



Capital Development Committee

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL YEAR 2025-26 CAPITAL CONSTRUCTION REQUEST

**Department of Public Health and Environment
Building Renovation - State Public Health Laboratory**

2026-006

Project Status

This is a new, never-before-requested project.

**Table 1
Prioritization**

Prioritized By	Priority	Notes
Department of Public Health and Environment	1 of 1	
Office of State Planning and Budgeting	Not prioritized	Not recommended for funding.

**Table 2
Prior Appropriation and Request Information**

Fund Source	Prior Appropriation	Budget Year FY 2025-26	Out Year FY 2026-27	Future Requests	Total Costs
CCF	\$0	\$16,842,000	\$0	\$0	\$17,000,000
CF	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$16,842,000	\$0	\$0	\$17,000,000

**Table 3
Itemized Cost Information**

Category	Prior Appropriation	Budget Year FY 2025-26	Out Year FY 2026-27	Future Requests	Total Costs
Land Acquisition	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$147,000	\$0	\$0	\$147,000
Construction	\$0	\$16,537,500	\$0	\$0	\$16,537,500
Equipment	\$0	\$157,500	\$0	\$0	\$157,500
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$16,842,000	\$0	\$0	\$16,842,000

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Program Plan Status

Approved Program Plan: No

FCI: 82

Project Description/Scope of Work

The Department of Public Health and Environment (CDPHE) is requesting state funds to renovate half of the State Public Health Laboratory Building in Lowry and expand lab space into unused warehouse areas. This is a capital renewal project. The capital renewal approach focuses on upgrading building systems, infrastructure, and the basic building components within existing buildings on a building-by-building basis, rather than project by project. The project will upgrade and modernize lab space and help CDPHE be better prepared for future program growth and future health crisis response.

CDPHE previously received funding from the Centers for Disease Control and Prevention to fund the first phase of the laboratory renovations. This project was completed in late 2023.

This request covers the second phase of laboratory renovations and will perform laboratory upgrades to chemistry, microbiology, public health, microbiology environmental health, microbiology molecular science, water quality, and evidential breath alcohol testing (EBAT) labs. The project will also add a new cannabis laboratory in the area currently serving as a warehouse and renovate shell space into a wet teaching laboratory and adjoining training room. The wet lab space can provide necessary swing space in the event of another pandemic, and the training room can serve as a backup emergency communication center for CDPHE.

Cost assumption. Project costs were based on the costs of the completed Center for Disease Control-funded portion of the building renovation. The project accounts for inflation at a rate of 5 percent. The project is in compliance with the High Performance Certification Program requirements. The project is not in compliance with the Art in Public Places Program requirements.

Table 4
Project Schedule

Project Component	Start Date	Completion Date
Design	September 2024	June 2025
Construction	September 2025	September 2026
Occupancy	January 2027	

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Project Justification

CDPHE says that the state lab needs to be renovated and space must be added in order for the lab to operate effectively. The building was originally built in 1971 as a training facility for the United States Air Force and was converted to a laboratory space in 1995 after it was acquired by the state. The evolution of laboratory processes, changing security requirements, operational changes, and program growth have led to a decrease in the efficiency and appropriateness of the current laboratory space.

Concerns with the current lab spaces include:

- lab programs are split across multiple locations due to lack of space;
- aging HVAC systems are not able to support necessary lab equipment;
- labs have minimal electrical outlets and data ports, limiting new equipment;
- physical lab sizes and layouts are not optimal for modern day processes, functions, and instrumentation; and
- meeting room space is limited.

The department says that it expects these problems to continue to grow due to future program growth and changes in operational processes. State population growth, new regulations, expanded testing, and emerging pathogens and environmental factors will all increase the lab's workload and space needs.

Program Information

The State Public Health Laboratory's mission is to provide critical and specialized expertise in laboratory services to protect health and the environment in Colorado. The state lab's work includes the following programs:

- clinical testing laboratories for microorganisms and diseases;
- food testing program;
- EBAT program;
- lab certification program;
- cannabis inspection and certification program;
- water testing program; and
- wastewater testing program.

Operating Budget

The project has no projected impact on state operating costs. There will be minimal increases in heating and cooling costs of former warehouse space converted to laboratory space.

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Staff Questions and Issues

1. The cost breakdown does not include the required 10% contingency for renovation. Contingency would be \$1,684,200, which would bring the total project ask to \$18,526,200. Is there a reason contingency was not included?
2. The project does not include funds set aside for the Art in Public Places program. Is the department planning to request a waiver?
3. Can you provide more information on the Center for Disease Control funded portion of the project? Did it ever come before the Capital Development Committee?

At the time of printing CDC staff have not yet received responses to these questions.