



DATE: January 15, 2014
TO: Distribution list attached – Per M.S. 16B.307, subd. 2
FROM: Spencer Cronk, Commissioner
SUBJECT: **2013 Asset Preservation Summary Report (AP)**

Pursuant to Minnesota Statutes 16B.307, subd. 2, attached is the Asset Preservation (AP) Summary Report. This report is a list of projects funded from AP appropriations during calendar year 2013.

Attachment

c: Governor Mark Dayton
Legislative Reference Library (2)

Department of Administration
Commissioner's Office
200 Administration Building, 50 Sherburne Avenue, Saint Paul, MN 55155
Phone: 651.201.2555 / Fax: 651.297.7909 / MN Relay Service: 1.800.627.3529

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ASSET PRESERVATION (AP) SUMMARY REPORT

For Calendar Year 2013

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Department of Administration
Real Estate and Construction Services
Voice 651.201.2550
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Cost to prepare this report: \$600

Reporting requirements

Minnesota Statutes 16B.307, subd. 2 (see Appendix 1), 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 that were funded from Asset Preservation appropriations during the preceding calendar year; and
- A list of priority projects for which an AP appropriation will be sought during this year’s legislative session.

Funding summary

The Department of Administration received the following AP funding for the preservation of Capitol Complex buildings and infrastructure:

- \$2.5 million in FY05
- \$5 million in FY06
- \$0 in FY08
- \$8.075 million in FY10
- \$8.15 million in FY11
- 500 million in FY12

The Department of Administration also manages AP fund appropriations on behalf of other state agencies. The following is a summary of AP funds appropriated in fiscal years 2009, 2010, 2011 and 2012 that have been expended on projects in calendar year 2013. The tables that follow list specific projects that received funding.

FY09	Department of Corrections	\$ 9,000.00
	Department of Human Services	1,127,041.93
FY10	Department of Corrections	\$ 925,900.00
	Minnesota State Academies	82,595.00
	Minnesota Veterans Homes*	150,000.00
	Department of Veterans Affairs*	
FY11	Department of Administration	\$ 600,000.00
	Department of Corrections	2,379,010.19
	Minnesota State Academies	526,000.00
	Department of Human Services	1,424,595.10
FY12	Department of Administration	\$ 25,000.00
	Department of Corrections	1,200,000.00
	Minnesota State Academies	990,000.00
	Department of Veterans Affairs	1,317,750.00
	Department of Human Services	155,000.00

ASSET PRESERVATION (AP) FUNDING REQUESTS & PRIORITY PROJECTS

All State agencies will submit their 2014 AP appropriation requests to the Governor who will review and submit final requests to the legislature at the beginning of the 2014 session.

All final appropriation requests from agencies are posted on Minnesota Management and Budget's website at: <http://www.mmb.state.mn.us/4082>

TABLE ONE
Projects funded in CY13 using the FY09 AP appropriations

Agency	Location	Description	Allocation	Agency Total
Department of Corrections				
78OP0014	MCF - Oak Park Heights	Replace electric meters	9,000.00	
Total				\$9,000.00
Department of Human Services				
55SR0020	SPRTC	Abate Shantz Hall	160,541.93	
55SR0014	SPRTC	Upgrade Shantz Hall	321,000.00	
55ML0009	MSOP-ML	Exterior wall management plan	16,800.00	
55ML0010	MSOP-ML	Roof management plan	8,700.00	
55AK0012	AMRTC	Remodel transformers & emergency power	200,000.00	
55SR0037	SPRTC	Cooling tower chiller	200,000.00	
55AK0013	AMRTC	Seal coat all parking lots	100,000.00	
78ML0023	MSOP-ML	Replace water tower	120,000.00	
Total				\$1,127,041.93
Grand Total				\$1,136,041.93

Acronyms:

AMRTC – Anoka-Metro Regional Treatment Center
 SPRTC – St. Peter Regional Treatment Center
 MSOP-ML – Minnesota Sex Offender Program–Moose Lake
 MCF – Minnesota Correctional Facility

TABLE TWO
Projects funded in CY13 using the FY10 AP appropriations

Agency	Location	Description	Allocation	Agency Total
Department of Corrections				
78RC0007	MCF-Rush City	Improve energy use campus wide	25,900.00	
78RC0007	MCF-Rush City	Repair exterior paving	67,930.00	
78RC0005	MCF-Rush City	Repair boiler chiller pump VFD	7,070.00	
78RC0010	MCF-Rush City	Pre-design master control	25,000.00	
78SC0031	MCF-St. Cloud	Upgrade sewer exhaust system	800,000.00	
Total				\$925,900.00
Minnesota State Academies	Faribault			
44FA0019	Deaf Academy	Upgrade generator emissions	51,595.00	
44BA0014	Blind Academy	Lysen-Gillen music room temp controls	6,000.00	
44BA0016	Blind Academy	Lauritsen Gym-Noyes Hall stone repair	25,000.00	
Total				\$82,595.00
Minnesota Veterans Homes				
75FF0008	Fergus Falls	Renovate CBOC	65,000.00.00	
75MP0044	Minneapolis	Repair B-10 basement	60,000.00	
75NL0008	Luverne	Chiller replacement	25,000.00	
Total				\$150,000.00
Grand Total				\$1,158,495.00

TABLE THREE
Projects funded in CY13 using the FY11 AP appropriations

Agency	Location	Description	Allocation	Agency Total
Administration				
02CO0006	Centennial Office	MN-IT Hub room	600,000.00	
Total				\$600,000.00
Department of Corrections				
78RC0006	Rush City	Replace health services flooring	29,108.20	
78SC0033	St. Cloud	Repair LU-A east wall plaster	100,000.00	
78SC0016	St. Cloud	Radio room repairs	212,000.00	
78LL00168	Lino Lakes	Renovate K4 & K3 C-wing bathrooms	650,000.00	
78SW0022	Stillwater	Abate A-East and B-East alcove entrances	7,104.99	
78SH0019	Shakopee	Replace hot water boiler	10,000.00	
78SH0017	Shakopee	Install Bethune camera pole	15,000.00	
78ML0040	Moose Lake	Replace summer boiler	612,197.00	
78SW0018	Stillwater	Upgrade elevators K, N and Q Shops	578,000.00	
78RW0017	Red Wing	Replace Industry Bldg. DA tank	5,600.00	
78TH0009	Thistledeew	Replace Alice O'Brien School boilers	100,000.00	
78ML0044	Moose Lake	Replace Industry Bldg. boiler	60,000.00	
Total				\$2,379,010.19
Minnesota State Academies				
44BA0016	Blind Academy	Replace playgrounds	41,000.00	
44BA0013	Blind Academy	Repair Tate Hall exterior	70,000.00	
44BA0015	Blind Academy	Repair Lauritsen & Noyes Halls stone	240,000.00	
44BDA0017	Deaf Academy	Replace Noyes stage curtain & equip	175,000.00	
Total				\$526,000.00
Department of Human Services				
55AK0011	AMRTC	Replace Unit-A roof	1,217,600.00	
55SR0035	SPRTC	Asbestos abate laundry HVAC	13,140.00	
55SR0014	SPRTC	Upgrade Shantz Hall	98,000.00	
55AK0014	AMRTC	Upgrade ARMER radio system	95,855.10	
Total				\$1,424,595.10
Grand Total				\$4,929,605.29

TABLE FOUR
Projects funded in CY13 using the FY12 AP appropriations

Agency	Location	Description	Allocation	Agency Total
Administration				
02CB0026	Capitol Building	House media cooling	25,000.00	
Total				\$25,000.00
Department of Corrections				
78SW0011	MCF-Stillwater	Demo old well and seal	1,200,000.00	
Total				\$1,200,000.00
Minnesota State Academies				
44BA0013	Blind Academy	Repair Tate Hall exterior	990,000.00	
Total				\$ 990,000.00
Department of Veterans Affairs				
75SB0011	Silver Bay	Remodel med room	87,500.00	
75SB0010	Silver Bay	Add temp controls to DDC	62,500.00	
75HA0020	Hastings	Replace transformer, chiller & AC	204,500.00	
75MP0035	Minneapolis	Remodel clinic space	55,000.00	
75MP0010	Minneapolis	Renovate Bldg 16	136,250.00	
75LF0003	Little Falls	Upgrade water conditioning, HVAC	22,000.00	
75LF0004	Little Falls	Repair asphalt	35,000.00	
75MP0045	Minneapolis	Repair B-16 fence and erosion control	65,000.00	
75MP0046	Minneapolis	Replace main sewer	650,000.00	
Total				\$1,317,750.00
Department of Human Services				
55SR0038	SPRTC	Clean Sunrise ductwork	55,000.00	
55SP0002	Como Ave	Remodel staff area	100,000.00	
Total				\$ 155,000.00
Grand Total				\$3,687,750.00

APPENDIX 1 (One)

16B.307 ASSET PRESERVATION APPROPRIATIONS.

Subdivision 1. Standards.

Article XI, section 5, clause (a), of the Constitution requires that state general obligation bonds be issued to finance only the acquisition or betterment of public land, buildings, and other public improvements of a capital nature. Money appropriated for asset preservation, whether from state bond proceeds or from other revenue, is subject to the following additional limitations:

(a) An appropriation for asset preservation may not be used to acquire new land nor to acquire or construct new buildings, additions to buildings, or major new improvements.

(b) 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 administration 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.

(c) Categories of projects considered likely to be most needed and appropriate for asset preservation appropriations are the following:

(1) projects to remove life safety hazards, like building code violations or structural defects.

Notwithstanding paragraph (a), a project in this category may include an addition to an existing building if it is a required component of the hazard removal project;

(2) projects to eliminate or contain hazardous substances like asbestos or lead paint;

(3) major projects to replace or repair roofs, windows, tuckpointing, mechanical or electrical systems, utility infrastructure, tunnels, site renovations necessary to support building use, and structural components necessary to preserve the exterior and interior of existing buildings; and

(4) projects to renovate parking structures.

(d) Up to ten percent of an appropriation subject to this section may be used for design costs for projects eligible to be funded under this section in anticipation of future asset preservation appropriations.

Subd. 2. Report.

By January 15 of each year, the commissioner of an agency that has received an appropriation for asset preservation shall submit to the commissioner of management and budget, the chairs of the legislative committees or divisions that currently oversee the appropriations to the agency, and to the chairs of the senate and house of representatives Capital Investment Committees, a list of the projects that have been funded with money under this program during the preceding calendar year, as well as a list of those priority asset preservation projects for which state bond proceeds fund appropriations will be sought during that year's legislative session.