions of Section 24-82-102, C.R.S. governing property acquisition related budget requests.

Second, the Capital Development Committee should consider alternative proposals than the one put forth by the Office of the Governor. The request would necessitate OIT to work with the Department of Personnel to manage and maintain a property consisting of outdated physical infrastructure that it is not interested in managing or maintaining in the future.

The Capital Development Committee may wish to explore the option of relocating OIT's public safety radio communications infrastructure from CDOT's 1420 2nd Street property to the new CDOT Region 4 Headquarters facility property on the US 34 Business Loop. If this solution is not feasible, the Capital Development Committee may wish to discuss the option of sponsoring legislation authorizing a transfer of a small corner portion of the land at the 1420 2nd Street property from CDOT to the Department of Personnel (acting on behalf of OIT).

Under either recommended scenario, funds should be appropriated to OIT to build out infrastructure for a new tower site. Once the new infrastructure is in place, the existing tower equipment at the 1420 2nd Street property will be dismantled. This solution allows OIT to maintain DTRS continuity of operations.

Attached to this letter is the official request from the Office of the Governor dated January 15, 2015. The Joint Budget Committee respectfully requests a recommendation by March 18, 2015, to ensure your action is considered prior to introduction of general appropriations bill.

Sincerely,



Senator Kent Lambert, Chair  
Joint Budget Committee