

**ASSET PRESERVATION
SUMMARY REPORT
Department of Natural Resources**

January 2012

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Cost to prepare this report: \$950

Natural Resource Asset Preservation and Replacement Report

Executive Summary

DNR Facility and Recreational Assets:

The Department of Natural Resources operates and maintains over 3.2 million square feet of space in 2775 buildings across the state. In addition to its buildings, DNR manages and maintains the infrastructure that supports operation of its buildings and recreational infrastructure that includes 67 State Parks, 8 State Recreation Areas, 54 Forest Recreation Areas, 8 wayside sites, 6,614 campsites, 332 miles of roads, 21 State Trails, 1,595 Boat/canoe accesses, 1,001 miles of OVH trails, 4,282 miles of water trails, 8 harbors and protected access sites, 500 bridges, and numerous fishing piers and water control structures.

Natural Resource Asset Preservation and Replacement Account (NRAPR):

The Laws of 2009, Chap. 93, Art.1, Sec. 25 established in statute, at “MS 84.946 Natural Resource Asset Preservation and Replacement”, standards for those natural resource projects that are intended to preserve and replace existing facilities. Prior to this, MS 16B.307 applied to DNR asset preservation projects. Capital expenditures for natural resource asset preservation and replacement are to be used for capital projects that support the existing programmatic mission of DNR in the areas of:

- Building and Energy: Protects assets and promotes energy conservation
 - Maintenance and repair of buildings
 - Energy efficiency improvements
- Health and Safety: Protection of the public
 - Code compliance, including ADA requirements
 - Hazardous materials abatement
- Conservation: Assures natural resource management results
 - Renovation of existing improvements to land
- Recreation: Increases participation in outdoor activities
 - Maintenance and repair of recreational infrastructure

MS 84.946 Subd.3 states that the commissioner must submit by January 15 of each year:

1. A list of projects that have been paid for with money from a natural resource asset preservation and replacement appropriation during the preceding calendar year. (See Tables One and Two)
2. A list of those priority projects for which natural resources asset preservation funding and replacement appropriations will be sought in that year’s legislative session. (See Table Three)

Project Report Summary:

Asset Preservation Funding Summary:

In the past several years, the Department of Natural Resources received direct appropriations for asset preservation as follows: FY06, \$2M; FY08 \$1M, FY09 \$1M, FY10 \$1M, and FY11 \$17M. In addition, in FY11, \$364,324 was transferred from other DNR 2006 bonding appropriations.

Projects Funded with AP Appropriations in CY11:

In CY11, DNR funded the projects listed in Table One with the FY11 Asset Preservation appropriations. Work paid for includes repair of buildings damaged in the wind storm at St. Croix State Park, the continued repair of the fire-damaged shaft at the Soudan Mine, multiple roof replacements, including buildings at Itasca, Lake Bronson, Sakatah Lake, Camden, Hayes Lake, Zipple Bay, Lake Maria State Parks, Region 1 and 3 Headquarters, and the Peterson Hatchery; replaced septic systems and water lines at Myre Big Island, and numerous lighting replacements; work in design and bidding ranges from additional roofing and utility system replacements to log restorations and boiler replacements.

DNR also used asset preservation appropriations from FY06, 08, and 10 for work at the MN Shooting Sports Center renovation, safety upgrades at Region 2 Headquarters, building envelop repairs at Eveleth, and log restoration at St. Croix SP. These projects are listed in Table Two.

Projects for which Natural Resource Asset Preservation and replacement appropriations will be sought in the FY12 legislative session:

DNR is making a request for Asset Preservation funding in FY12 for capital projects that support the existing programmatic mission of the department. Work will be done on both building and recreational facilities, and will address health and safety, ADA, and energy improvements on buildings, and repairs on trails, marinas, water accesses, and other recreational facilities. Funds may also be used to repair and replace the DNR fish displays at the DNR building on the State Fair grounds.

Appendix A: MS 84.946

Table One**Department of Natural Resources Projects Funded in CY11 using the FY12 Natural Resources Asset Preservation and Replacement (NRAPR)**

Site Location	Project Description	AP Funds
Afton SP	Repair vandalism damage	\$25,000.00
Aitkin Co Located	Building System Eval	\$4,700.00
Badora	Augment Office remodel contract	\$40,000.00
Banning SP	Building System Eval	\$6,000.00
Baudette	Replace furnace in both offices	\$10,000.00
Baudette Area F&W, FOR	Upgrade lighting	\$8,435.00
Bear Head Lake SP	Building System Eval	\$4,000.00
Bear Head Lake SP	Building System Eval	\$6,000.00
Bear Head Lake SP	Replace non-compliant electrical at campgrounds	\$6,800.00
Bearhead Lake SP	Replace water lines to sanitation bldg	\$25,000.00
Bemidji	Predesign for new co-located office	\$100,000.00
Bemidji Area	Rebuild historic masonry steps at forestry office	\$10,000.00
Bemidji Forestry	Upgrade lighting	\$1,838.00
Bemidji Wildlife Research	Lighting upgrade	\$3,809.00
Big Falls Area Forestry	Building System Eval	\$7,500.00
Big Stone Lake SP	Replace roof, windows, siding at contact station	\$20,000.00
Camden SP	Replace bituminous at shop area	\$46,193.75
Camden SP	Roof replacement	\$6,399.00
Carlos Avery WMA	Replace roof, siding, windows on residence	\$100,000.00
Cascade River SP	Building System Eval	\$6,800.00
Cloquet Co-located office	Building System Eval	\$8,800.00
Cook Area Forestry	Building System Eval	\$7,500.00
Crane Lake	Replace cribbing & dock at boathouse	\$10,000.00
Crow Wing SP	Building System Eval	\$3,500.00
Crystal Springs Hatchery	Well pump system replacement	\$12,000.00
Deer River	Replace roofs on 3 bldgs & replace sidewalks (safety)	\$50,000.00
Deer River Area Forestry	Building System Eval	\$6,500.00
Detroit Lakes Con. Site	Upgrade lighting	\$11,047.00
DNR Bldg MN State Fair	Planning and design for live fish display replacement.	\$40,000.00
Duluth Forestry	Building System Eval	\$6,000.00
Eveleth	Replace roof, repair water damage, replace windows, increase insulation at office	\$135,000.00
Eveleth	Building System Eval	\$4,500.00
Eveleth	Building System Eval	\$4,500.00
Eveleth Forestry	Replace uninsulated Mandoor, replace concrete apron	\$4,200.00
Father Hennepin SP	Replace vault toilet	\$35,000.00
Father Hennepin SP	Replace roof & siding at office	\$70,000.00
Father Hennepin SP	Redo water valves to resolve confined space issue	\$25,000.00
Finland Area Forestry	Building System Eval	\$7,100.00
Flandrau SP	Replace two vault toilets	\$25,000.00
Flandrau SP	Replace roof on historic picnic shelter, sanitation bldg	\$15,000.00
Forestville SP	Reroof and install snow bars	\$10,975.00
Fort Snelling SP	Replace HVAC at office/interpretive center	\$120,000.00

Table One**Department of Natural Resources Projects Funded in CY11 using the FY12 Natural Resources Asset Preservation and Replacement (NRAPR)**

Site Location	Project Description	AP Funds
Fort Snelling SP	Upgrade electrical, repair stainglass windows, asbestos removal, replace water lines chapel	\$280,000.00
French River Hatchery	Building System Eval	\$18,000.00
General Andrews	Predesign for co-location	\$100,000.00
Glacial Lakes SP	Replace two vault toilets	\$30,000.00
Glendalough SP	Replace siding & roof on lodge	\$5,000.00
Glenwood	Replace roof on hatchery and cold storage	\$20,000.00
Glenwood	Predesign for new office	\$100,000.00
Glenwood Fisheries	Upgrade lighting	\$2,231.00
Gooseberry Falls SP	Building System Eval	\$6,200.00
Gooseberry Falls SP	Recom bldg, replace boilers, lighting upgrade interp ctr	\$43,000.00
Gooseberry SP	Restoration of 6 CCC bldgs - log repair, masonry, roof/door/window replacement	\$600,000.00
Grand Marais	Remodel office	\$600,000.00
Great River Bluffs SP	Replace vault toilet	\$20,000.00
Hayes Lake SP	Reroof asphalt shingles	\$7,658.00
Hibbing	ADA access & foundation repair	\$30,000.00
Hibbing Forestry	Building System Eval	\$6,500.00
Hibbing Forestry	Systems update	\$4,200.00
Hibbing L&M	Replace steam registers	\$30,000.00
Hill City Forestry	Building System Eval	\$4,700.00
Hutchinson Co-located	Lighting upgrade	\$4,000.00
Iron Range OHVRA	Building System Eval	\$3,000.00
Iron Range OHVRA	Building System Eval	\$2,700.00
Itasca SP	Reroof wood shingles	\$8,000.00
Itasca SP	Tuckpoint at repair shop	\$8,000.00
Itasca SP	Repair foundation at boathouse	\$10,000.00
Itasca SP	Restain exterior, repair screens, paint windows	\$8,643.00
Itasca SP	Add handrails to cabins	\$5,000.00
Jay Cooke SP	Replace roof on River Inn	\$40,000.00
Kelliher Forestry	Upgrade lighting	\$1,345.00
Kilen Woods SP - Chalet	Replace beam in chalet	\$30,000.00
Lac Qui Parle SP	Replace roof at picnic shelter	\$10,000.00
Lac Qui Parle WMA	Replace boiler at residence	\$10,000.00
Lake Bemidji SP	Repair foundation floor, replace slab foundation	\$100,000.00
Lake Bronson SP	Repair storm damage - roof	\$15,000.00
Lake Bronson SP	Reroof asphalt shingles B10271	\$6,370.00
Lake Bronson SP	Reroof asphalt shingles B10266	\$10,834.00
Lake Maria SP	Roof Replacement 3 bldgs	\$19,200.00
Lanesboro Area Fisheries	Remove existing Furnace, AC - New HVAC	\$10,000.00
Littlefork Forestry	Building System Eval	\$15,000.00
Maplewood SP	Upgrade lighting	\$10,544.00
McCarthy Beach SP	Building System Eval	\$6,500.00
McCarthy Beach SP	Tank and well repair	\$15,000.00
Minneopa SP	Bridge contract augmentation	\$100,000.00
Minneopa SP	Replace deteriorated steel railing	\$75,000.00

Table One**Department of Natural Resources Projects Funded in CY11 using the FY12 Natural Resources Asset Preservation and Replacement (NRAPR)**

Site Location	Project Description	AP Funds
Moose Lake	Upgrade lighting	\$10,452.38
Myre Big Island SP	Replace septic & water lines at San Bldg	\$30,000.00
Nerstrand Big Woods	Reinsulate attic	\$4,000.00
Nerstrand Big Woods SP	replace 2 vault toilets	\$50,000.00
Northome Forestry	Building System Eval	\$3,500.00
Old Mill SP	Repair storm damage - roof	\$15,000.00
Orr Forestry	Building System Eval	\$5,800.00
Orr Forestry	Building System Eval	\$6,500.00
Park Rapids Forestry	Upgrade lighting	\$2,495.00
Peterson Hatchery	Repair roof and replace snow bars	\$3,530.00
R1 HQ	Roof replacement region shop	\$2,400.00
R1 HQ	Upgrade lighting	\$9,662.00
R1 Various	Roof replacements region wide	\$93,052.00
R1 Various	Lighting upgrades region wide	\$186,016.00
R1 Various	Sustainability efforts region wide	\$250,000.00
R1 Various	Solar/Wind opportunities region wide	\$250,000.00
R2 HQ	Replace roof	\$300,000.00
R2 HQ complex	Upgrade exterior lighting	\$35,000.00
R2 Various	Roof replacements region wide	\$200,000.00
R2 Various	Lighting upgrades region wide	\$300,617.62
R2 Various	Solar/Wind opportunities region wide	\$400,000.00
R3 HQ	Replace roof	\$300,000.00
R3 HQ	Tuck point office	\$50,000.00
R3 HQ	HVAC upgrades	\$175,000.00
R3 HQ	Energy Efficiency Upgrade	\$12,310.00
R3 Various	Roof replacements region wide	\$166,295.00
R3 Various	Lighting upgrades region wide	\$350,000.00
R3 Various	Sustainability efforts region wide	\$237,690.00
R3 Various	Solar/Wind opportunities region wide	\$400,000
R4 HQ	Replace roof at Shop	\$75,000.00
R4 Various	Roof replacements region wide	\$118,177.00
R4 Various	Lighting upgrades region wide	\$246,000.00
R4 Various	Sustainability efforts region wide	\$250,000.00
R4 Various	Solar/Wind opportunities region wide	\$250,000.00
Red Lake WMA	Reroof asphalt shingles	\$8,879.00
Red Lake WMA	Norris Camp feasibility	\$75,000.00
Region 2 Brainerd Complex	Energy update as recommended by 2009 energy audit	\$44,565.00
Rice Lake SP	New cold storage	\$158,028.00
Rice Lake SP	Replace roof, insulation, windows at office	\$34,000.00
Rice Lake SP	Replace asphalt shingles	\$4,000.00
Rochester	Replace roof & upgrade HVAC at office	\$220,000.00
Roseau River WMA	Replace roof, siding & waterproofing on cold storage	\$20,000.00
Roseau River WMA	Replace roof, repair foundation cold strge	\$30,000.00
Sakatah Lake SP	Roof replacement	\$17,224.00
Savanna Portage SP	Building System Eval	\$5,200.00
Scenic SP	Replace septic & water lines at office	\$30,000.00

Table One**Department of Natural Resources Projects Funded in CY11 using the FY12 Natural Resources Asset Preservation and Replacement (NRAPR)**

Site Location	Project Description	AP Funds
Scenic SP	Replace waste & water lines to sanitation bldg	\$40,000.00
Scenic SP	Building System Eval	\$3,800.00
Scenic SP	Building System Eval	\$3,000.00
Sibley SP	Replace roof on sanitation bldg	\$10,000.00
Side Lake Forestry	Building System Eval	\$5,400.00
Silver Bay Marina	Replace 2 vault toilets with 1 ADA vault toilet	\$45,000.00
Silver Bay Marina	Building System Eval	\$3,500.00
Soudan Underground Mine SP	Repair fire damage - 1st Phase - replace 300' of shaft - emergency portion	\$2,000,000
Soudan Underground Mine SP	Repair fire damage - 2nd Phase - replace 600' of shaft	\$800,000.00
Soudan Underground Mine SP	Building System Eval	\$7,000.00
Soudan Underground Mine SP	Building System Eval	\$25,000.00
Soudan Underground Mine SP	Building System Eval	\$7,000.00
Spire Valley Fisheries	Upgrade lighting	\$1,965.00
Split Rock	Roof replacement	\$4,200.00
Split Rock Lighthouse SP	Building System Eval	\$6,500.00
SSC Grand Rapids	Replace HVAC	\$75,000.00
St Croix SP	Building System Eval	\$5,900.00
St Croix SP	Building System Eval	\$15,000.00
St Croix SP	Building System Eval	\$5,900.00
St Croix SP	Building System Eval	\$5,200.00
St Croix SP	Building System Eval	\$7,200.00
St Croix SP	Building System Eval	\$4,500.00
St. Croix SP	Repair storm damage	\$464,115.00
St. Croix SP	Repair and rebuild multi bldgs St. John's Group Camp	\$500,000.00
St. Croix SP	Repair multi bldgs St. John's Group Camp	\$300,000.00
St. Croix SP	Reroof 2 bldgs St. John's Group Camp	\$50,000.00
St. Croix SP	Chimney restoration	\$15,885.00
St. Croix SP	Reshingle multiple bldgs	\$90,000.00
St. Croix SP	Replace Radio Tower	\$80,000.00
St. Paul Hatchery	Replace hatchery well	\$15,000.00
Temperence River SP	Building System Eval	\$5,300.00
Tettegouche SP	Repair/replace joists & subfloor at cabin	\$50,000.00
Tettegouche SP	Replace foundation and floor at lodge	\$110,000.00
Tettegouche SP	Building System Eval	\$5,100.00
Tettegouche SP	Replace furn , water heater camp sanitation bldg	\$12,500.00
Thief Lake WMA	Upgrade lighting B10067, B10068, B10069, B10461	\$6,444.00
Thief Lake WMA B10081	Upgrade lighting B10081	\$2,000.00
Tower	Recommission, upgrade energy mgmt system	\$65,000.00
Tower co-located	Lighting upgrade, weatherstripping, insulation replace	\$23,000.00
Two Harbors	Recommission, upgrade energy mgmt system, upgrade VAVs	\$95,000.00
Walker Fisheries	Upgrade lighting	\$1,075.00
Wannaska Forestry	Upgrade lighting	\$3,059.00
Washburn Lake Forestry	Upgrade lighting	\$1,965.00

Table One
Department of Natural Resources Projects Funded in CY11 using the FY12 Natural Resources Asset Preservation and Replacement (NRAPR)

Site Location	Project Description	AP Funds
Waskish Hatchery	Repair/replace building envelop	\$100,000.00
Waterville	Replace roof at cold storage	\$25,000.00
Whitewater SP	Replace HVAC at Contact Station	\$125,000.00
Wild River SP	Replace 2 vault toilets	\$40,000.00
Wild River SP	Replace/repair site access - office & trail center	\$65,000.00
Wild River SP	Repair/replace sidewalks at trail center, visitor center, contact sta.	\$50,000.00
Williams	Replace entrance & access path at office	\$10,000.00
Zipple Bay SP	Reroof	\$12,807.00
Total Statewide Approved Asset Preservation Projects		\$14,321.429.75

Table Two

**Department of Natural Resources Projects Funded in CY11 using the FY06, FY08
and FY10 Asset Preservation Appropriations**

Site Location	Project Description	AP Funds
MN Sports Shooting Ctr	Site Consolidation	\$520,568.00
R2 HQ	Fire Alarm / PA System Project	\$45,000.00
Eveleth	Windows and siding	\$32,800.00
St Croix SP	Log Restoration	\$91,554.57
Total Statewide Approved Asset Preservation Projects		\$689,922.57

Table Three

Priority Projects for which Natural Resource Asset Preservation Funding is being Sought in FY12

\$10M DNR 2012 Bonding		
Category	Amount (in thousands)	Location
Asset Preservation		Statewide at many of DNR's 2,700 buildings and 4,000 recreational sites.
Building Facilities - safety & health, building code, roofs, windows, septic, water, mechanical and electrical systems	4,000	Building Facilities: Statewide at Parks such as Itasca, Glacial Lakes, McCarthy Beach, Beaver Creek, Lac Qui Parle; Hatcheries such as Lanesboro and Bemidji, Wildlife Management Areas such as Talcott Lake, and Forestry, such as Carlos Avery, and Regional and Area Offices
ADA Improvements at recreational facilities	750	Statewide as identified in DNR's ADA Transition plan which is currently being updated
Energy savings retrofits and renewable energy system installations in support of DNR's Sustainability Plan and the Governor's Executive Orders	1,000	Multiple sites around the state, such as Itasca and Wild River State Parks, and DNR sites in Cambridge, Park Rapids, Hutchinson, Lanesboro, and Forest Lake (Carlos Avery)
Recreational Facilities: Non-building natural resources assets built on the ground such as trails, bridges, etc.	1,750	Recreational Facilities: Statewide on lakes, along trails, in state forests, at WMAs, etc
Marinas on Lake Superior	1,000	Address safety and ADA issues at Knife River and other DNR marinas
DNR fish pond and displays	1,500	MN State Fair

APPENDIX A

84.946 NATURAL RESOURCES ASSET PRESERVATION AND REPLACEMENT (NRAPR).

Subdivision 1. Purpose.

The legislature recognizes that the Department of Natural Resources owns and operates capital assets that in number, size, and programmatic use differ significantly from the capital assets owned and operated by other state departments and agencies. However, the legislature recognizes the need for standards to aid in categorizing and funding capital projects. The purpose of this section is to provide standards for those natural resource projects that are intended to preserve and replace existing facilities.

Subd. 2. Standards.

(a) An appropriation for asset preservation may be used only for a capital expenditure on a capital asset previously owned by the state, within the meaning of generally accepted accounting principles as applied to public expenditures. The commissioner of natural resources will consult with the commissioner of management and budget to the extent necessary to ensure this and will furnish the commissioner of management and budget a list of projects to be financed from the account in order of their priority. The legislature assumes that many projects for preservation and replacement of portions of existing capital assets will constitute betterments and capital improvements within the meaning of the Constitution and capital expenditures under generally accepted accounting principles, and will be financed more efficiently and economically under this section than by direct appropriations for specific projects.

(b) An appropriation for asset preservation must not be used to acquire land or to acquire or construct buildings or other facilities.

(c) Capital budget expenditures for natural resource asset preservation and replacement projects must be for one or more of the following types of capital projects that support the existing programmatic mission of the department: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; building energy efficiency improvements using current best practices; building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; or renovation of other existing improvements to land, including but not limited to trails and bridges.

(d) Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Subd. 3. Reporting priorities.

The commissioner of natural resources must establish priorities within its natural resource asset preservation and replacement projects. By January 15 of each year, the commissioner must submit to the commissioner of management and budget and to the chairs of the house of representatives and senate committees with jurisdiction over environment and natural resources finance and capital investment a list of the projects that have been paid for with money from a natural resource asset preservation and replacement appropriation during the preceding calendar year as well as a list of those priority projects for which natural resource asset preservation and replacement appropriations will be sought in that year's legislative session.

History: 2009 c 93 art 1 s 25; 2009 c 101 art 2 s 109