



# Capital Budget Briefing

Minnesota Department of Military Affairs

Don Kerr, Executive Director, Minnesota Department of Military Affairs



# DMA Capital Budget Request 2018-19

| PRIORITY | PROJECT   | STATE COST<br>(\$ in thousands) |
|----------|---|---------------------------------|
| #1       | *St Cloud Readiness Center Repair/Restoration and Expansion | \$4,450 M                       |
| #2       | Wadena Readiness Center Repair/Restoration                  | \$2,157 M                       |
| #3       | *Brainerd Readiness Center Repair/Restoration               | \$4,143 M                       |
| #4       | Grand Rapids Readiness Center Repair/Restoration            | \$2,126 M                       |
| #5       | Rosemount Readiness Center Repair/Restoration               | \$10,507 M                      |
| #6       | Fergus Falls Readiness Center Repair/Restoration            | \$2,195 M                       |
|          | <b>TOTAL REQUEST</b>  | <b>\$25,578 M</b>               |

\*Submitted previously

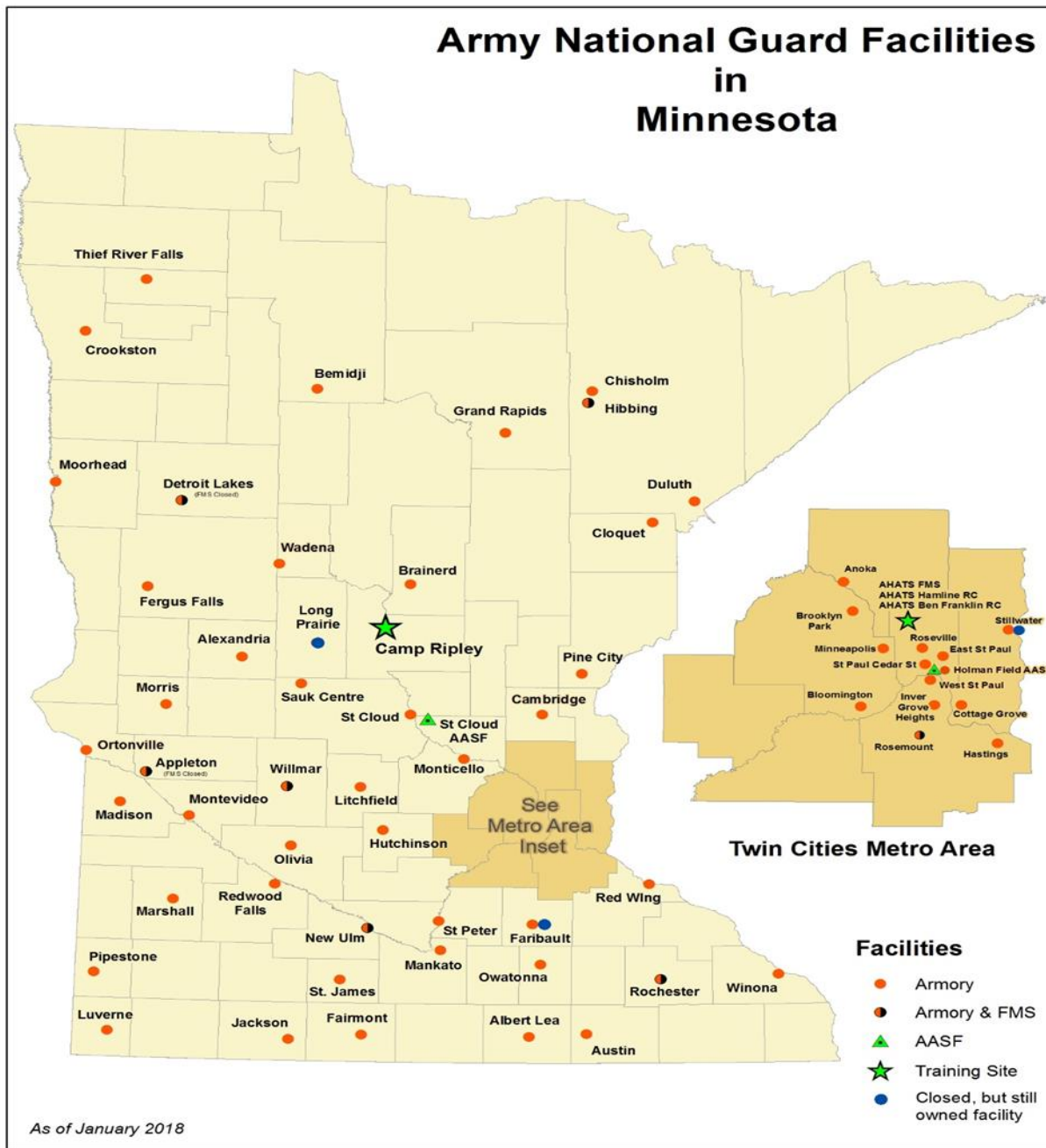


# Agenda

- Funding History
  - Facility Locations
  - Historical Maintenance Spending
  - Impact of Budget Gap
  - Capital Investment History
- Maintenance Backlog
- 2018 Capital Investment Recommendation
  - Project Detail
- Strategy for Sustainable Infrastructure
  - Readiness Center Transformation Master Plan



## Army National Guard Facilities in Minnesota



As of January 2018

## Armories by Decade

- 1910-1919 – 3
- 1920-1929 – 6
- 1930-1939 – 2
- 1940-1949 – 0
- 1950-1959 – 15
- 1960-1969 – 4
- 1970-1979 – 13
- 1980-1989 – 9
- 1990-1999 – 5
- 2000-2009 – 3
- 2010-present - 4



# IMPACT OF BUDGET GAP

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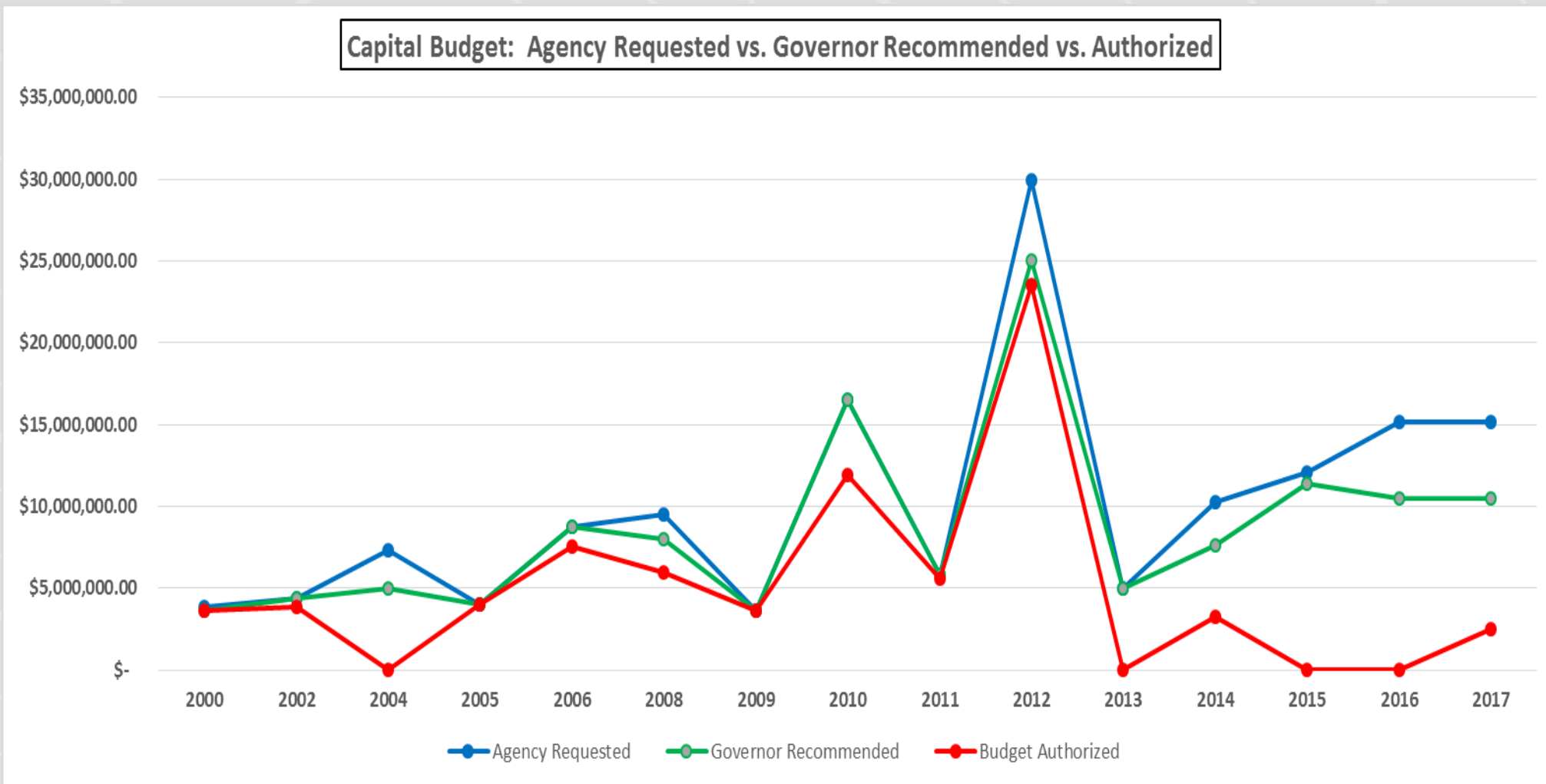
## Impact of Gap between Available Resources and Operation Costs

1. **Insufficient base operating budget in the Maintenance Appropriation over several previous years.**
2. **Facilities conditions continue to degrade, the rate of decline slows due to increase in Maintenance Appropriation, but still significant without predictive Capital Bonding funding.**
3. **41% (27 of 65) of Facilities are “Poor” or “Failing” on Facility Condition Index**
4. **Restricted federal match funding for maintenance**



# MAINTENANCE COST PRESSURES

## DMA Capital Budgets – Agency Requested vs. Governor Recommended vs. Authorized





# DMA Maintenance Backlog

- Total Backlog\*: \$144,155,508
- State Share of Backlog: \$72,077,754
- Federal Share of Backlog: \$72,077,754

|                              | <b>Facilities Condition Index Rating</b> |              |              |              |                  |
|------------------------------|--|--------------|--------------|--------------|------------------|
|                              | <b>TOTAL</b>                             | <b>POOR</b>  | <b>FAIR</b>  | <b>GOOD</b>  | <b>EXCELLENT</b> |
| <b>BLDG COUNT</b>            | 65                                       | 27           | 22           | 14           | 2                |
| <b>Deferred Maint (\$'s)</b> | \$144,155,508                            | \$90,587,667 | \$37,395,145 | \$15,299,245 | \$873,450        |



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# St. Cloud Readiness Center

LOCATION: St Cloud

Priority: 1

DESCRIPTION: : Renovation of St Cloud Readiness Center includes replacement of doors, replacement of mechanical, electrical, telecom and data systems, tuck pointing of exterior, and window replacement. Upgrades include rest rooms, locker rooms and showers (both male and female), Building Code and ADA compliance items, individual equipment lockers, and force protection upgrades. Project includes a 1,500 SF addition for classroom and administrative use.

COST: \$8,900,000

SOURCE OF FUNDS:

State: \$4,450,000

Federal: \$4,450,000

**HISTORY:** This 58 year old facility has never received a comprehensive rehabilitation. Currently, this facility has 310 soldiers assigned (MNARNG Command Plan). There is a 40% space shortfall according to current criteria standards based on the units assigned to this facility. The indoor firing range was converted to storage in 2007 and the HVAC system is heat based only with cooling coming from window, energy inefficient units that have short lifecycles. The facility is not compliant with ADA requirements, fire suppression and asbestos remediation. There are no long term plans to replace or abandon it in the next 20 years.



Facility Condition Index: **54(Poor)**

**Justification:**

The facility has a 'Poor' rating from a 2017 Facility Condition Assessment (FCA). Utilizing this information, JFMN-FMO staff in conjunction with the current and future users, conducted an in depth facility analysis to identify the improvements that would extend/enhance facility life and value and have the most favorable impact on the 'quality of life' of the assigned Soldiers and to the community in which the Readiness Center resides.



# Wadena Readiness Center

LOCATION: Wadena

PRIORITY: 2

DESCRIPTION: Renovation of Wadena Readiness Center includes replacement of doors, replacement of mechanical, electrical, telecom and data systems, window replacement, partial roof replacement, exterior tuck-pointing, replace boiler, and repair exterior drainage issues. Upgrades include rest rooms, locker rooms and showers (both male and female), Building Code and ADA compliance items, individual equipment lockers, and force protection upgrades

COST: \$4,314,000

SOURCE OF FUNDS:

State: \$2,157,000

Federal: \$ 2,157,000

**HISTORY:** This 62 year old facility has never received a comprehensive rehabilitation. Currently, this facility has 69 soldiers assigned (MNARNG Command Plan). There are no long term plans to replace or abandon it in the next 20 years.



Facility Condition Index: **61(Poor)**

**Justification:**

The facility has a 'Poor' rating from a 2017 Facility Condition Assessment (FCA). The facility is not compliant with ADA requirements, fire suppression and asbestos remediation. The HVAC system is heat based only with cooling coming from energy inefficient units, that have short lifecycles.



# Brainerd Readiness Center

LOCATION: Brainerd

PRIORITY: 3

DESCRIPTION: Renovation of Brainerd Readiness Center includes replacement of doors, restoration of latrines, showers and locker rooms, replacement of mechanical, electrical, telecom and data systems, tuck pointing of exterior, and parking lot renovation. Modernization includes to criteria locker rooms and showers (both male and female), Building Code and ADA compliance items, and individual equipment lockers.

COST: \$8,286,000

SOURCE OF FUNDS:

State: \$4,143,000

Federal: \$4,143,000

**HISTORY:** This 29 year old Armory has never received a comprehensive rehabilitation. The indoor firing range was converted to storage in 2007. FMO staff and current users are conducting an in depth facility analysis to determine improvements that would extend/enhance facility life and value that would positively impact Soldiers and to the community.



Facility Condition Index:

61(Poor)

**Justification:**

The ISR consistently rates this building “Red” for both mission and quality. The HVAC system is heat based only with cooling coming from energy inefficient units, that have short lifecycles. The facility is not compliant with ADA, fire suppression, mass notification requirements. This facility does not meet B3 requirements due to high demand mechanical components, and inadequate insulation.



# Grand Rapids Readiness Center

LOCATION: Grand Rapids

PRIORITY: 4

DESCRIPTION: Renovation of the Grand Rapids Readiness Center includes replacement of doors, replacement of mechanical, electrical, telecom and data systems, window replacement, partial roof replacement, exterior tuck-pointing, replace boiler, and repair exterior drainage issues. Upgrades include rest rooms, locker rooms and showers (both male and female), Building Code and ADA compliance items, individual equipment lockers, and force protection upgrades

COST: \$4,252,000

SOURCE OF FUNDS:

State: \$2,126,000

Federal: \$ 2,126,000

**HISTORY:** This 64 year old facility has never received a comprehensive rehabilitation. Currently, this facility has 65 soldiers assigned (MNARNG Command Plan). There are no long term plans to replace or abandon it in the next 20 years.



Facility Condition Index: **64(Poor)**

**Justification:**

The ISR consistently rates this building “Red” for both mission and quality. The HVAC system is heat based only with cooling coming from energy inefficient units, that have short lifecycles. The facility is not compliant with ADA, fire suppression, mass notification requirements. This facility does not meet B3 requirements due to high demand mechanical components, and inadequate insulation.



# Rosemount Readiness Center

LOCATION: Rosemount

PRIORITY: 5

DESCRIPTION: Renovation of the Rosemount Readiness Center includes replacement of doors, replacement of mechanical, electrical, telecom and data systems, window replacement, exterior tuck-pointing, replace boiler, and repair exterior drainage issues. Upgrades include rest rooms, locker rooms and showers (both male and female), Building Code and ADA compliance items, individual equipment lockers, and force protection upgrades

COST: \$21,014,000

SOURCE OF FUNDS:

State: \$10,507,000

Federal: \$ 10,507,000

**HISTORY:** This 28 year old Armory has never received a comprehensive rehabilitation. The current unit assigned will be relocating to a new facility in 2020 due to the significant space shortfalls which currently exist, this project will facilitate a backfill unit in Rosemount.



Facility Condition Index: **63(Poor)**

**Justification:**

The ISR consistently rates this building “Red” for both mission and quality. The HVAC system require upgrades due to end of life of current system and to increase efficiency. The facility requires fire suppression upgrades and mass notification system. This facility does not meet B3 requirements due to high demand mechanical components, and inadequate insulation.



# Fergus Falls Readiness Center

LOCATION: Fergus Falls

PRIORITY: 6

DESCRIPTION: Renovation of Wadena Readiness Center includes replacement of doors, replacement of mechanical, electrical, telecom and data systems, window replacement, partial roof replacement, exterior tuck-pointing, replace boiler, and repair exterior drainage issues . Upgrades include rest rooms, locker rooms and showers (both male and female), Building Code and ADA compliance items, individual equipment lockers, and force protection upgrades

COST: \$4,390,000

SOURCE OF FUNDS:

State: \$2,195,000

Federal: \$ 2,195,000

**HISTORY:** This 63 year old facility has never received a comprehensive rehabilitation. Currently, this facility has 75 soldiers assigned (MNARNG Command Plan). There are no long term plans to replace or abandon it in the next 20 years.



Facility Condition Index: **54(Poor)**

**Justification:**

The ISR consistently rates this building “Red” for both mission and quality. The HVAC system is heat based only with cooling coming from energy inefficient units, that have short lifecycles. The facility is not compliant with ADA, fire suppression, mass notification requirements. This facility does not meet B3 requirements due to high demand mechanical components, and inadequate insulation.



The Path to Sustainability

# Readiness Center Transformation Master Plan (RCTMP)



# Readiness Center Master Transformation Plan - A Congressional Directive

Calendar No. 414

111TH CONGRESS } SENATE { REPORT  
2d Session } 111-201

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2011

### REPORT

(TO ACCOMPANY S. 3464)

ON

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 2011 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE AND FOR MILITARY CONSTRUCTION, TO PRESCRIBE MILITARY PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR, AND FOR OTHER PURPOSES

TOGETHER WITH

ADDITIONAL VIEWS

COMMITTEE ON ARMED SERVICES  
UNITED STATES SENATE



JUNE 4, 2010.—Ordered to be printed  
Filed, under authority of the order of the Senate of May 26 (legislative day, May 26), 2010

1. Review facility size, configuration and equipment standards.
2. Assess current facility condition and ability to support mission.
3. Assess supporting facilities (i.e. classroom and storage)
4. Recommendations for the placement of new Readiness Centers or the consolidation of existing facilities.
5. Recommendations for the enhanced use of Readiness Centers to facilitate ARNG family support programs during deployments .
6. Analysis of the feasibility of shared use of ARNG Readiness Centers with other local, state or federal agencies.
7. Provide prioritized investment strategy, with cost, to correct the most critical facility shortfalls.
8. Deliver report to Congress no later than February 1, 2011 (extended until December 31<sup>st</sup> 2014.)





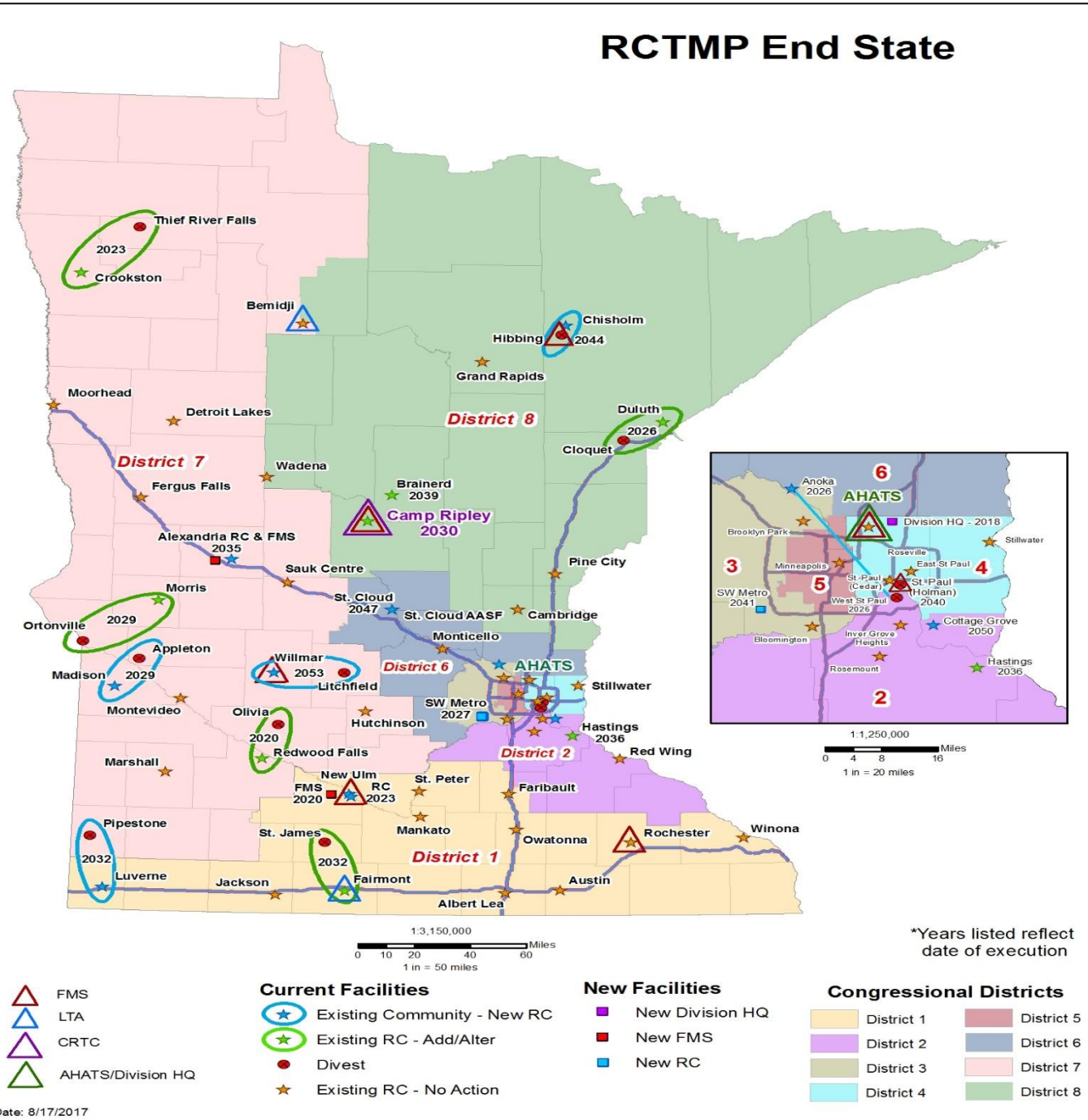
# RCTMP Summary

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1. Initial Plan assumes Nationwide Federal Funding for \$1 billion per year for 10 years and at least \$300 million per year thereafter.
2. Initial Federal request to establish a separate line in the President's budget for National Guard MILCON or establishment of a NGREA (National Guard and Reserve Equipment Appropriations) - like account for National Guard MILCON.
3. Initial Federal request also waives state share for RCTMP projects



# RCTMP End State



Date: 8/17/2017

\*Years listed reflect date of execution



# Questions:

**Minnesota Department of Military Affairs**

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