



ASSET PRESERVATION SUMMARY REPORT

Department of Administration

January 2011

This information will be made available in alternate format,
for example, large print, Braille, or cassette tape, upon request
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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.
- 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 Fiscal Year (FY) 2005
- \$5 million in FY06
- \$6.75 million in FY10
- There was no appropriation in FY08

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 2005, 2006, 2008, 2009 and 2010 that have been expended on projects in calendar year 2010. The tables that follow list specific projects that received funding.

FY2005	Department of Administration	\$14,916
	Department of Human Services	\$92,001
FY2006	Department of Administration	\$1,283,961
	Perpich Center for Arts Education	\$25,058
FY2008	Department of Corrections	\$1,229,545
	Minnesota State Academies	\$384,743
	Minnesota Veterans Homes*	\$575,067
	Perpich Center for Arts Education	\$15,758
	Department of Human Services	\$484,042
FY2009	Department of Corrections	\$1,794,150
	Minnesota Veterans Homes*	\$950,000
FY2010	Department of Administration	\$830,000
	Department of Corrections	\$5,580,000
	Minnesota State Academies	\$625,000
	Minnesota Veterans Homes*	\$1,983,405

*Department of Veterans Affairs

TABLE ONE
Projects funded in CY10 with FY05 appropriations

	Location	Description	Allocation	Agency Total
Administration				
02202GDL	Capitol Complex	Scada upgrade	14,916.03	
Total				\$14,916.03
Department of Human Services				
55402SRP	SPRTC	Abate Bartlett Hall basement floor	8,806.75	
55380SRL	SPRTC	Upgrade master control system	48,988.69	
55408SRP	SPRTC	Asbestos abatement Pexton dental lab	8,546.25	
55405SPP	AMRTC	Replace Como Apt roof	25,659.34	
Total				\$92,001.03
Grand Total				\$106,917.06

TABLE TWO
Projects funded in CY10 with FY06 appropriations

	Location	Description	Allocation	Agency Total
Administration				
02286SOP	State Office Bldg	Waterproof and reset east entrance steps	199,150.78	
02462CBP	Capitol Building	Exterior dome repair	1,084,810.70	
Total				\$1,283,961.48
Perpich Center for Arts Education				
25055GVP	PCAE	Repair kitchen exhaust duct	25,057.99	
Total				\$25,057.99
Grand Total				\$1,309,019.47

TABLE THREE
Projects funded in CY10 with FY08 appropriations

	Location	Description	Allocation	Agency Total
Department of Corrections				
78830OPP	Oak Park Heights	Replace ductwork phase 3	292,020.00	
78833SWP	Stillwater	Asbestos abatement-pipes in bldg 18	50,000.00	
78845MLP	Moose Lake	Repair corridor to units 8 & 10	60,000.00	
78847LLP	Lino Lakes	Replace TRIAD roof	548,000.00	
78853SCP	St. Cloud	Study structural integrity of tuck-under garage	59,525.00	
78865RWP	Red Wing	Update Administration elevator	140,000.00	
78863RWP	Red Wing	Replace exterior doors	80,000.00	
	Total			\$1,229,545.00
Minnesota State Academies				
44106FAP	Faribault	Replace sidewalks and drives	158,363.89	
44104DAP	Deaf Academy	Replace carpet in Smith, Quinn & Noyes	40,378.75	
44107FAP	Faribault	Improve Seitz field	100,000.00	
44105FAP	Faribault	Replace lighting in Gillen and Lauritsen gyms	70,000.00	
44115BAP	Blind Academy	Replace Lysen intercom	16,000.00	
	Total			\$384,742.64
Minnesota Veterans Homes				
75036LNP	Luverne	Upgrade fire system	83,999.00	
75038MPP	Minneapolis	Correct door installation per fire marshall	5,430.00	
75039HAP	Hastings	Install used generator	40,000.00	
75041HAP	Hastings	Study Bldg 25 duct work for water infiltration	4,250.00	
75044MPP	Minneapolis	Replace cooling coils emergency	18,181.07	
75049MPC	Minneapolis	Building 6 tub room walls mold	60,000.00	
75050MPP	Minneapolis	B-17 HVAC, B-6 hot water lines, generator	10,000.00	
75056HAP	Hastings	replace Bldg 23 roof	46,080.48	
75059HAP	Hastings	install fire lane gates at Bldg 23	11,744.00	
75062MPP	Minneapolis	Replace concrete sidewalks around b-10	14,130.00	
76279MPL	Minneapolis	Remodel Bldgs 15, 18 and warehouse for life safety and egress	48,252.00	
75043LNP	Luverne	Install patient lifts in two bedrooms	18,000.00	
75009MPP	Minneapolis	AP funds added to Bldg 9 Project	215,000.00	
	Total			\$575,066.55

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**TABLE THREE – Continued from previous page
Projects funded in CY10 with FY08 appropriations**

	Location	Description	Allocation	Agency Total
Perpich Center for Arts Educ.				
25055GVP	Golden Valley	Repair kitchen exhaust duct	15,757.91	
Total				\$15,757.91
Department of Human Resources				
55387SPP	Como Ave Apt	Repair structure stability	40,594.80	
55398MLP	MLRTC	Overhaul two chillers at MSOP	62,109.00	
55403MLP	MLRTC	Repair two cooling towers	38,065.00	
55404SRP	SPRTC	Abate Bartlett Hall pipe chases	28,894.10	
55405SPP	Come Ave Apt	Replace roof	37,416.06	
55406BRP	BRRTC	Abate and replace floors B-22	37,221.64	
55380SRL	SPRTC	Upgrade master control	39,836.63	
55338SRL	SPRTC	Replace exterior concrete	36,995.68	
55415BRP	BRHSC	Emergency abatement of B-22 pipes	15,000.00	
55417SRP	SPRTC	Repair power plant structure	76,609.08	
55355CAP	CRTC	Replace METO Admin Chiller	71,300.00	
Total				\$484,041.99
Grand Total				\$2,689,154.09

TABLE FOUR
Projects funded in CY10 with FY09 appropriations

	Location	Description	Allocation	Agency Total
Department of Corrections				
78826LLP	Lino Lakes	Replace roof on J1 & J2	352,200.00	
78812LLP	Lino Lakes	Upgrade water tower	132,350.00	
78841SCP	St. Cloud	Replace roof on food service laundry building	597,850.00	
78842SCP	St. Cloud	Replace roof on warehouse, dining room bldg	462,150.00	
78855SCP	St. Cloud	Design for facility wide tuck-pointing	25,000.00	
78857SCP	St. Cloud	Tuck-point living units A and C	40,000.00	
78853SCP	St. Cloud	Study structural integrity of tuck under garage	21,475.00	
78873MLP	Moose Lake	Abate Bldg 50 sub-basement	30,000.00	
78876MLP	Moose Lake	Asbestos abate B-65 floor tile	15,000.00	
78885MLP	Moose Lake	Repair dining hall floor	30,000.00	
78902MLP	Moose Lake	Upgrade well #1 and chemical feed	36,125.00	
78903MLP	Moose Lake	Upgrade elevator pistons	52,000.00	
	Total			\$1,794,150.00
Minnesota Veterans Homes				
75042MPP	Minneapolis	HVAC/waterproof Bldg 4	600,000.00	
75018HAP	Hastings	Roof replacement	311,073.13	
75056HAP	Hastings	Replace Bldg 23 roof	38,926.87	
	Total			\$950,000.00
Grand Total				\$2,744,150.00

TABLE FIVE
Projects funded in CY10 with FY10 appropriations

	Location	Description	Allocation	Agency Total
Administration				
02668CPP	Capitol Complex	Repair University Ave retaining wall	500,000.00	
02689CBP	Capitol Building	Study Capitol Bldg Asset Preservation	100,000.00	
02706CBP	Capitol Building	Replace or repair French doors	30,000.00	
02674CPP	Capitol Complex	Parking lots, ramps, bldg access	200,000.00	
	Total			\$830,000.00
Department of Corrections				
78858FAP	Faribault	Upgrade fire alarm systems Sycamore and Pine	319,000.00	
78860FAP	Faribault	Replace master control doors and sliders	155,000.00	
78859FAP	Faribault	Replace doors and windows Linden, Willow, Pine, Aspen	30,000.00	
78856SCP	St. Cloud	Replace Unit C steam heat	135,000.00	
78837SWP	Stillwater	Repair dining hall ceiling	100,000.00	
78872WRP	Willow River	Upgrade CIP hot water storage	80,000.00	
78871MLP	Moose Lake	Replace Industry bldg roof	1,327,000.00	
78870MLP	Moose Lake	Tuck-point Bldgs H, 1, 2, 3, 4, Power House	30,000.00	
78862RWP	Red Wing	Replace cabinet ship roof	80,000.00	
78864RWP	Red Wing	Replace roofs on five living units	900,000.00	
78867SHP	Shakopee	Replace F Bldg Roof	245,000.00	
78866SHP	Shakopee	Replace Core Bldg chiller	300,000.00	
78863RWP	Red Wing	Replace exterior doors	80,000.00	
78879THP	Thistledew	Design Ed Bldg HVAC Controls	25,000.00	
78875SWP	Stillwater	Replace cell block D windows	1,494,000.00	
78894LLP	Lino Lakes	K3 bathroom renovation	100,000.00	
78901LLP	Lino Lakes	Replace J3 Roof	180,000.00	
	Total			\$5,580,000.00
Minnesota State Academies				
44109DAP	Deaf Academy	Replace tennis courts	200,000.00	
44106FAP	Faribault	Sidewalk replacement	50,000.00	
44110FAP	Faribault	Replace roofs Pollard, Mott and physical plant	375,000.00	
	Total			\$625,000.00

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TABLE FIVE – Continued from previous page
Projects funded in CY10 with FY10 appropriations

	Location	Description	Allocation	Agency Total
Minnesota Veterans Homes				
75051MPP	Minneapolis	Repair Bldg 10 water line	2,000.00	
76248MPP	Minneapolis	MCWD stormwater improvements	164,255.00	
75055LFP	Little Falls Cemetery	Replace Bldg 2 floors	25,000.00	
75053MPP	Minneapolis	Replace Bldg 16 Elevator roof	30,000.00	
75052LNP	Luverne	Misc. repair projects	400,000.00	
75057SBP	Silver Bay	Remodel activities kitchen	200,000.00	
75058HAP	Hastings	Upgrade chilled water cooling coils	108,000.00	
75061SBC	Silver Bay	Remove 500 gallon UST	23,500.00	
75067HAP	Hastings	Replace 27 supervisory valves	30,000.00	
75066FFP	Fergus Falls	Reroof and rebuild Bldg 2	95,000.00	
75064FFP	Fergus Falls	reconstruct parking lot	80,000.00	
75065FFP	Fergus Falls	Upgrade storm sewer pond	150,000.00	
75068HAP	Hastings	Upgrade storm sewer	320,000.00	
75069MPP	Minneapolis	Study bridge #5756	24,000.00	
75070MPP	Minneapolis	Repair bridge #5756	30,000.00	
76280SBP	Silver Bay	Security, parking lot, drainage	280,000.00	
75071HAP	Hastings	Install WP Membrane Flashing	4,300.00	
75072FFP	Fergus Falls	Commission new chiller	3,000.00	
75073MPP	Minneapolis	Repair parking lot by Bldg. 15	12,350.00	
	Total			\$1,981,405.00
	Grand Total			\$9,016,405.00

APPENDIX 1

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.

History: [2006 c 258 s 30](#); [2009 c 101 art 2 s 109](#)

APPENDIX 2

Laws affecting Asset Preservation Account Projects

Minnesota Statute 16B.335

Subdivision 1. **Construction and major remodeling.**

(a) The commissioner, or any other recipient to whom an appropriation is made to acquire or better public lands or buildings or other public improvements of a capital nature, must not prepare final plans and specifications for any construction, major remodeling, or land acquisition in anticipation of which the appropriation was made until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate Finance Committee and the chair of the house of representatives Ways and Means Committee and the chairs have made their recommendations, and the chair of the house of representatives Capital Investment Committee is notified. "Construction or major remodeling" means construction of a new building, a substantial addition to an existing building, or a substantial change to the interior configuration of an existing building. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted or from the predesign submittal. The program plans and estimates must be presented for review at least two weeks before a recommendation is needed. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation. The chairs of the senate Finance Committee and the house of representatives Capital Investment and Ways and Means Committees must also be notified whenever there is a substantial change in a construction or major remodeling project, or in its cost.

(b) Capital projects exempt from the requirements of this subdivision include demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, parking structures, park and ride facilities, bus rapid transit stations, light rail lines, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer separation projects, water and wastewater facilities, port development projects for which the commissioner of transportation has entered into an assistance agreement under section [457A.04](#), ice centers, a local government project with a construction cost of less than \$1,500,000, or any other capital project with a construction cost of less than \$750,000.

Subd. 2. **Other projects.**

All other capital projects for which a specific appropriation is made must not proceed until the recipient undertaking the project has notified the chairs of the senate Finance Committee and the house of representatives Capital Investment and Ways and Means Committees that the work is ready to begin. Notice is not required for capital projects needed to comply with the Americans with Disabilities Act, for asset preservation projects to which section [16B.307](#) applies, or for projects funded by an agency's operating budget or by a capital asset preservation and replacement account under section [16A.632](#), or a higher education asset preservation and replacement account under section [135A.046](#).

Subd. 3. **Predesign requirement.** The definitions in paragraphs (a) and (b) apply to this section.

(a) "Predesign" means the stage in the development of a project during which the purpose, scope, cost, and schedule of the complete project are defined and instructions to design professionals are produced.

(b) "Design" means the stage in the development of a project during which schematic, design development, and contract documents are produced.

(c) A recipient to whom an appropriation is made for a project subject to review under subdivision 1 or notice under subdivision 2 shall prepare a predesign package and submit it to the commissioner for review and recommendation before proceeding with design activities. The commissioner must complete the review and recommendation within ten working days after receiving it. Failure to review and recommend within the ten days is considered a positive recommendation. The predesign package must be sufficient to define the purpose, scope, cost, and schedule of the project and must demonstrate that the project has been analyzed according to appropriate space needs standards. All predesign, design, and construction projects shall include consideration of the state of Minnesota's correctional industries program, MINNCOR Industries, consistent with section [16B.181, subdivision 2](#), paragraph (c), in predesign planning and product specifications.

(d) This subdivision does not apply to capital projects for park buildings owned by a local government unit in the metropolitan area defined in section [473.121, subdivision 2](#).