

House Research Act Summary

CHAPTER: 12 (Effective July 21, 2011)

SESSION: 2011 First Special Session

TOPIC: Capital Investment, Bonding

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Overview

This is the omnibus capital investment act. It appropriates a total of \$531,440,000 in general obligation bonds proceeds, of which \$33,862,000 is user-financing for a net total of \$497,578,000. For detailed information on the amounts and funds, see the spreadsheet by Koryn Zewers, House Fiscal Analyst for Capital Investment. <http://www.house.leg.state.mn.us/fiscal/tracking.htm>

Section

1 Capital improvement appropriations. Provides the summary by agency and fund sources.

2 University of Minnesota.

Subd. 1. Total appropriation. \$88,833,000

Subd. 2. Higher Education Asset Preservation and Replacement Account (HEAPR). \$25,000,000.

Subd. 3. Twin Cities campus. (a) Physics and Nanotechnology. \$51,333,000 to construct the new physics and nanotechnology building.

(b) Central Corridor transit way laboratory mitigation. \$12,500,000 to design and construct the relocated biomedical nuclear magnetic resonance imaging lab and mitigate impacts on other research labs at the University that are associated with LRT construction.

Subd. 4. University share. States that the HEAPR appropriation is intended to cover the whole cost of HEAPR projects and that the other appropriations are intended to cover two-thirds of project costs.

Subd. 5. Unspent appropriations. Requires any unused money appropriated for completed projects in this section to be used for HEAPR. Requires biennial reports to the legislature on activity under this subdivision.

3 Minnesota State Colleges and Universities.

Subd. 1. Total appropriation. \$131,586,000

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR). \$30,000,000.

Subd. 3. Anoka-Ramsey Community College, Coon Rapids. \$5,357,000 for the fine arts building renovation. This was a vetoed project in 2010.

Subd. 4. Hennepin Technical College, Brooklyn Park and Eden Prairie. \$10,566,000 for learning resource and student services renovation. This was a vetoed project in 2010.

Subd. 5. Metropolitan State University. \$3,444,000 to design and acquire land for a science education center.

Subd. 6. Minnesota State University, Moorhead. \$14,901,000 for the Livingston Lord library renovation. This was a vetoed project in 2010.

Subd. 7. Normandale Community College. \$21,984,000 to design and construct the academic partnership center and student services building.

Subd. 8. NHED Mesabi Range Community College, Virginia. \$3,000,000 to design and construct the Iron Range engineering program facilities. This was a vetoed project in 2010.

Subd. 9. St. Cloud State University. \$42,334,000 for the integrated science and engineering laboratory facility. This was a vetoed project in 2010.

Subd. 10. Debt service. Requires the board to pay the debt service on one-third of the principal amount, except for HEAPR.

Subd. 11. Unspent appropriations. Requires any unused money appropriated for completed projects in this section to be used for HEAPR. Requires biennial reports to the legislature on activity under this subdivision.

4 Minnesota State Academies. \$2,160,000 for asset preservation.

5 Natural Resources.

Subd. 1. Total appropriation. \$103,450,000

Subd. 2. Natural resources asset preservation. \$17,000,000. Includes repair and rehabilitation of an elevator shaft at Soudan Underground Mine and renovation and rehabilitation of Saint Croix State Park.

Subd. 3. Flood hazard mitigation. \$50,000,000. Requires levee projects, to the extent practical, to meet the state standard of three feet above the 100-year flood elevation. Lists possible project locations. Includes set-asides: \$3 million for

Georgetown, up to \$16.5 million for Moorhead, up to \$6 million for Roseau, and \$1 million for New Ulm. Local share for property acquisitions in Clay County not to exceed \$1 million. To the extent the cost of a project exceeds 2 percent of the median household income in the municipality multiplied by the number of households in the municipality, the appropriation is also for the local share of the project.

Subd. 4. Roads and bridges. \$4,800,000 for roads and bridges in forests, state parks, trails and wildlife management areas.

Subd. 5. Lake Vermilion state park development. \$8,000,000

Subd. 6. Groundwater monitoring and observation wells. \$600,000 for new groundwater monitoring and observation wells statewide. May be used to seal obsolete monitoring wells.

Subd. 7. Coon Rapids dam renovation. \$16,000,000 to renovate the dam as an invasive fish species barrier. Permits use of design-build. There is no local cost share.

Subd. 8. State trail acquisition and development. \$5,800,000. Money for this program was vetoed in 2010.

Subd. 9. Lake Superior campground expansion. \$1,250,000 for a grant to Two Harbors to expand the campground. This was a vetoed project in 2010.

Subd. 10. Unspent appropriations. Permits use of up to 10 percent of unspent appropriations in this section for completed projects to be used for asset preservation.

6 Pollution Control Agency.

Subd. 1. Total appropriation. \$7,550,000

Subd. 2. Closed landfill cleanup. \$7,000,000

Subd. 3. Capital assistance program. \$550,000 for the Pope/Douglas solid waste joint powers board to improve access to and expand the materials recovery facility in Alexandria. No match is required.

7 Board of Water and Soil Resources.

Subd. 1. Total appropriation. \$22,614,000

Subd. 2. RIM conservation reserve. \$20,000,000. Money for this program was vetoed in 2010.

Subd. 3. Area II Minnesota River Basin. \$1,000,000 for grants to local governments in Area II for floodwater retention systems. Requires at least \$1 nonstate for every \$3 state.

Subd. 4. Grass Lake. \$1,614,000 for work to restore the Grass Lake prairie wetland basin next to Willmar. This is a reauthorization of a prior grant that cancelled July 1, 2011.

8 Minnesota Zoological Gardens. \$4,000,000 for asset preservation.

9 Administration.

Subd. 1. Total appropriation. \$10,980,000

Subd. 2. Capital Asset Preservation and Replacement Account (CAPRA). \$2,830,000

Subd. 3. Asset preservation. \$8,150,000. Includes up to \$4,000,000 for work on the Capitol building.

10 Enterprise Technology. \$5,659,000 for state data center facilities and decommissioning old facilities.**11 Military Affairs.**

Subd. 1. Total appropriation. \$5,605,000

Subd. 2. Asset preservation. \$3,775,000

Subd. 3. Camp Ripley state education complex. \$1,830,000 for predesign and design of an addition to the existing center.

12 Public Safety.

Subd. 1. Total appropriation. \$8,700,000

Subd. 2. Hennepin County regional communications center. \$4,700,000 for a grant to the county for a regional 911 emergency communications center.

Subd. 3. East metro fire safety training center. \$3,000,000 for a grant to Maplewood for the facility. This was a vetoed project in 2010.

Subd. 4. Regional public safety training center, Scott County. \$1,000,000 for a grant to the county for expansion of the center.

13 Transportation.

Subd. 1. Total appropriation. \$55,900,000

Subd. 2. Local bridge replacement and rehabilitation. \$33,000,000

Subd. 3. Local road improvement fund grants. \$10,000,000 for grants under the local roads of state or regional significance program and the rural road safety program.

Subd. 4. Railroad warning devices replacement. \$3,000,000 for replacement of active highway railroad grade crossing warning safety devices.

Subd. 5. Greater Minnesota transit. \$2,500,000 for capital assistance grants to pay up to 80 percent of nonfederal share.

Subd. 6. Port development assistance. \$3,000,000 for the program. Money for this program was vetoed in 2010.

Subd. 7. Airport infrastructure. \$3,700,000 for capital assistance grants to

rehabilitate runways at publicly owned airports

Subd. 8. Rail service improvement - St. Louis Park noise barrier. \$700,000 for a noise barrier at the freight rail switching yard. This is a reauthorization and modification of an appropriation for the McLeod County Regional Railroad that cancelled July 1, 2011.

14 Metropolitan Council.

Subd. 1. Total appropriation. \$25,000,000

Subd. 2. Transit capital improvement program. \$20,000,000 for transitways and facilities listed. Money for this program was vetoed in 2010.

Subd. 3. Metropolitan regional parks and trails capital improvements. \$5,000,000

15 Human Services.

Subd. 1. Total appropriation. \$13,900,000

Subd. 2. Asset preservation. \$4,700,000

Subd. 3. Early childhood learning and child protection facilities. \$1,900,000. Money for this program was vetoed in 2010.

Subd. 4. Minnesota Sex Offender Program (MSOP) treatment facilities - St. Peter. \$7,000,000 for renovation of the Shantz building.

Subd. 5. Remembering with dignity. \$300,000 for grave markers or memorials on public land with unmarked graves of deceased residents of state hospitals or regional treatment centers.

16 Veterans Affairs. \$2,300,000 for asset preservation. Permits use of up to \$720,000 for a grant to the city of Hastings for repair and replacement of sewer line and related improvements if they are transferred to the city. Permits transfer to the city for no consideration.

17 Corrections. \$19,000,000 for asset preservation.

18 Employment and Economic Development.

Subd. 1. Total appropriation. \$25,450,000

Subd. 2. Greater Minnesota business development public infrastructure grant program. \$4,000,000. Exempts the city of Thief River Falls from a match.

Subd. 3. Innovative business development public infrastructure grant program. \$5,000,000.

Subd. 4. Bloomington - Lindau Lane corridor. \$15,450,000 for a grant to the city of Bloomington for safety improvements. Requires \$2 nonstate match for each \$1 state.

Subd. 5. Hennepin County - Minnesota African American History and Cultural Center. \$1,000,000. Requires a nonstate match. This was a vetoed project in 2010.

- 19 Public Facilities Authority.** \$20,000,000 for the wastewater infrastructure funding (WIF) program. Of this, up to \$1,000,000 is for a grant to the city of Albert Lea for demolition and renovation of water and sewer utilities.
- 20 Minnesota Historical Society.** \$1,900,000 for asset preservation.
- 21 Bond sale expenses.**
- 22 Bond sale schedule.** Sets the limit on the amount that may be transferred from the general fund to the state bond fund to pay debt service during the biennium.
- 23 Bond sale authorization.**
- 24 Bond sale authorizations reduced; cancellation.** Cancels the 2005 appropriation for the Minnesota planetarium. Reduces prior bond sale authorizations to reflect changes in prior appropriations for projects and 2010 vetoes.
- 25 Negotiated sales; temporary authority.** Extends for two years, the state's authority to issue bonds using negotiated sales in addition to competitive bidding. Section 38 makes the same change to the session law effective date.
- 26 Credit of proceeds.** Permits premiums received on the sale of bonds after December 1, 2012, to be credited to either the bond proceeds fund to reduce the par amount of bonds issued or to the state bond fund to be used in debt repayment. Currently, any premium received can only be credited to the state bond fund.
- 27 Conforming change related to section 26.**
- 28 2006, flood hazard mitigation grants.** Extends the availability of the appropriation.
- 29 2006, Northeast Minnesota rail initiative.** Extends the availability of the appropriation.
- 30 2006, 2008, 2010, Old Cedar Avenue bridge project.** Along with sections 36 and 45, modifies the project description and reduces the appropriation by \$1 million.
- 31 2008, Southeastern Minnesota regional public safety training center.** Recognizes as local match Olmsted County's expenditures made for the project on or after December 27,

2007. Reduces the appropriation.

- 32 **2008, Systemwide DHS campus redevelopment, reuse, or demolition.** Permits money appropriated for the Ah Gwah Ching RTC site to be granted to Cass County for the same purposes and allows the money to go to the city of Walker, if the city acquires the site. Reduces the amount set aside for the project which will allow use of the difference for other DHS projects. Reduces the amount set aside for the project which will allow use of the difference for other DHS projects.
- 33 **2008, Hennepin County Medical Center.** Modifies the project description to delete the outpatient clinic, teaching clinics and education center.
- 34 **2008, Minneapolis Veterans Home Campus.** Modifies the project description and along with section 46, shifts money to the 2010 project in building 17.
- 35 **2008, County and local preservation grants (Minnesota Historical Society).** Exempts the city of Hokah from the local match requirement.
- 36 See section 30 above.
- 37 **2009, Veterans Cemeteries.** Strikes Redwood County as the location for a new veterans cemetery and inserts the general locations of the southeastern and southwestern areas of the state. Provides for federal reimbursements for design costs to be reappropriated to the commissioner of veterans affairs to design the remaining cemeteries and then use the final reimbursement for asset preservation of veterans homes statewide.
- 38 See section 25.
- 39 **2010, Perpich Center, Alpha building; storage and maintenance building.** With section 40, reduces the amount appropriated for demolition and increases the amount for the storage and maintenance building, modifying the scope of the storage and maintenance building project.
- 40 See section 39.
- 41 **2010, Trail connections.** Exempts the Rocori trail from local match.
- 42 **2010, St. Mathias trail paving - Fort Ripley.** Corrects the grantee.
- 43 **2010, Fort Snelling Upper Bluff.** Permits the money to be used for all work necessary to rehabilitate the buildings and sites for occupancy.
- 44 **2010, state emergency operations center.** Authorizes the commissioner of administration, at the request of the commissioner of public safety, to acquire real property for right of access or use for the center in Arden Hills notwithstanding the statute that requires a specific appropriation.
- 45 See section 30.
- 46 See section 34.
- 47 **2010, Planning new veterans cemeteries.** See also section 37. Amends the session law relating to designating new veterans cemeteries and directs the commissioner of veterans affairs to give priority consideration to land owned and proposed for donation by Fillmore

County.

- 48** **2010, Dam renovation and removal.** Permits the appropriation also to be used for renovation of public streambeds adjacent to the dams.
- 49** **Acquisition of Easement; Minnesota Correctional Facility in Faribault.** Permits the commissioner of administration to acquire an easement for utility and access purposes to serve the state correctional facility in Faribault, notwithstanding the statute that requires a specific appropriation. An identical provision was also enacted in the omnibus public safety finance act. *See* Laws 2011, 1st spec. sess., ch. 1, art. 2, § 5.
- 50** **Effective date.** Effective the day after enactment.