
Asset Preservation Summary Report

Calendar Year 2022
January 15, 2023

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Real Estate and Construction Services**

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Cost to prepare this report: \$800

Reporting requirements

Minnesota Statutes 16B.307, subdivision 2, states that the commissioner of an agency that has received an appropriation for asset preservation (AP) shall submit:

- A list of the projects in each agency funded from Asset Preservation appropriations during the preceding calendar year; and
- A list of priority projects for which an AP appropriation will be sought.

Historic Asset Preservation Requests and Appropriations

The Department of Administration (Admin) maintains a database of (approximately 6,100) state-owned buildings as required by Minnesota Statutes 16A.633. Admin’s Enterprise Real Property Program (ERPP) was created by the legislature with the intent that the program assist state agencies to consistently inventory and rate the condition of all state-owned property, as well as to assist in strategically managing state real property assets. While the creation of an enterprise property database enhanced the ability of agencies to evaluate and prioritize asset preservation needs, leveraging that data and ERPP framework to ensure best practices in state property asset management is greatly restrained by limited staff capacity, which currently amounts to 2.0 FTE.

The uniform facility condition assessments completed by state agencies, under the oversight of the ERPP, identifies the state has an \$1.50 billion in deferred maintenance backlog for state-owned properties and a \$2.65 billion need to keep up with aging systems over the next 10 years, for a total asset preservation need of \$4.14 billion. That amount does not include the deferred maintenance and asset preservation needs at Minnesota State (formerly MnSCU) and the University of Minnesota (UMN). Further, the ERPP data reflects that delaying needed property maintenance results in higher costs to restore and maintain buildings in an optimal condition. For example, the average deferred maintenance cost per system is \$48 thousand for buildings in “fair” condition, versus \$185 thousand for buildings in “crisis” condition.

Below is a summary of Admin’s asset preservation appropriations.

Funding summary

The Department of Administration has not received asset preservation funding for the preservation of Capitol Complex buildings and infrastructure since Fiscal Year 2012. However, the Department of Administration receives and manages asset preservation appropriations on behalf of other state agencies that operate state facilities and create the funding requests. The following table contains a summary of asset preservation funds appropriated in 2018 and 2020 that have been expended on projects during calendar year 2022. The attached Tables list the specific projects that received funding.

Table One: Projects funded in Calendar Year 2022 using the Fiscal year 2018 appropriation

Agency and Project Number	Location	Description	Amount
Corrections			
78FA0081	Faribault	Abatement Asbestos	26,366
78LL0055	Lino Lakes	Replace HVAC Bldg J3	53,219
78LL0056	Lino Lakes	Repair Generator	300,000
78OP0038	Oak Park Heights	Abatement Bullet Trap	50,000
78RC0034	Rush City	Repair Asphalt	155,755
78SW0073	Stillwater	Remodel Computer Room	323,000
78SW0075	Stillwater	Reroof Bldg 11	241,200
78SW0078	Stillwater	Replace Transformer	155,700
Agency Total			\$1,305,240
Veterans Affairs			
75HA0039	Hastings	Repair Building 30 HVAC	255,828
75HA0049	Hastings	Enhance Operational	34,850
75MP0095	Minneapolis	Convert Steam to Low Pressure	604,700
75MP0097	Minneapolis	Replace Lighting Bldg 19	132,000
Agency Total			\$1,027,378
MN State Academies			
44DA0043	Deaf Academy	New Security Corridor	300,000
44DA0045	Deaf Academy	Replace Tate Hall Roof	472,656
Agency Total			\$772,656
Human Services			
55AK0046	AMRTC	Upgrade Dietary Bldg	100,000
55AK0050	AMRTC	Pave Dock Area	33,000
55AK0051	AMRTC	Resurface Lots and Driveways	250,000
55AK0052	AMRTC	Replace Sidewalks and Ramps	61,500
55AK0053	AMRTC	Repair Anoka Chiller 2	36,382
55BR0027	Brainerd	Replace Water Main Bldg 20	433,000
55ML0030	Moose Lake	Replace Main Bldg Fire Pump	60,000
55SR0120	SPRTC	Construct Water Metering House	210,000

Agency and Project Number	Location	Description	Amount
Human Services, continued			
55SR0122	SPRTC	Replace Generator	459,000
55SR0130	SPRTC	Upgrade HVAC Cooling Tower Pro	293,101
55SR0132	SPRTC	Replace FNH Therapy Tubs	158,326
55SR0135	SPRTC	Replace Lower Campus Lighting	100,000
55SR0136	SPRTC	Renovate Pexton Hall Shower	52,000
55SR0137	SPRTC	Repair FNH Roof Drain	127,776
55SR0138	SPRTC	Repair Pads and Sidewalks	77,218
55SR0139	SPRTC	Repair Road and Lot	103,590
55SR0140	SPRTC	Repair Shantz Tuckpoint Phase 2	74,984
55SR0141	SPRTC	Repair Bartlett SE Corner	6,162
55SR0142	SPRTC	Repair Pexton Tuckpoint Phase 1	74,959
55SR0143	SPRTC	Repair Pond Dam Structure	106,450
55SR0144	SPRTC	Upgrade Controls for VAVs-FNH	175,000
55SR0145	SPRTC	Repair Concrete Asphalt	54,493
55SR0146	SPRTC	Repair Tuckpointing Tomlinson	51,212
55SR0079	SPRTC	MSH Ph2- Parking lot and pond	578,813
55VA0005	Various	Replace Furnace AC Heater	121,200
55WI0003	Willmar	Install Gym and Misc Structure	57,992
Agency Total			\$3,856,158
Grand Total			\$6,961,432

Table Two: Projects funded in Calendar Year 2022 using the Fiscal Year 2020 appropriations

Agency and Project Number	Location	Description	Amount
Veteran's Affairs			
75HA0039	Hastings	Repair Building 30 HVAC	119,172
75HA0049	Hastings	Enhance Operational	1,865,150
75HA0050	Hastings	Inspect Fire Door Safety	555,000
75HA0052	Hastings	Replace Fire Doors Hastings	530,000
75MP0098	Minneapolis	Renovate Building 16	1,400,000
Agency Total			\$4,469,322
Human Services			
55BR0026	Brainerd	Replace Water Mains to Restrooms	30,000
55BR0027	Brainerd	Replace Water Main Bldg 20	15,000
55SR0132	SPRTC	Replace FNH Therapy Tubs	109,834
55SR0137	SPRTC	Repair FNH Roof Drain	6,389
55SR0143	SPRTC	Repair Pond Dam Structure	4,200
55SR0147	SPRTC	Mill Resurface SW Parking Lot	5,350
Agency Total			\$170,773
Corrections			
78FA0082	Faribault	Repair Storm Damage Bldgs	650,000
78LL0058	Lino Lakes	Improve Site Drainage	1,500,000
78LL0059	Lino Lakes	Upgrade South Housing System	1,436,190
78RC0035	Rush City	Upgrade Switchgear	46,624
78RW0047	Red Wing	Replace Fire Suppression System	46,000
78SC0079	St. Cloud	Replace Roof	891,000
78SC0080	St. Cloud	Study Plant Ops Bldg	48,670
78SH0048	Shakopee	Upgrade Boiler Chiller	145,000
78SW0076	Stillwater	Repair Conference Center	200,000
78SW0077	Stillwater	Replace HVAC Bldg 17 and 37	400,000
78TH0043	Togo	Improve Various Buildings	216,400
Agency Total			\$5,579,884
Grand Total			\$10,219,979

Priority Projects for which Asset Preservation Funding will be sought

The Governor will submit recommendations to the legislature for consideration during the 2023 legislative session.