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CAPRA
SUMMARY REPORT
Capital Asset Preservation and Replacement Account
Summary Report

January 2005



DATE: January 14, 2005

TO: Peggy Ingison, Commissioner
Department of Finance

Legislators, per M.S. 16A.632, subd. 4, Distribution List Attached

FROM: *Dana B. Badgerow*
Commissioner Dana B. Badgerow

SUBJECT: **Capital Asset Preservation and Replacement Account (CAPRA)
Summary Report**

Pursuant to Minnesota Statutes 16A.632, Subdivision 4, enclosed is the Capital Asset Preservation and Replacement Account (CAPRA) Summary Report. This report is a list of projects funded from CAPRA appropriations during calendar year 2004.

Enclosures

c: Governor Tim Pawlenty
Legislative Reference Library (6)

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at TTY 651.297.1545 or by contacting

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State Architects Office
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Cost to prepare this report: \$600.00

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CAPRA Report Executive Summary

REPORTING REQUIREMENTS:

Minnesota Statutes 16A.632, subdivision 4, states that the Commissioner of Administration shall submit a list of the projects in each agency that were funded from the Capital Asset Preservation and Replacement Account (CAPRA) during the preceding calendar year and a list of priority projects for which a CAPRA appropriation will be sought.

FUNDING SUMMARY:

The Department of Administration received \$14,000,000 in CAPRA funding in FY02. \$3,669,409.16 was distributed to State agencies in calendar year 2004 from FY02 funds, \$54,876.95 from FY00 funds, and \$57,913.00 from FY99 funds.

Since the program was created in 1990, \$72.9 million has been appropriated for CAPRA projects.

Admin made a CAPRA request in FY04, but there was not a bonding bill.

The specific projects funded from the FY02 appropriation during the 2003 calendar year are as noted in Table One, projects funded from the FY00 appropriation are noted in Table Two, and projects funded from the FY99 appropriation are noted in Table 3. The FY04 Capital Budget Request is attached as Exhibit A.

FUTURE CONSIDERATIONS:

In the past, agencies have had two sources of bonded funds for facility maintenance: CAPRA dollars as requested by Admin, and Asset Preservation money as requested by each agency. The similarity in programs has caused confusion among both users and those funding the requests, and duplicity in management.

In FY04 Admin made a Capital Budget Request for CAPRA dollars for unanticipated hazardous materials abatement and emergencies only. The amount of that request was \$5 million. Projects formerly requesting CAPRA funding are included in individual agency Asset Preservation requests. While this increased the amount of money in agency Asset Preservation Capital Budget Requests, there was a decrease in the amount of CAPRA dollars requested.

Admin's FY04 CAPRA Capital Budget Request has been included in the FY05 Governor's Capital Budget Recommendations at \$4 million.

TABLE ONE
Projects funded in CY04 using the FY02 CAPRA appropriation

	Location	Description	Allocation	Agency Total
Administration				
	Centennial Office	Repair holes in firewalls	6,963.47	
	Capitol Building	Repair water intrusion	390,400.00	
	321 Grove	Stabilization of SW corner	75,000.00	
	Judicial Center	Roof repairs	59,707.00	
	SAO	Abatement m-contract review	3,673.75	
	Total			\$535,744.22
Department of Corrections				
	Red Wing	Asbestos abate level 4 Harvard	9,816.19	
	Red Wing	Asbestos abate level 4 Stanford	9,816.19	
	Red Wing	Asbestos abate level 4 Volunteer Center	13,342.23	
	Red Wing	Asbestos abate level 4 Yale	9,816.19	
	Red Wing	Asbestos abate level 4 Princeton	9,816.19	
	Total			\$52,606.99
Minnesota State Academies				
	Deaf Academy	Mott Hall HVAC revisions	267,700.00	
	Deaf Academy	Asbestos Abate Rodman Hall	58,762.00	
	Blind Academy	Replace windows and tuckpoint	1,637.19	
	Total			\$328,099.19
Minnesota Veterans Homes				
	Hastings	Walk-in collar abatement	65,319.85	
	Minneapolis	Bldg 16 asbestos removal	232,142.07	
	Minneapolis	Emergency pipe replacement Bldg 17	574,940.00	
	Minneapolis	Tile floor abatement Bldg 15	25,767.66	
	Silver Bay	Dish room enclosure	255,467.00	
	Hastings	Power Plant structural envelope repair	672,410.37	
	Hastings	Asbestos abate floor Bldg 23	43,910.82	
	Total			\$1,869,957.77

Zoological Gardens				
	Zoological Gardens	Replace elevator power unit	9,239.00	
Total				\$9,239.00
Perpich Center for Arts Education				
	PCAE	Temp control system	11,200.00	
	PCAE	Asbestos abate E wing Admin & Gais	14,987.27	
Total				\$26,187.27
Department of Natural Resources				
	Melrose Area Enforcement	Cold storage fire replacement	89,250.87	
	Nimrod Area Forestry Office	Shop replacement	120,841.09	
	Warroad Area Office	Boathouse replacement	3,360.00	
	Warroad Area Office	Cold storage replacement	254,179.00	
	Tettegouche State Park	Repair fire damaged cabin	23,294.97	
	Glacial Lakes State Park	Replace cold storage building	44,020.00	
	Kilen Woods State Park	Replace shop and sanitation buildings	112,628.79	
Total				\$647,574.72
Department of Human Resources				
	St Peter RTC	Upgrade temperature control	200,000.00	
Total				\$200,000.00
Grand Total				\$3,669,409.16

TABLE TWO
Projects funded in CY04 using the FY00 CAPRA appropriation

	Location	Description	Allocation	Agency Total
Administration				
	Capitol Building	Repair Water Intrusion	115,602.76	
Total				\$115,602.76
Perpich Center for Arts Education				
	PCAE	Emergency Roof Repair	9,514.00	
Total				\$9,514.00
Department of Corrections				
	Red Wing	Steam Lines Phase 2	66,000.00	
Total				\$66,000.00
Minnesota Historical Society				
	1500 Mississippi	Replace rooftop unit	32,012.00	
Total				\$32,012.00
Department of Human Services				
	St. Peter RTC	Repair sewer system	24,283.25	
Total				\$24,283.25
Minnesota State Academies				
	Blind Academy	Lysen/Gillen HVAC	59,288.27	
Total				\$59,288.27
Department of Military Affairs				
	Montevideo Armory	Lead abatement in firing range	39,700.00	
	Jackson Armory	Lead abatement in firing range	26,800.00	
	Hibbing Armory	Reroof	24,464.00	
	Grand Rapids Armory	Reroof	36,052.50	
	Cloquet Armory	Reroof	28,144.00	
	Albert Lea Armory	Reroof	5,107.57	
Total				\$160,268.07
Department of Natural Resources				
	Metro Headquarters	Replace boiler, air system & windows	8,424.55	
	Warroad	Cold Storage	12,000.00	

	Shooting Sports Center	Abate lead and design new air system	21,240.00	
	Itasca State Park	Replace water tower	8,123.40	
	French River Hatchery	Replace roof	5,089.00	
	Total			\$54,876.95
	Grand Total			\$54,876.95

TABLE THREE
Projects funded in CY04 using the FY99 CAPRA appropriation

	Location	Description	Allocation	Agency Total
Administration				
	State Office Building	Harmonic mitigation system	33,401.00	
	Transportation Building	Re-anchor exterior granite façade	24,512.00	
Total				\$57,913.00
Perpich Center for Arts Education				
	PCAЕ	Emergency replacement of water heater	4,700.00	
Total				\$4,700.00
Department of Human Services				
	St Peter RTC	Connect to City water system	17,162.36	
Total				\$17,162.36
Grand Total				\$57,913.00

Project Description

CAPRA, established under M.S. 16A.632, is a statewide fund, centrally managed by Admin for use by state agencies. The Higher Education Asset Preservation and Renewal Account (HEAPRA) is requested separately by the Minnesota State Colleges and Universities and the University of Minnesota, and should not be confused with this request. Asset Preservation Capital Budget Requests, requested by individual state agencies to address the known facility repair and maintenance needs of the facilities under their custodial control, should also not be confused with this request.

Projects that have typically received CAPRA funding have fallen into three categories: Emergencies of all kinds, hazardous material abatement, and non-recurring, small repair and maintenance projects ranging in cost from \$25,000 to \$350,000.

As facility repair and maintenance needs outgrew the ability to be adequately funded by CAPRA, individual agencies began making Capital Budget Requests for Asset Preservation. Projects done with these Asset Preservation funds were the same types of projects done with CAPRA funds, but generally had a project cost of over \$350,000.

Given the parallel nature of the Asset Preservation and CAPRA programs, and the need to more efficiently plan, manage, and complete projects, a decision was made to reduce the amount of funding requested for CAPRA, and increase the amount of funding requested by agencies for Asset Preservation in FY 2004. The CAPRA program will fund emergencies and unanticipated hazardous material abatements, while agency Asset Preservation requests will fund known repair and maintenance projects.

State agencies served by this request are Administration, Corrections, Economic Security, Human Services, Military Affairs, Minnesota Historical Society, Natural Resources, Perpich Center for Arts Education, State Residential Academies, Veterans Homes Board, and the Minnesota Zoological Society.

Impact on Agency Operating Budgets (Facilities Notes)

CAPRA funding provides rapid financial assistance to agencies for emergencies and unanticipated abatement needs. This keeps agency funds available for ongoing operations, and helps mitigate additional damage.

Previous Appropriations for this Project

Since the program was created in 1990, \$72.9 million has been appropriated for CAPRA projects.

Other Considerations

This CAPRA request does not fund known agency repair and maintenance projects, making it imperative that agency Asset Preservation requests be funded. Deferred maintenance continues to be an issue, and adequately maintaining state facilities is imperative to support the delivery of service to our customers, the taxpayers and citizens of Minnesota.